



# The Clinically Driven Revenue Cycle **SESSION 2**

Maine Rural Health Collaborative

September 15, 2020

# Learning objectives

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

- Leverage best-practice tools and methods to manage their revenue cycle
- Develop revenue integrity model that is best for their organization
- Understand the importance of governance

# Agenda

**1** REVIEW FROM  
LAST SESSION

**2** HOMEWORK REVIEW  
AND DISCUSSION

**3** IMPORTANCE OF  
PROCESS

**4** GOVERNANCE

**5** REVENUE INTEGRITY  
STRUCTURES

**6** QUESTION AND  
ANSWERS



# Polling question #1

# As fall approaches:

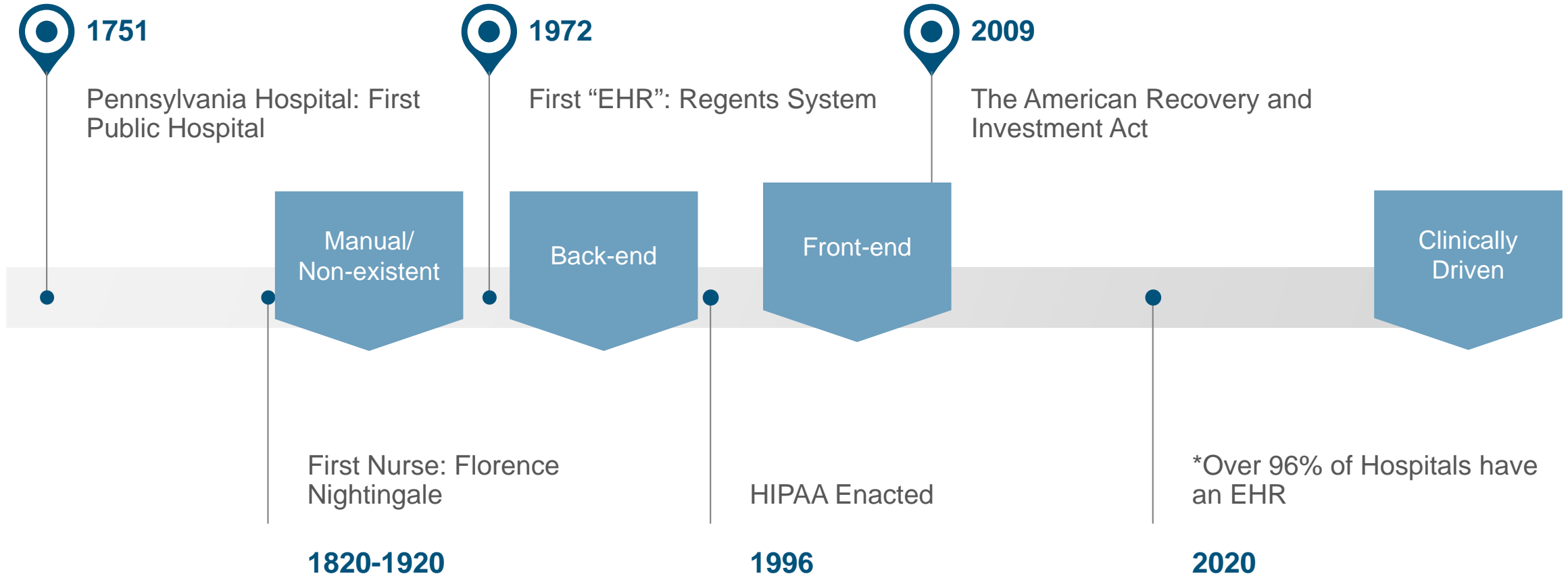
- I really miss the summer vacation I never had
- I am grateful it is almost 2021
- Not even aware what season it is/was
- All of the above
- None of the above





# Framework: Review

# Revenue cycle journey



Physicians may work in several systems

New physicians may have no experience with your system

**Clinically Driven  
Revenue Cycle  
Reality**

Documentation and charge capture are codependent

Down and up-stream impact of changes may be difficult to manage



# No standards across EHR but standards exist!



These are the challenges of today's clinically driven revenue cycle.



