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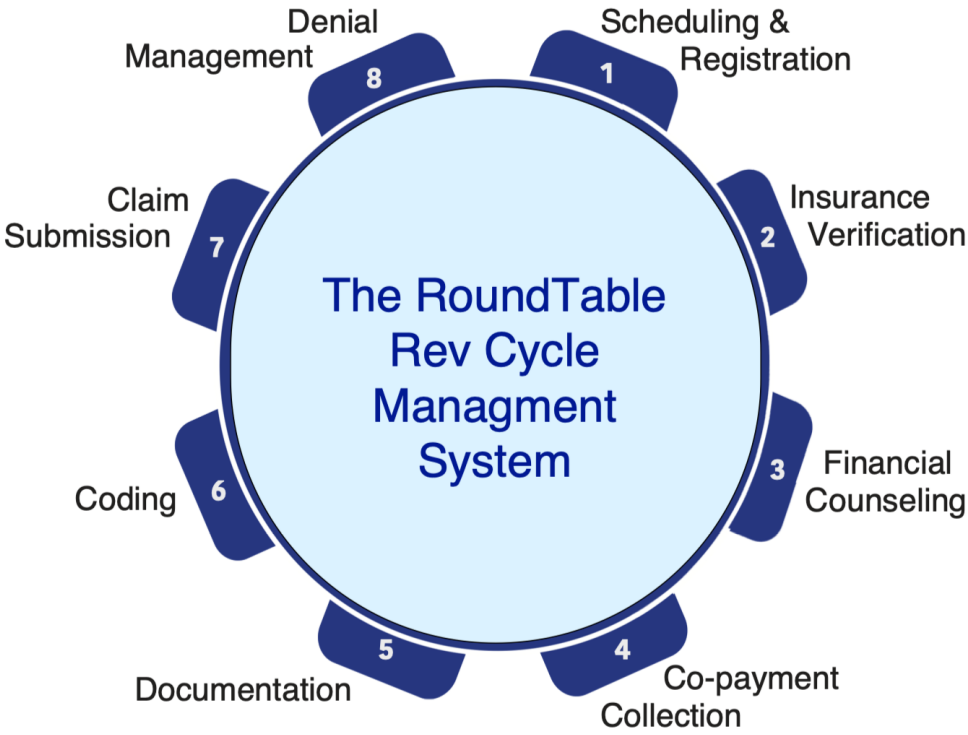
10 Tips for Efficient Revenue Cycle Management

From the **patient's initial appointment or encounter** with the healthcare system to their **final payment of balance** - ***that's the healthcare revenue cycle***. How can you make that a **more cost-effective, streamlined process** for your patients and staff?



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Rev Cycle Management Tip #1

Corporate or Invoice Accounts

Agreements with local employers, law enforcement, the Department of Transportation, etc. for assessments in the ED, physicals, and other services frequently **require billing either through a monthly invoice and/or the use of unique custom CPT codes linked to the guarantor**. Often, these services are not billed on a schedule, registered to multiple guarantors with incorrect addresses, or not billed at all.

- Review your agreements and contracts and make a list with contacts, contact and claims addresses, contract terms and unique codes if applicable.
- Make sure accounts are being billed to the correct guarantor and update the account information.
- Check to see if the accounts receivable is being worked by the billing office or finance department as applicable.

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Rev Cycle Management Tip #2

Payment Posting

Payments (>97%) should be posted electronically via an **Electronic Remittance Advice or ERA**. Manual posting is usually necessary because of systems issues or payers cannot send payments electronically, so the ***volume of manual posts can be hundreds or thousands***. Accurate payment posting is critical to ensure accounts reflect payments, denials, credits and take backs. **Accounts receivable staff can't focus on collecting outstanding claims if they need to continually research and correct manual posts.** Worst-case scenario (*and it happens frequently*) - accounts are so difficult to fix that they are not corrected or collected.

➢ Ensure that staff, especially those who do not do so regularly, are **trained to manually post accurately**.

➢ **Periodically require staff to post manually**, so they are able to post quickly and accurately when necessary.

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Rev Cycle Management Tip #3

Take Backs

Payers contract with outside firms to review paid claims and determine if there are claims paid in error. One of the most **common reasons for a 'take back' is non payment of the patient's premium**. But often the reason is not entirely clear and has to be researched – a time consuming and laborious process. Frequently, a list of accounts is sent to the provider's correspondence address, and a response deadline given before the payment is taken back.

