



trust  
**GAINED**

2019 HOSPITAL EXECUTIVE ROUNDTABLE

## The Kinetic Revenue Cycle

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# OBJECTIVES

At the conclusion of this session, participants will be able to :

- Understand how healthcare's revenue cycle has evolved and the potential and emerging revenue cycle possibilities
- Recognize opportunities to improve their organization's revenue cycle
- Identify ways BerryDunn can help improve their revenue cycle performance

## 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 upgrade
- The country will continue to look for ways to decrease its healthcare spend
- **AND**



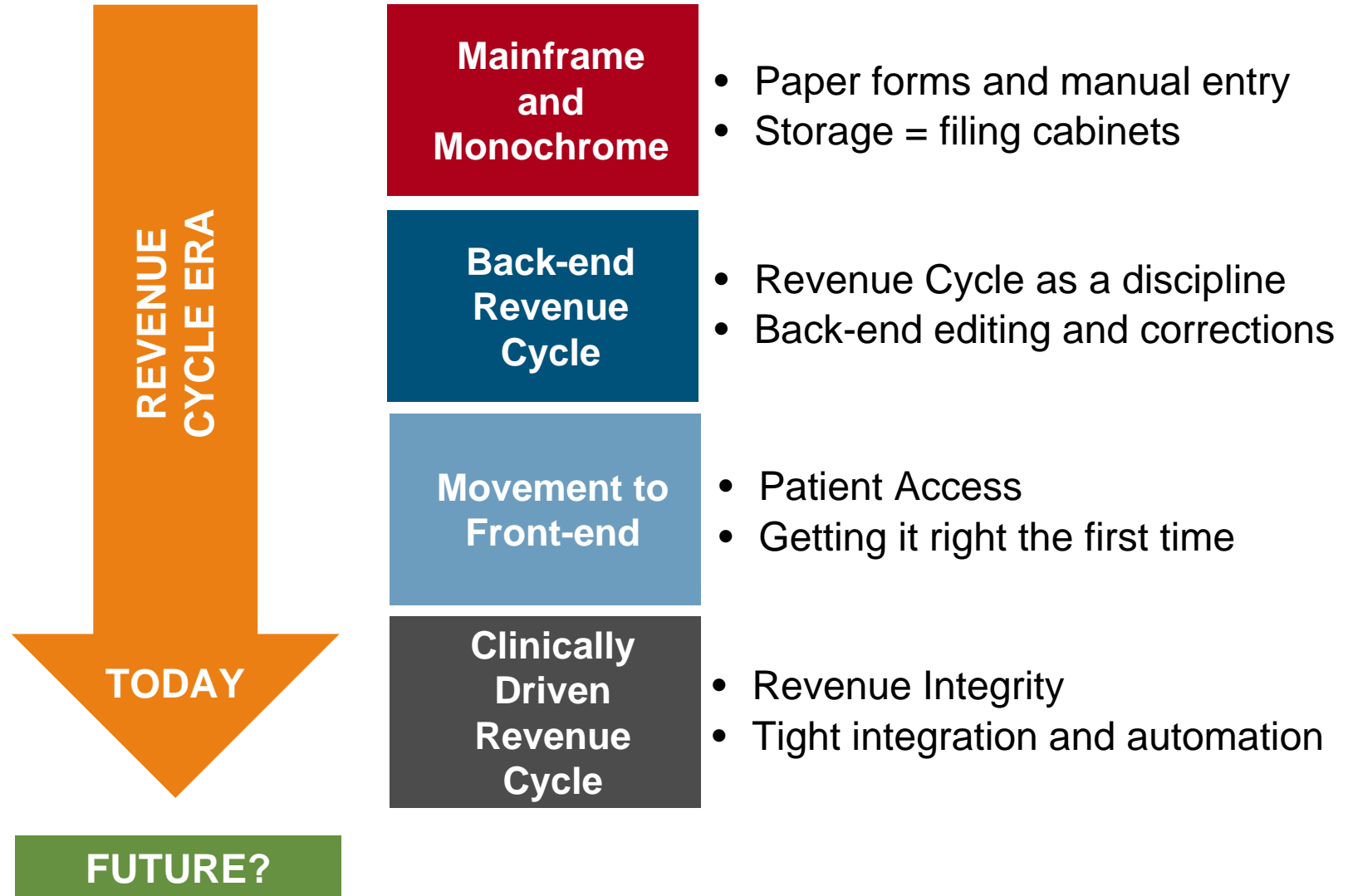
**THE YANKEES WILL WIN THE  
WORLD SERIES**



