BerryDunn

The Clinically Driven Revenue Cycle

Maine Rural Health Collaborative

August 18, 2020

Three part series on clinically driven revenue cycle

SESSION #	SESSION	DATE	FORMAT
1	Framework and fundamentals	August 17, 2020	Virtual
2	Best practices, best known methods, tools, and governance	September 15, 2020	Virtual
3	Capstone: Improving performance at your organization	October 9, 2020	In person/TBD

Learning objectives

- At the conclusion of this session, participants will be able to:
  - Understand how healthcare's revenue cycle has evolved
  - Learn the components of the clinically driven revenue cycle
  - Recognize opportunities to improve your organization's revenue cycle

Polling question #1

BerryDunn

Polling question #1

- Does your organization have a revenue integrity program?
  - Yes
  - No
  - I think so
  - I do not know

Predicting the future is a fool's errand, but there are some safe bets

- Medicare will continue to cut reimbursement
- Medicaid will continue to pay "Medicaid" rates
- New regulations will come along that make getting paid what we are owed more difficult
- Our Patient Accounting System will need an upgrades
- The country will continue to look for ways to decrease its healthcare spend

We need to be efficient and effective at **collecting** and **keeping** every dollar owned to our hospitals.

BerryDunn

Revenue cycle evolution

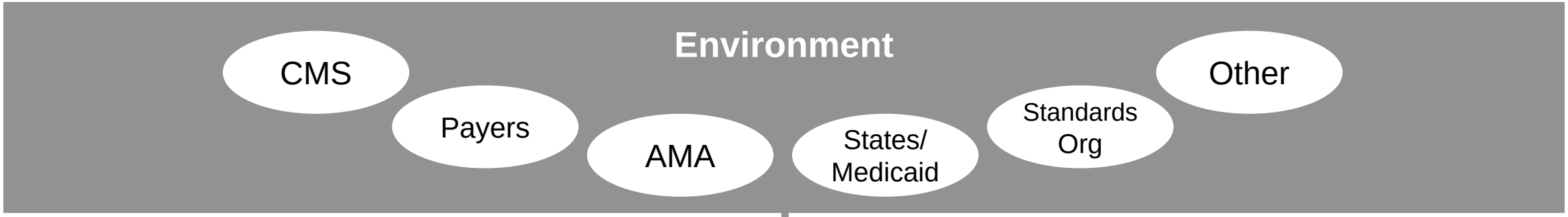
Mainframe and monochrome	• Paper forms and manual entry • Storage = filing cabinets
Back-end revenue cycle	• Revenue cycle as a discipline • Back-end editing and corrections
Movement to front-end	• Patient access • Getting it right the first time
Clinically driven revenue cycle	• Revenue integrity • Tight integration, automation, and coordination

FUTURE?

Clinically driven revenue cycle

- PAS/EMR are part of an integrated ecosystem
  - Very complex
- The clinical and financial “silos” are codependent
  - Documentation, ordering, and results trigger charges
  - Patient care implications

Managing the clinically integrated environment



Missing or failing to react to just one update can cause denials, compliance risk, and/or patient complaints

Changes to Content

- Gather
- Normalize
- Assimilate/deploy

Importance

- Compliance
- Lag time
- Revenue improvement
- Expense reduction
- Denials prevention

BerryDunn

With all the change……..

- Who educates your providers, coders, billers, patient access staff, and others?
- How are updates managed: CDM, EMR, external and internal orders, lab, rad, ABNs, authorization process and workflows
- Are auditing the complete continuum from scheduling to final payment?