➢ Make sure you know how payers are notifying you of take backs and **ensure the correspondence is going to the correct person**.

➢ **Ask for an extension** if your staff cannot research the accounts before the deadline.

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Rev Cycle Management Tip #4

Tax IDs or TINS

Frequently, the framework for assigning tax IDs or TINs is created to track revenue by provider, group or location. It is common for **some groups or systems to have multiple TINs** and for providers to be credentialed under multiple TINs. This may make revenue tracking easier, but it makes credentialing, payment posting, account follow and billing office reporting vastly more time consuming and error prone.

➢ **Develop a schema for assigning TINs** (e.g., assign all facilities in one state to a TIN) and consolidate TINs whenever possible.

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Rev Cycle Management Tip #5

Insurance Master Files/Dictionaries

Picking the correct insurance at the time of registration is critical. It ensures that the patient is eligible for services and, ultimately, that **the provider can get paid**. Frequently, *the way insurance files are set up makes it is almost impossible for the registrar or patient service representative to pick the correct payer*. For example, a payer may have 10 different plans in your market and their descriptions make it difficult to select the correct one. If the wrong plan is selected, the eligibility tool may verify they have coverage but when the claim is adjudicated, it turns out the patient had an HMO and the service is not covered.

- Review the insurance files to **remove old or redundant files**.
- Develop a **standard protocol for naming plans**.
- **Train staff to read insurance cards** so they can select the correct plan.

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Rev Cycle Management Tip #6

Financial Counseling

With more **high deductible plans**, **narrow networks**, and **the loss of coverage**, *the need to work with patients to help them get the care they need, while ensuring the amounts collected are fair and reasonable, has never been more important*. If there is no program to assist patients and the front desk staff has to set up payment plans, refer patients to charitable organizations, help the patient complete paperwork to obtain financial assistance or review and determine fees based on your organizations sliding fee scale, collections will suffer.

➢ **Create a formal financial counseling process** that begins before the patient is seen and does not involve the front desk staff.

➢ **Remind patients of outstanding balances before they arrive for their appointment** and set up a system that allows staff to collect over the phone.

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Rev Cycle Management Tip #7

Nursing Home/Asst Living Facility Charges

Chances are that if staff treat patients in these facilities, **accurate registration information is difficult to obtain**. Often providers have to get paper copies of the registration information and bring it to the billing office so an account can be created and services billed to the payer. Frequently, the information is outdated or incomplete.

➢ **Determine if your staff can have access to the registration systems** at your affiliated institutions.

➢ If not, **identify a person(s) in the facilities admitting and billing office that your staff can contact** to get copies of insurance cards and registration information.

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Rev Cycle Management Tip #8

Fee Tickets and Codes

While many practices or systems have eliminated paper fee tickets, they are still used for satellite clinics and other locations where providers may be using a different scheduling system or EMR. Frequently, the **CPT and ICD-10 codes are out of date or not specific**. *If the billing office, coding staff or others have to reach out to the provider with a long lists of problem claims, it can take weeks to get a response.*

➢ At least annually, when the CPT and ICD 10 codes are updated, have a team of coders and billers **review the paper tickets to ensure they are up to date and legible**.

➢ **Follow up with providers** who consistently select outdated, or incorrect codes.

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Rev Cycle Management Tip #9

Tackling Large Projects in the CBO

Most revenue cycle managers have numerous projects that need to be scoped out and managed. **Some are very large and complicated and involve numerous clinical, ancillary and administrative departments.** The payoff in collections and efficiency may be significant and quantifiable but the support, time restrictions and follow up necessary to deliver is daunting and **deadlines are often missed**.

➢ Make a list of all the projects that need to be started. **Assign a priority to each one** and decide who needs to be on the team to accomplish the goal(s).

➢ **Determine the steps and timing for each major milestone** and keep track of the team's progress.

➢ **Consider hiring a project manager** for the department if the projects are too numerous or complicated to manage with the current staff.

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Rev Cycle Management Tip #10

Charge Capture

If providers are rounding in the hospital or providing services in specialty areas such as Labor and Delivery or specialty procedure rooms, and paper fee tickets are still being used to capture charges, chances are *many charges are being missed*. **Many EMRs and software vendors have products that allow providers to get feeds directly** from the Admission, Discharge and Transfer (ADT) system at the hospital or directly from the scheduling software used.

➢ **Determine if access to this software is available to staff and if the billing office can have view-only access to the information.** This will make charge capture and reconciliation faster and easier.