## **REVENUE CYCLE GOAL**

Timely collection of every dollar owed to the provider at the lowest cost

# REVENUE CYCLE EVOLUTION





## **CLINICALLY DRIVEN REVENUE CYCLE**

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

## ENVIRONMENT

CMS

Payers

AMA

States/  
Medicaid

Standards  
Org

Other

# MANAGING THE CLINICALLY INTEGRATED ENVIRONMENT

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



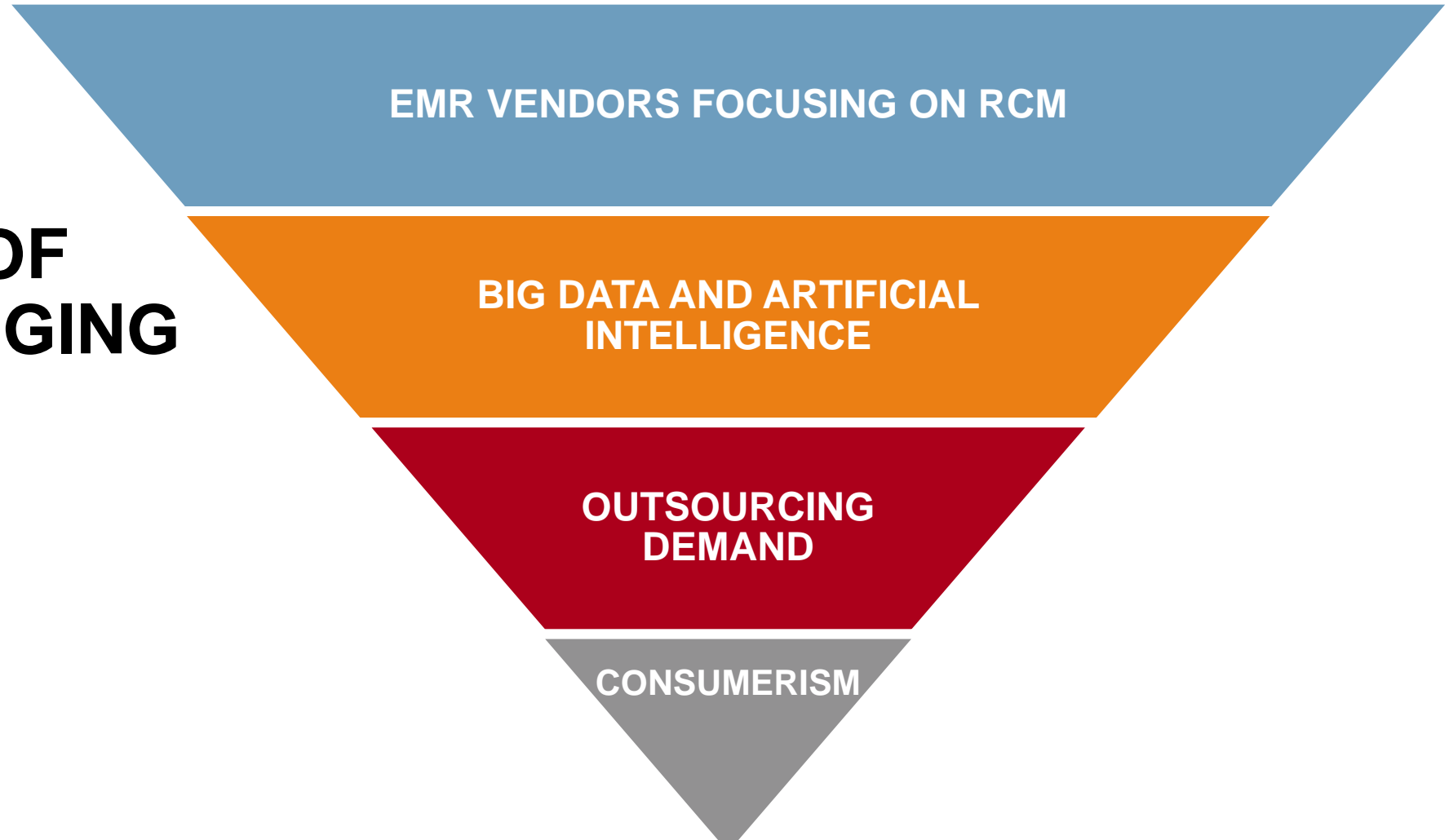
## CHANGES TO CONTENT

- Gather
- Normalize
- Assimilate/Deploy

## IMPORTANCE

- Compliance
- Revenue improvement
- Expense reduction
- Denials prevention

# DRIVERS OF THE EMERGING REVENUE CYCLE





# REVENUE CYCLE EVOLUTION



## Clinically Driven Revenue Cycle

- Revenue Integrity
- Tight integration and automation

- The revenue cycle continues to evolve: We are moving past the clinically driven revenue cycle

- What is next?

- Possibly the kinetic revenue cycle?

## POTENTIAL ENERGY = STORED ENERGY

- Massive EMR/PAS investments
- Bolt-on technologies
- Data and analytics
  - Denials
  - Payor analytics
  - Performance metrics
  - KPIs
- EDI data and transactions sets
  - Eligibility and benefits
  - Claim status
  - Electronic claims attachments
- Staff training and certification



IS YOUR RCM  
PERFORMANCE  
FULLY  
REALIZED?