Examples of the importance

- Emergency Department updates order set
  - Physicians like parts of their trauma order set and want it for other order sets
  - IT builds out order set

Problem: Order Set now ordering Thromboplastin Time (PTT) with every Prothrombin Time (PT) order

MDs, lab, IT, and revenue cycle did not notice or know this was an issue

Medicare placed organization on corrective action plan

Examples of the importance

- Annual code set update
  - New code added to unlisted skin substitute code
  - Built in CDM

Problem: Code not linked to the actual supply

Operating room continues to charge with wrong code

Hospital paid $0 instead of several thousand per case

Examples of the importance

- Physician practice hires new provider
  - Provider offers new services

Problem: Coding not educated, charges not built/available

Provider provides service and charges go uncaptured

Lost revenue, late charges, and rebilling

Examples of the importance

- Audits and significant paybacks, fines, and/or other costs
- Patient dissatisfaction
- Physician dissatisfaction
- Loss/delays in cash
- Underutilized technology

Polling question #2

BerryDunn

Polling question #2

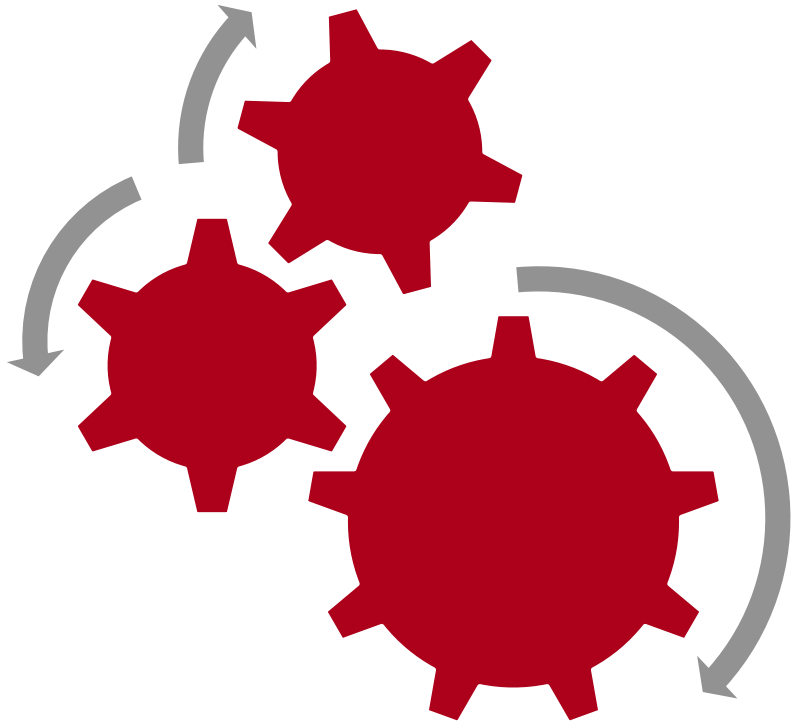
- Do your providers feel your organization provides them with adequate billing and coding education?
  - Yes
  - No
  - It depends on the provider
  - I do not know

Clinically driven revenue cycles demand a highly coordinated team

- **Coders**
- **Billers**
- **Clinical Informatics**
- **Senior Leadership**
- **Patient Access**
- **Finance**
- **Information Technology**
- **Credentialing**
- **Supply Chain**
- **Other**