**REALITY:**

**“Jack of all trades is the master of none”**

**It takes a team of subject matter experts**

- ✓ IT
- ✓ Clinical informatics
- ✓ Providers
- ✓ Coding
- ✓ Billing
- ✓ Consultants/External Resources

# Revenue integrity



## **HIGH LEVEL OF COORDINATION**

Incorporate changes across the revenue cycle continuum

- CDM
- Charge Capture
- Clinical Documentation



## **AUDIT AND REVIEW AUDIT RESULTS**



## **CREATE, UPDATE, AND MAINTAIN POLICIES AND PROCEDURES**


- Charging
- Reconciliation
- Pricing



## **TEST**

What was changed and did the change result in the desired outcome(s)?

# Risks of suboptimal documentation

- 
- Lost revenue
  - Lag time
  - Compliance
  - Patient care implications
  - Provider frustration
  - Patient dissatisfaction
  - Increased cost to collect



# Polling question #2

# The recap:

- Was great and helpful
- Boring – Let's get onto the new stuff
- Was all new as I did not attend last session
- You really do not want my opinion





# Homework review



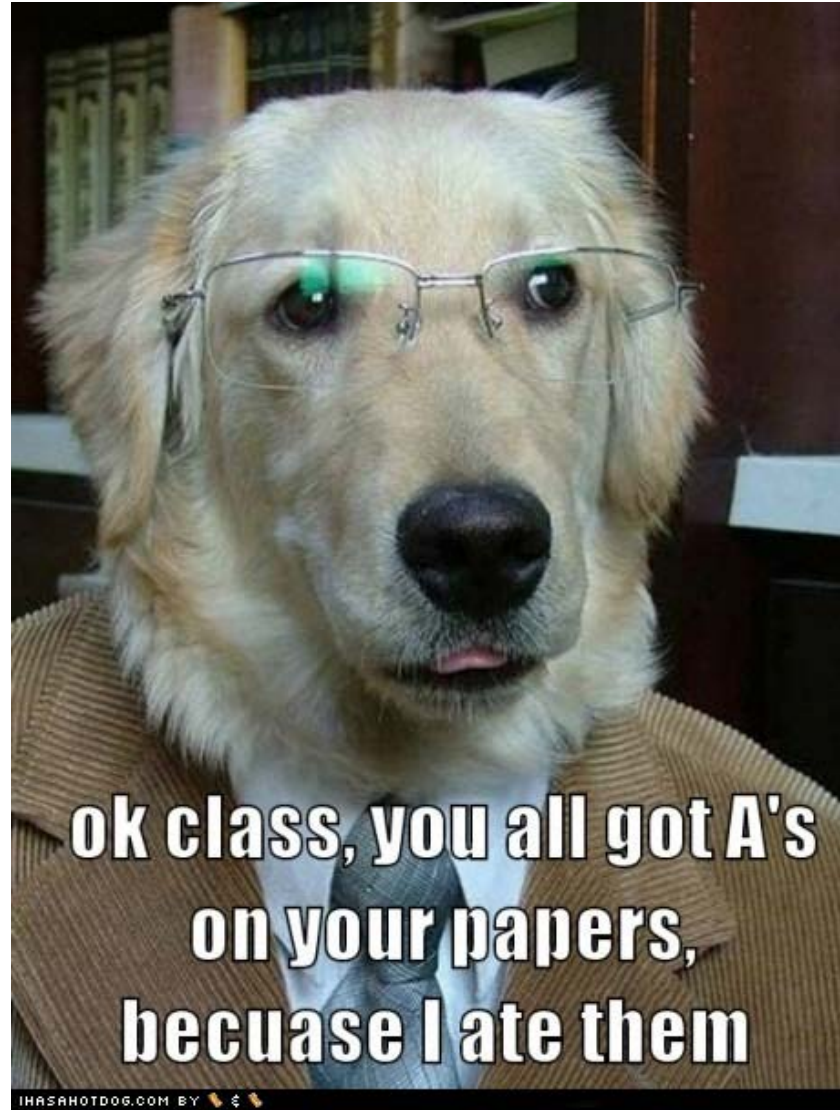
# Polling question #3



# As a result of last sessions homework assignment:

- We identified gaps and risks in our processes
- Confirmed that we have solid revenue integrity processes
- Not sure
- We had homework?