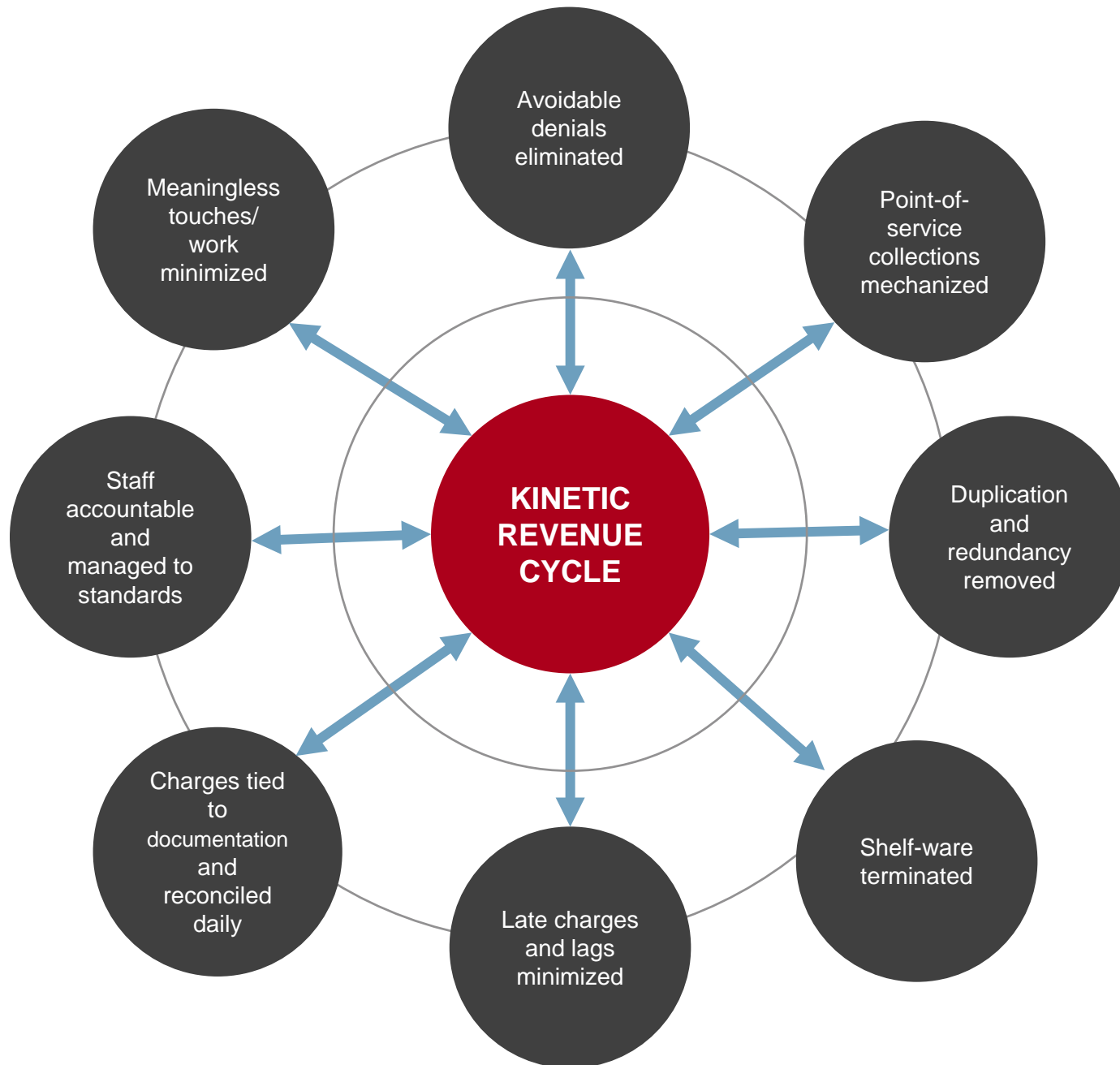
## KINETIC ENERGY = ENERGY THAT AN OBJECT OR SYSTEM HAS BECAUSE IT'S MOVING

- The future revenue cycle will not tolerate inefficiency
- Past RCM investments will return their stated ROI or be terminated/replaced
- Merger and acquisitions decisions or non-decisions will be scrutinized
- Centralization and standardization becomes necessary
- Staff performance, capabilities, and availability will dictate outsource strategy



