



# How to Ensure Departmental Revenue Cycle Accountability and Ownership

National Rural Health Resource Center  
Rural Hospital Performance Improvement (RHPI) Project

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**STROUDWATER ASSOCIATES**

How's your revenue cycle foundation?

# Chargemaster



Front End

Back End

- Unclear responsibilities
  - Lack of communication
  - Unclear expectations
  - Inconsistent feedback
  - Assessment based on personality not ability
- Lack of challenge
- No opportunities for advancement
- Dissatisfaction results in:
  - Low morale
  - Lack of revenue capture
  - Compliance issues

- Feelings are usually top drivers for employee satisfaction
  - Feeling of inclusion
  - Feeling of appreciation
  - Feeling of respect
  - Money and advancement usually at the bottom of Employee Top 10 Surveys

- Develop an audit process
- Ask for feedback from the team
  - Production expectations
  - Quality expectations
  - Customer service expectations
  - Education and training opportunities
- Develop a comprehensive revenue cycle process
  - Create a mission for all teams
  - Ensure representative inclusion
  - Ensure proper participation

- Production goals by area
- Clinical departments
  - Average patient visits by modality per hour
  - Co-pay collection rates
  - Total revenue capture per patient
  - Average wait time for patients
- Business Office
  - Average encounters per day/hour
  - Average claims resolved per day/hour
  - Average remits posted per day/hour
  - Average calls handled per day/hour

# Clear and Obtainable Quality Expectations

- Establish fair and realistic quality standards to be applied equally to each team
- Ensure that administration provides the information and resources necessary to perform tasks
- Quality expectations apply to:
  - Clinical interactions
  - Revenue cycle components
- Communicate expectations, rewards, and consequences
- Offer training in areas identified from team feedback

- Determine quality benchmarks
- Communicate expectations
- Develop objective audit mechanisms
- Provide feedback and training
- Evaluate for process improvement
- Repeat audits regularly
- Be consistent

- Who is responsible for contents of the order entry dictionary?
- Within the department, who owns the lab chargemaster?
- Who reviews orders to ensure proper revenue recognition?
- Who reviews, reconciles and ensures total revenue capture for electronic files
- Does the department hold revenue cycle meetings?
  - Are the meetings representative of their revenue cycle?
- Who provides CCI assistance
  - How are decisions made?
  - Are the decisions audited, if so by whom?

- The proper version of the encounter form is used
- Does the department fully complete their revenue capture responsibilities
  - Can the department prove that all patients are accounted for on a daily basis?
- Who reviews, reconciles and ensures total revenue capture for each patient?
- Does the department hold revenue cycle meetings?
  - Are the meetings representative of their revenue cycle?
- Does the department get feedback on denials?
  - If so, how are the denials resolved?

- The proper version of the encounter form is used
- Has pharmacy reviewed the encounter to ensure proper identification of codes?
- Does the department fully complete their revenue capture responsibilities
  - Can the department prove that all patients are accounted for on a daily basis?
- Who reviews, reconciles and ensures total revenue capture for each patient?
- Are drugs, units and administration routes reviewed before submission?
- Does the department provide training to other revenue cycle participants?
- Does the department get feedback on denials?
  - If so, how are the denials resolved?

- Charge Entry measured for:
  - Accurate Data Entry
    - Correct application of modifiers as indicated
    - Diagnosis Codes
  - Patient identification
  - Encounter reconciliation to schedule
  - Drug and administration reconciliation
  - Appropriateness of procedure to diagnosis codes

- Billing measured for:
  - Knowledge of payor specific guidelines
    - Rev Code or CPT/HCPC Assignment by Payor
    - Payor Specific billing requirements
    - Accurate and Effective Claim Checks
  - Scrubber resolution
    - Timely resolution and resubmission of scrubber errors
    - Accurate trending and training
    - Reduction of unsubmitted claims by reason

- Follow-up measured for:
  - Understanding of payer policies
  - Maintenance of payer library
  - Timeliness of appeal/corrected claim turnaround
  - Success rate of appeals
  - Trending and education

- Call monitoring measures:
  - Knowledge and understanding of billing notes and remits
  - Accuracy of information interpreted and communicated
  - Dropped calls
  - Adherence to HIPPA requirements
  - Resolution of calls and required follow-up
- Account documentation measures :
  - Notes should be clear, concise and accurate
  - Billing history should not be used as editorial

- Isolate opportunities
  - What strengths and weaknesses have been identified?
  - What steps were taken to address the issues?
  - Have best practices been identified?
    - If so, have the practices been shared with other departments?
  - Who can benefit from additional training?
  - How can necessary training and education be delivered?

- Be specific
- Identify peers to provide subject matter expertise
- Invite feedback from the team
- Offer support and encouragement
- Provide training and corrective action
- Consider quality incentive programs
- Repeat the process on a consistent basis

# Next Presentation

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## Implementation Tools and Strategies to Achieve ICD-10 Success

Date: 12/12/2012

Time: 11:00 – 12:00 pm CT