**ok class, you all got A's  
on your papers,  
becuase I ate them**

# Review of homework

## STRENGTHS

- Use of CDM Software
  - Provides intel and workflow
- Involvement of needed departments/resources
- Revenue Integrity or Chargemaster position/roles
- Collaboration

## OPPORTUNITIES/CHALLENGES

- Change Control Standardization/Tools
- Standardization
- Timing
  - Who knows what and when
  - General lack of time
- Knowledge Management:
  - Information dissemination
  - Training
- People wearing multiple hats
- Fragmented processes
  - Not mechanized

# Discussion questions

- Any surprises?
- Are there areas of your program you want/need to change?
- What best-practices are in place today?
- Are you heavily dependent on one person?
- What committees and controls do you have in place?



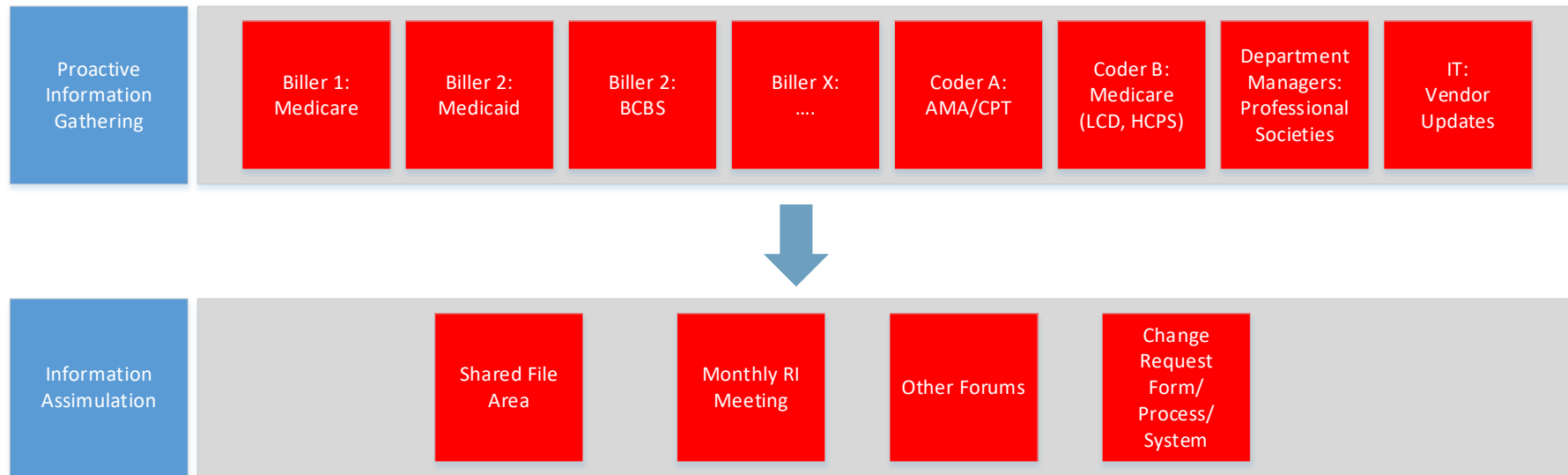
# Process

# Sample workflow: Quarterly update for new codes



- Must assign accountability across the revenue cycle: Too many changes and interdependencies to proactively capture everything.
- Small changes can have major impacts.
- Share the burden of information gathering and sharing.

# Sample workflow: Quarterly update for new codes



- Standardize and mechanize information sharing
- Standing Agenda Item at Monthly RI Meeting:
  - Report from each department regarding updates
  - Payor Updates
  - Coding/Regulatory
- Leverage Change Control Process to disseminate information and ensure changes are operationalized