**Clinically integrated revenue cycle was/is  
characterized by investment**

**Kinetic revenue cycle will be  
characterized by results and performance**



## THE TOOLS, TECHNOLOGY, AND PROCESSES ARE ALL AVAILABLE TODAY

Many providers are doing some of these but few providers are doing all well

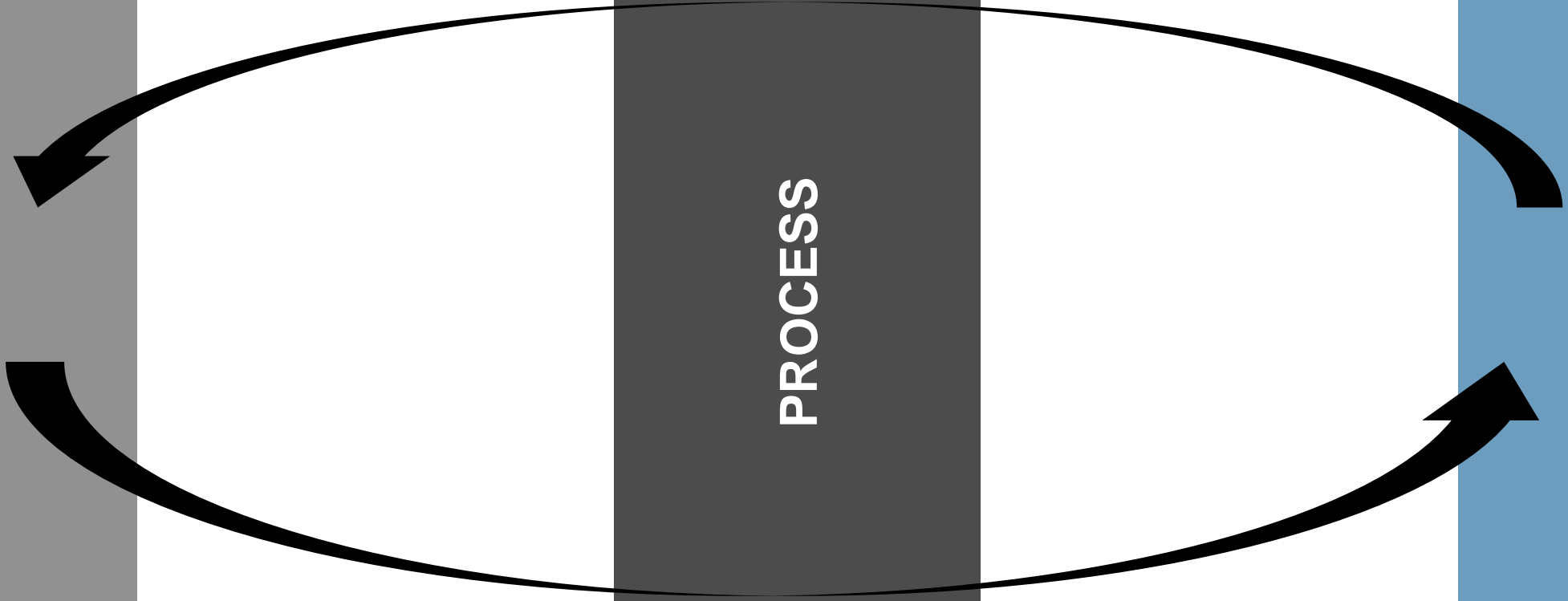
- The goals and benefits are well understood
- Time and resources seen as a major barrier to achieving goals
- The next generation of RCM cannot accept excuses from vendors and staff