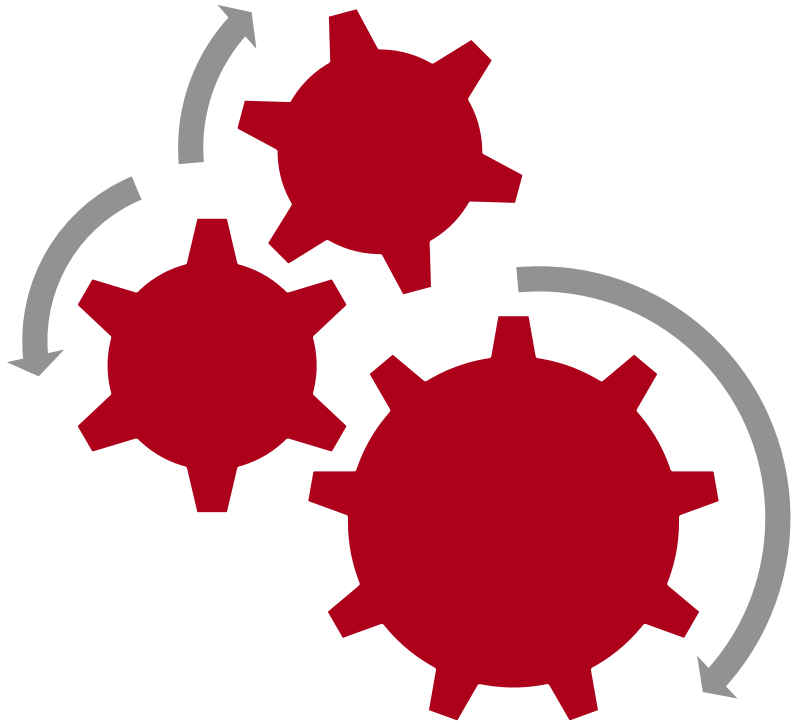
BerryDunn

Clinically driven revenue cycles demand a highly coordinated team



- All these roles are critical to success—the reality is that not all are:
  - Needed all the time; or
  - Available when needed