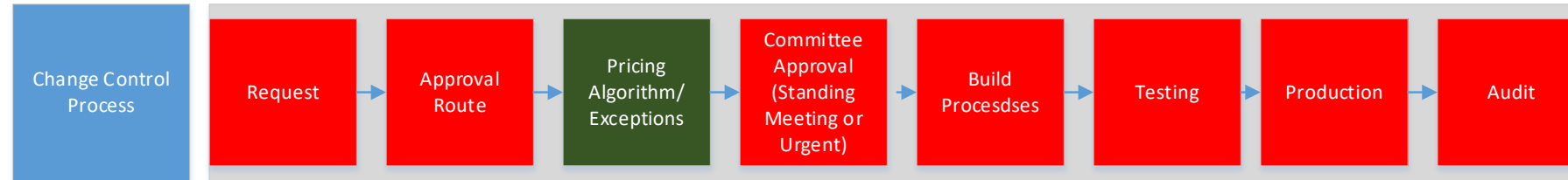
# Sample workflow: Quarterly Update for New Codes:



Process needs to have controls, checklists, and force consistency

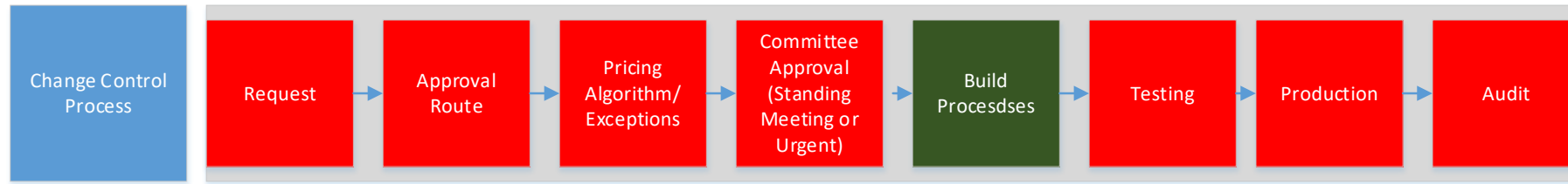


# Change control: Pricing



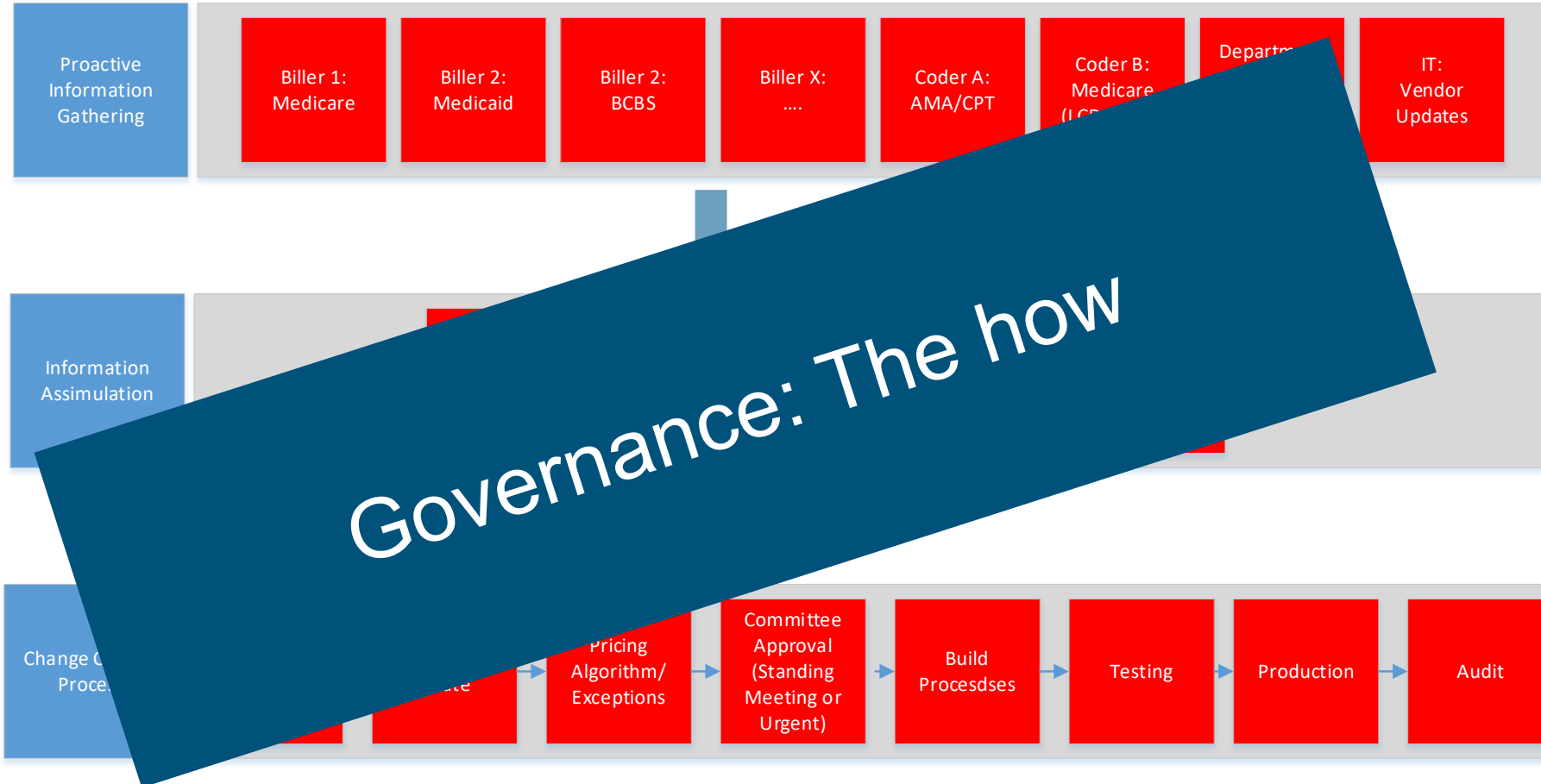
- Not every request should require pricing analysis and approval
- Pricing Policy: standardized and update yearly
  - Percentile
  - RVU method
  - Cost times
- Exception Process
  - Should be infrequent and for “odd” situations