# THE PILLARS OF KINETIC REVENUE CYCLE SUCCESS

PEOPLE

PROCESS

TECHNOLOGY



## REVENUE CYCLE STAFF

- Employees are the most valuable resource in the revenue cycle
- Many revenue cycles fail to fully realize the potential of their staff

### Kinetic revenue cycles

- Provide continued education to their employees
  - Top performing employees want to learn and advance
- Have quantifiable metrics and hold staff accountable to them
  - Accountability failures allow underperforming staff to go unnoticed while the top performers get frustrated
- Create career paths for top performers. Staff need the ability to realize their goals and potential and upward mobility motivates and rewards performance
- Top performing revenue cycles have a culture that embraces change and excellence with engaged happy staff
  - Negativity and uncertainty of staff will cause revenue cycle demise

## REVENUE CYCLE PROCESS

Technology alone will never solve a problem.

### Kinetic revenue cycles

- Optimize their processes along with new or current technology
- Minimize/eliminate duplication, touches, handoffs, and processes that do not add value
- Continually optimize edits, workflows, and processes to prevent errors and/or route them to the offending source. This provides guardrails, feedback, and accountability.
- Creates tight coordination between clinical and financial functions
  - No charge left behind
  - No surprises
- Minimized touches, work goes to the right person at the right time
  - No workqueue whack-a-mole

## PATIENT ACCOUNTING SYSTEMS (PAS)

This is the source-of-truth and the engine of the revenue cycle. Regardless of where an organization is in its patient accounting system life cycle, there are always opportunities to improve these systems.

### Kinetic revenue cycles

- Leverage PAS system's inherent strengths and recognize deficiencies
  - Use “bolt-on” vendors to supplement revenue cycle needs not satisfied by their PAS software
  - Continually evaluate need and benefit of “bolt-on” vendors and compare to competition
- Communicate deficiencies and gaps to their PAS vendor and participate in user groups to promote issues and to understand if/when required functionality will become available
- Engage with other systems using the platform, attend user forums and meetings, and engage with their vendor to find real solutions to problems



## OUTSOURCING

- Very few, if any, providers have the infrastructure, resources, or size to do everything efficiently and effectively.
- What is outsourced, how it is managed, and vendor selection differentiates top performers and can impede providers from realizing their potential.

### **Kinetic revenue cycles**

- Evaluate the full cost versus the benefits of doing things internally or relinquishing a function of their revenue cycle.
- Use solid financial modeling and align with long-term system plans when evaluating outsource decisions.
- Are comfortable outsourcing functions where it more efficient and financially beneficial.
- Manage their vendor's performance and hold them accountable to strict service level standards. After all, the system's financial success is often tied to these vendors. If they are contacting your patients, they are also the face of your organization.