Clinically driven revenue cycles demand a highly coordinated team

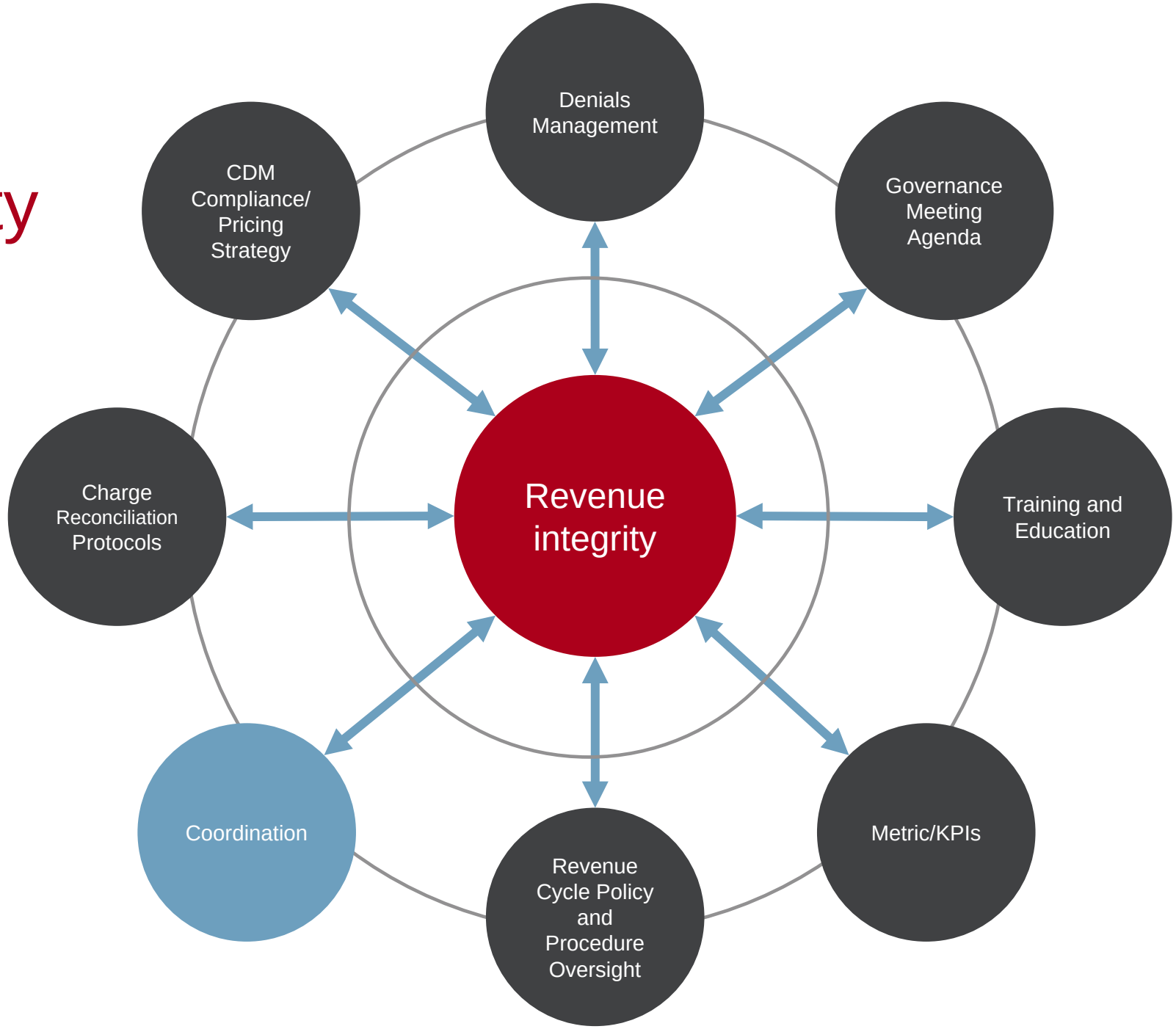


The solution is:

