

Delta Region Community Health Systems Development Program

Revenue Cycle Management Best Practice Check List

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This revenue cycle best practice check list is obtained from Appendix C in the *Revenue Cycle Management Best Practice Guide*. Use this check list to review your hospital’s current processes to evaluate the opportunity for adopting best practices. This check list is intended to be used in conjunction with the guide.

Patient Centered Revenue Cycle		
Best Practice	Current Process	Next Steps
Put the patient at the heart of the revenue cycle process		
Encourage revenue cycle staff to help build a better business for the hospital by acting as an agent for patient satisfaction and ultimately, loyalty and relationship management		
Provide both verbal and written explanation to patients		
Bring consistency, clarity, and transparency to patient financial discussions		

Scheduling and Pre-Registration

Best Practice	Current Process	Next Steps
Centralize scheduling for services that allows patients to have one place to schedule all services and to inform patients of required		
Provide scripts for staff to follow to provide consistent, high quality customer service		
Complete prior authorization to meet medical necessity when required		
Educate patients about their insurance benefits to include the amount of copayments, deductibles, and coinsurance for which they would be responsible for paying at the time of service		
Conduct financial screening to identify patients early that may need financial assistance or charity care to afford services. Offer sliding fee scale options when appropriate.		
Establish financial counselors to support uninsured patients to complete assistance applications		
Collect co-payments, deductibles, coinsurance, and patient balances from historical visits at time of service		
Offer prompt pay and self-pay discounts		
Have clearly defined policies and procedures		

Scheduling and Pre-Registration

Best Practice	Current Process	Next Steps
Enter all services into an online scheduling system		
Integrate IT systems for scheduling and pre-registration functions Develop process to ensure physician order is available at the time of scheduling or process in place to obtain ahead of service date		
Provide verbal and written explanation of hospital policies to the patient		
Provide reminder calls to patients and include discussion regarding patient balances and point-of-service (POS) collection policies, confirm third party coverage, and restate proper clinical preparation for the service		

Patient Registration and Admissions

Best Practice	Current Process	Next Steps
Complete patient insurance verification for all visits		
Pre-determine if services will meet medical necessity		
Provide the <u>Advanced Beneficiary Notice of NonCoverage (ABN)</u> to all patients when Medicare may not cover a provided service		
Utilize electronic tools such as to clinical decision support for evaluating patient placement		
Provide ongoing education on medical necessity to clinical and non-clinical staff		
Identify charity care patients early and offer sliding fee scale options when appropriate and in accordance with organizational policies		
Collect co-payments, deductibles, and previous balances at time of service		
Offer prompt pay and self-pay discounts		
Have clearly defined policies and procedures		

Revenue Integrity		
Best Practice	Current Process	Next Steps
Have clearly defined policies and procedures related to revenue integrity functions		
Have a Clinical Documentation Integrity (CDI) team to improve clinical documentation		
Hold department managers responsible for monitoring revenue and usage via charge reconciliation processes		
Educate and train staff on appropriate charging and reconciliation processes		
Invest in a strong charge description master (CDM) team and maintenance process		
Develop pricing strategies based on market-based data		
Perform an annual review to update pricing		
Identify and monitor departments with charge capture issues and develop processes for improvement		
Establish an interdisciplinary team with a goal of overseeing processes such as: <ul style="list-style-type: none"> • Conducting chart audits • Monitoring revenue and usage • Overseeing CDM issues • Determining billing issues related to charges • Reviewing managed care contracts • Monitoring pricing updates 		

Emergency Room Admissions

Best Practice	Current Process	Next Steps
Assess how the emergency department reaches the <u>Evaluation & Management (E&M)</u> levels		
Determine the actual distribution of E&M levels following correction		
Pull out procedure charges and bill separately		
Monitor the emergency room (ER) admission rate for inpatient and observation services		
Manage an ER re-direct program to collect co-payments, deductibles, and any previous balances from non-emergent patients following the EMTALA screening and/or attempt to move the patient to the more appropriate level of care by either redirecting them to a walk-in clinic or scheduling them in the clinic the next day		
Have clearly defined policies and procedures		