# EVOLVING TO KINETICS REVENUE CYCLE

## CURRENT STATE ANALYSIS

- Where is the organization today
- What is possible
- What is the ROI associated with optimization activities

## PLANNING (AND MORE PLANNING)

- Identify the easy high RIO wins
- Create meaningful milestones and celebrate success
- Budget for the needed technology, people, and process changes and offset costs by measuring financial improvements

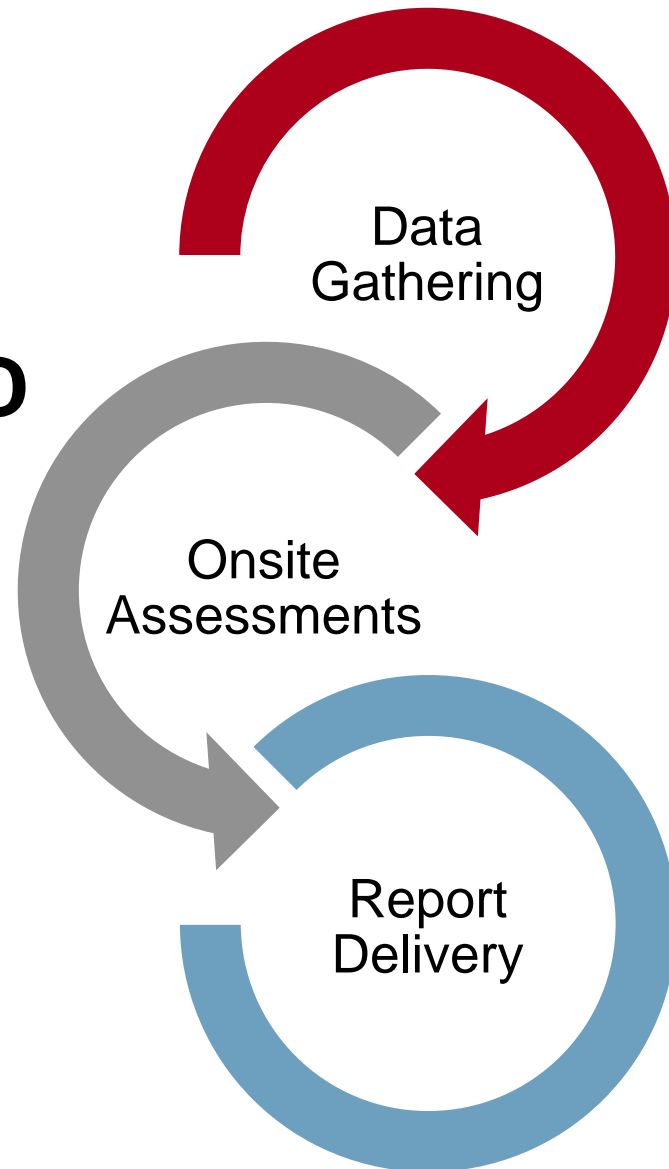
## GOVERNANCE

- Senior leadership oversight and commitment
- Ownership and accountability of each task
- Teamwork and dedication

## METRICS AND ACCOUNTABILITY

- Teams must objectively know if they are succeeding or missing targets
- Individuals need visibility into their performance
- Top-down and bottom-up feedback ensures alignment
- Sustainability demands real-time results. Month-end is too late.
- Metrics and results inform plans and remedial activities

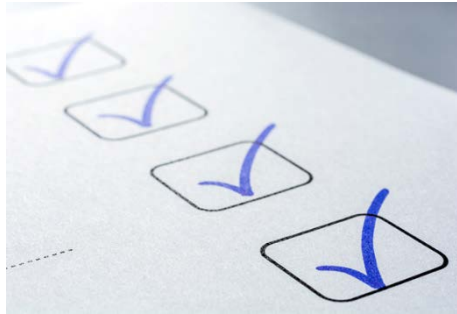
# BERRYDUNN REVENUE CYCLE REPORT CARD PROCESS



## BERRYDUNN DIFFERENCE

- Invaluable, independent insights and value with a simple process
- Leverage data and reports readily available or leverage alternative methods
- Respect limited IT resources
- Provide meaningful results, metrics, and tools. Not just a consulting assessment!

# BERRYDUNN REVENUE CYCLE OFFERINGS



**ASSESSMENTS/  
RCM REPORT CARD**



**CHARGE MASTER  
(CDM)**



**PRICING  
TRANSPARENCY**



**EMR/PAS  
IMPLEMENTATION  
AND OPTIMIZATION**



**INTERIM  
MANAGEMENT**



**TRANSFORMATION**



**BILLING AND  
CODING AUDITS**



**OTHER (PEOPLE,  
PROCESS, AND/OR  
TECHNOLOGY)**



# QUESTIONS

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