Revenue integrity framework + governance

BerryDunn

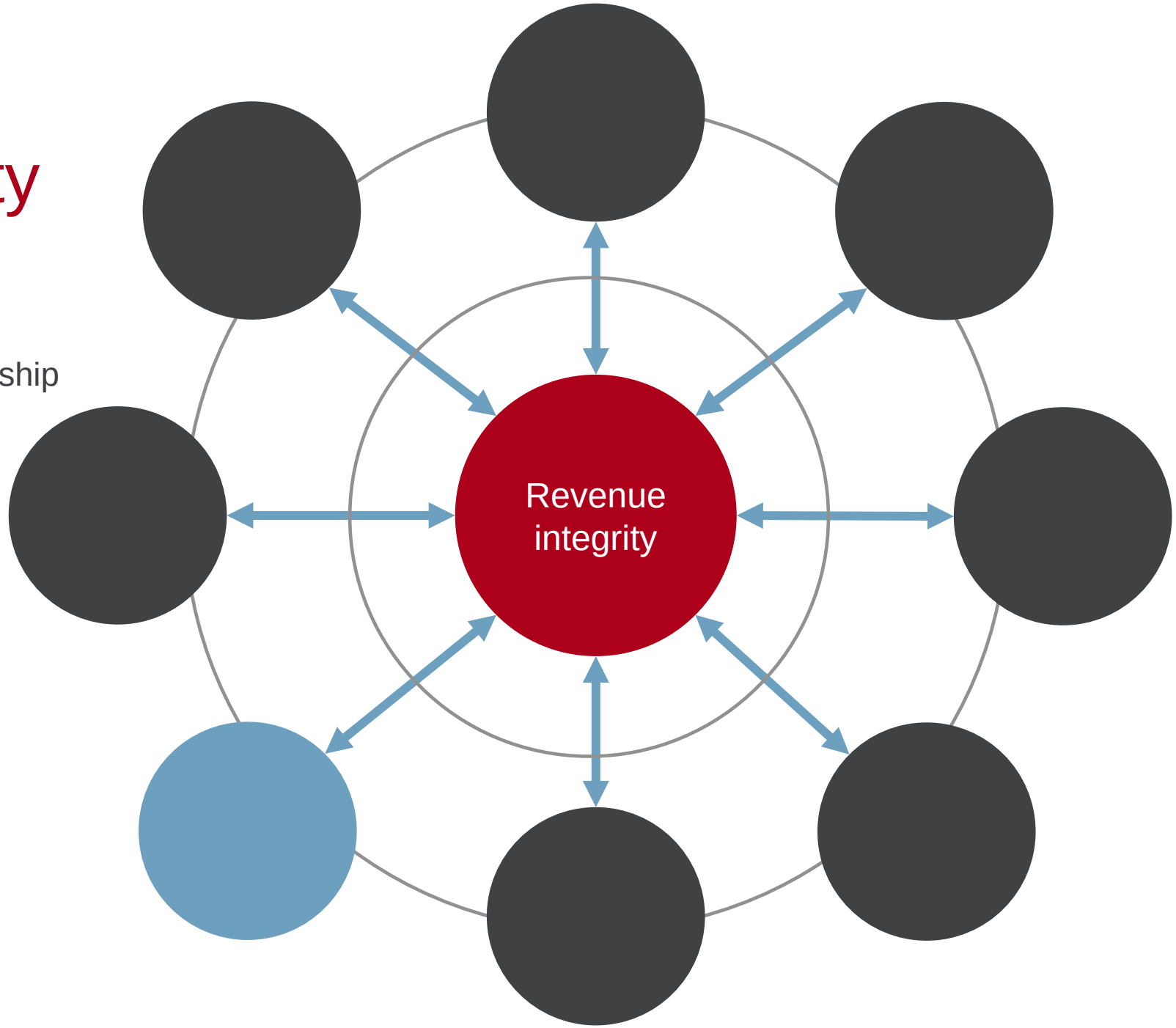
Revenue integrity framework



BerryDunn

Revenue integrity framework

- Revenue integrity needs ownership
- Ownership can be:
  - A person
  - Team
  - Department
- Owner(s) job is coordination of:
  - People
  - Process
  - Technology



BerryDunn

The pillars of revenue integrity

Revenue Cycle

Clinical Informatics

Care Providers/Departments

BerryDunn

The pillars of revenue integrity

Each pillar coordinates to:

- Incorporate changes across the revenue cycle continuum
  - CDM
  - Charge Capture
  - Clinical Documentation
- Test
  - What was changed and did the change result in the desired outcome(s)
- Audit and view audit results
- Create, update, and maintain policies and procedures
  - Charging
  - Reconciliation
  - Pricing

The pillars of revenue integrity

Each pillar coordinates to:

- Disseminate commercial and government payor updates and changes
  - Authorization requirements
  - Non-covered services
  - NCDs
- Review government and commercial payor audits
  - Fight findings
  - Prevent future occurrences
- Create accountability and improve results
  - Open charts
  - KPIs
  - Late charges
  - Missed/over charges
- And the list goes on and on

The pillars of revenue integrity

Keys to success:

- The pillars are not silos
- Production roles and revenue integrity priorities do not always mix
- Clinical informatics is not IT
- Education and change management is part of the plan not an afterthought
- Senior leadership involvement is critical

Polling question #3

BerryDunn

Polling question #3

- Creating a revenue integrity program for my organization would:
  - Require adding additional FTEs
  - Require changing roles and responsibilities but not adding FTEs
  - Require no changes as we already have a program
  - I do not know

Your homework

Homework

- Due back to Denny by Friday September 4th
  - E-mail to droberge@berrydunn.com
- Can be a team effort (preferred)
- Format does not matter (Visio, Word, crayon on a napkin)

Homework

- Scenario A: A practice is getting a new provider that does a new procedure.
- Scenario B: During a quarterly update, Medicare adds a new code that your hospital might use.
- Scenario C: Medicare just released its final rule for 2021 with many significant changes around telehealth.

Homework

- Your assignment: For 2 of the 3 Scenarios (extra credit for all three):
  - Map out the entire process in your organization for these scenarios
    - Who is involved and when
    - Note who owns what pieces of the process
    - What departments, people, and processes are touched
    - What systems are involved
    - What committees are involved, should be involved, or need to be created
    - Note any gaps or risks in your current process
  - There is no one way to complete this assignment (flowcharts, drawing, written,… other)

Session 2

- Lessons learned from the assignment
- Governance structure
- Best practice clinical informatics
- Revenue integrity: the who, what, and why
- Change management

Questions?

BerryDunn

Contact us

- Denny R Roberge, Senior Manager
- droberge@berrydunn.com
- 603.674.8781

BerryDunn

Thank you

BerryDunn