Charge Capture and Coding

Best Practice	Current Process	Next Steps
Use concurrent coding to improve medical necessity documentation		
Hold weekly nursing and HIM team meetings to discuss medical necessity documentation and charge capture opportunities		
Hold ancillary department managers responsible for reviewing the prior day's charges in order to identify errors		
Train ancillary staff on appropriate charging and reconciliation		
Hold weekly interdisciplinary team meetings to engage managers and build department accountability		
Hold weekly interdisciplinary team meetings to determine issues that put the facility at risk, which may include: <ul style="list-style-type: none"> • Conducted chart audits • Review system reports such as one day stays and cumulative totals for each ER level 		
Develop processes that clarify what a separately reportable charge for outpatient services is		
Develop a process for regularly reviewing pharmacy charges by auditing the medical records versus charges and claims for injections versus drugs		
Establish a formal process that involves the business office and department managers to review existing charge codes and to establish new charge codes		
Develop pricing strategies based on market-based data		

Charge Capture and Coding

Best Practice	Current Process	Next Steps
Use concurrent coding to improve medical necessity documentation		
Hold weekly nursing and HIM team meetings to discuss medical necessity documentation and charge capture opportunities		
Perform an annual review to update pricing		
Hold quarterly meetings with department managers and BO to conduct a review and update chargemaster		
Review third party contracts		
Have clearly defined policies and procedures		

Utilization (Care) Management		
Best Practice	Current Process	Next Steps
Have clearly defined roles differentiating Utilization Review and Case Management functions		
Utilize non-clinical support team members to perform as many of the non-clinical administrative tasks as possible		
Include in the Utilization Review Committee members from multiple disciplines including utilization review, case management, revenue integrity, compliance, contracting, clinical documentation improvement, and other areas where operational change in one area can significantly impact the performance of another		
Monitor length of stay trending and impact on throughput and revenue		
Critical Access Hospitals are required to maintain an annual average length of stay of 96 hours or less		
Convene the Utilization Management oversight committee to meet monthly, and include data related to outlier cases, clinical denials, length of stay trending, by floor, physician, and MS-DRG		
Utilize a physician advisor with concurrent denial peer to peer process with payers		
Have thorough understanding of the Medicare 2 Midnight Rule and retrospectively review all Medicare stays with a zero to one day length of stay for status appropriateness		
Ensure medical necessity for admissions, by applying current, admission criteria to 100% of medical cases placed in hospital beds with a time-specific deadline after admission		
Use the utilization review process to verify physician admission orders, patient class, admission date and time in the electronic health		

Utilization (Care) Management

Best Practice	Current Process	Next Steps
record and the Admission Discharge Transfer event system (if separate)		
Document admission reviews, discharge planning, and related care planning in an auditable format that demonstrates a consistently followed care management process		
Automate payer notification of hospitalization when possible		
Utilize criteria to identify the patients likely to have the most complex discharge planning needs early in their hospitalization		
Perform review of readmitted patients to identify root-cause and develop prevention actions going forward		
Identify the post-acute service providers where high volumes of patients are discharged to, and form mutually beneficial relationships		

Timely Filing		
Best Practice	Current Process	Next Steps
Monitor the filing of claims in accordance with payer requirements		
Determine the percentage of claims not filed before the timely filing deadline		
Developing a transaction code used to track write-offs due to timely filing		
Have clearly defined policies and procedures to be followed by billing staff		

Billing and Collections		
Best Practice	Current Process	Next Steps
Stratify the accounts by amount and aging to prioritize efforts		
Identify Medicare separate from commercial accounts		
Have clearly defined policies and procedures		
Educate staff on: <ul style="list-style-type: none"> • Payer contract requirements • How to verify coverage • How to appeal coverage determinations • Timely filing rules • Fee schedules • Special billing requirements 		

Denial Management		
Best Practice	Current Process	Next Steps
Monitor denials for reporting and resolution		
Offer utilization management services for assisting physicians in determining appropriate status assignment for Inpatient and Observation services		
Designate a team of individuals to appeal denials for reconsideration of payment		

Revenue Cycle Management Key Performance Indicators (KPI)		
Best Practice	Current Process	Next Steps
Hold weekly RCT meetings <ul style="list-style-type: none"> ○ See Table 1: Roles In High- Performance Revenue Cycle 		
Track and monitor KPI <ul style="list-style-type: none"> ○ See Table 2: Common KPIs 		
Utilize dashboards to drive performance		

Telehealth		
Best Practice	Current Process	Next Steps
Understand state and federal regulatory requirements		
Apply billing guidelines and documentation requirements		
Utilize Health Insurance Privacy and Portability Act (HIPAA) - Compliant technologies and appropriate Business Associate Agreements		

Compliance Program		
Best Practice	Current Process	Next Steps
Designate a compliance officer and compliance committee		
Develop compliance policies and procedures, including standards of conduct		
Develop open lines of communication		
Perform internal auditing and monitoring		
Respond to detected deficiencies		
Enforce disciplinary standards		