# Change control: Build



- Set Release Dates
    - Standard turn-around time (expectations and accountability are needed to prevent rouge processes)
  - Only build/update after all sign-offs are complete
  - Standardized process with high-level of coordination
    - Clinical Informatics, Chargemaster/RI, revenue producing department
- 
- Update reconciliation procedures as needed
  - Incorporate into upcoming budget cycle if relevant
  - Audit entire build through final payment

# Governance





# Standards and governance

# governance noun



gov·er·nance | \ 'gə-vər-nən(t)s  \

*plural* **governances**

## Definition of *governance*

: the act or process of [governing](#) or overseeing the control and direction of something (such as a country or an organization) : [GOVERNMENT](#)

// a centralized system of *governance*

// the challenges of national *governance*

// ... the *governance* of amateur sport in America ...

— P. S. Wood

// ... three years before he died, [Lionel] Trilling pressed the point that the way a nation thinks determines in the end the quality of its *governance*.

— Benjamin DeMott

// Enron, and the corporate disasters that followed, forced many companies to get serious about *governance*.

— Louis Lavelle

// Theirs was the perennial problem of quick-witted subjects under the *governance* of dull-witted administrators.

— Declan Kiberd

// Michael Dukakis, at the 1988 Democratic convention, said *governance* was about competence, not ideology. He got it half right: Competence is important to *governance*, but ideology is critical ...

— *U.S. News & World Report*

# Governance

... the framework of decision rights and accountability that encourages desirable behavior and utilization of scarce resources in the achievement of a shared objective.

# Governance



## WHAT IS OR IS NOT ALLOWED



## STANDARDS

- All documentation must be completed in 3 days
- Enforcement- toothless tigers do not create change

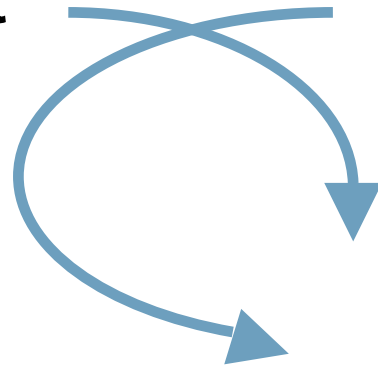


## Revenue Integrity committee

- Support program growth, changing clinical requirements, billing/payer rules, integrated health initiatives
- Approve or disapprove changes
- Coordinates across departments
- Consists of medical leadership, HIM, senior leadership, informatics, and others

# Governance: Framework

**Engage the right  
stake holders**



**Governance**

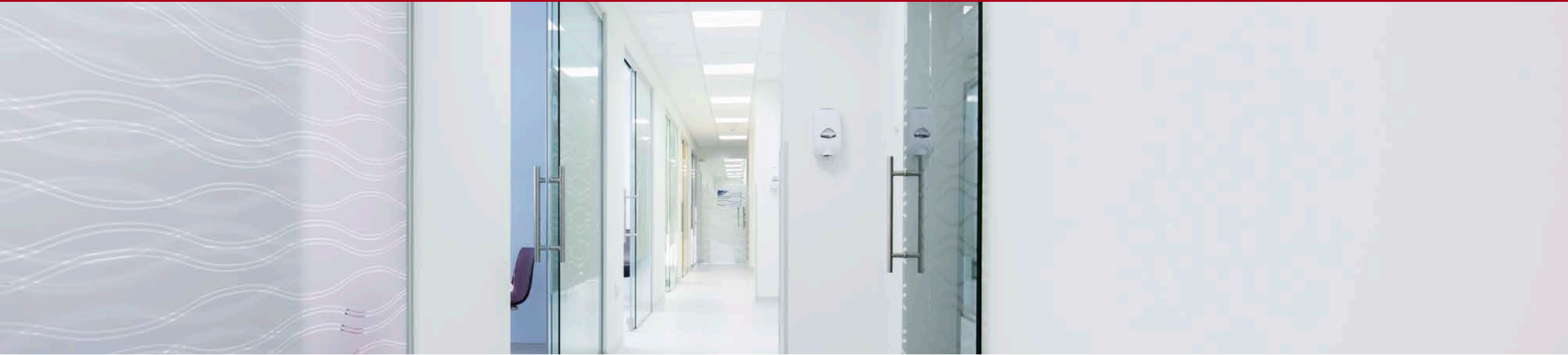
**Establish a shared  
understanding of  
objectives**

**Align in incentives and  
rules of engagement**

**Practice disciplined  
prioritization**

It is all about making it easy for people to make the right decision  
and prevent gaps/errors





# Structure

# Revenue integrity manager/director job description

TITLE:	JOB CODE:
DEPARTMENT:	FLSA STATUS: Exempt
REPORTS TO:	DATE:
HR APPROVAL BY:	APPROVAL DATE:
MANAGER APPROVAL BY:	APPROVAL DATE:

<b>POSITION SUMMARY:</b>
<i>(Briefly describe the overall purpose of this position - Why does it exist and how does it contribute to the overall organization.)</i>
<p>Reporting to the _____, the Revenue Integrity Director/Manager plays a leadership role in a high-profile role tasked with improving revenue results by taking a global view of clinical and financial processes, functions and interdependencies from the provision of patient care to final bill generation.</p> <p>The Revenue Integrity Manager/Director must maintain advanced knowledge revenue cycle processes to aid in the implementation of regulatory standards that assist _____ in cash collection while accurately complying with billing guidelines. This includes extensive knowledge of all aspects of the revenue cycle including the registration, coding, billing and collection processes as well as government and payer regulations for both professional and facility billing.</p> <p>This position is responsible for the analysis and assessment of diverse data relating to the revenue cycle. Acting as an internal consultant, this Manager/Director provides essential quality reports, and advice and improvement recommendations to management along all service lines. The Revenue Integrity Manager/Director is required to understand and communicate complex issues and changes relating to regulatory compliance and third-party reimbursement to the department(s) involved, maintaining records of their notification, accountability and compliance. This position works closely with _____ Hospitals and service line departments to provide accurate, critical information for identification of areas needing immediate attention to improve revenue results.</p>

<b>KEY RESPONSIBILITIES:</b>
<i>(Use bullets for specific responsibilities)</i>
<p>Duties further defined include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Direct, set vision, and define roles and responsibilities for accountable departments, including training, delegating tasks, overseeing daily activities, mentoring, guiding through demonstration of best practices and offering opportunities for professional development. Ensures the highest standards for the hiring selection, training, orientation and assignments of department staff. Provides leadership to direct reporting management staff with regards to the evaluation, promotion, resolution of employee relations/disciplinary concerns and the termination of employees. .</li> <li>• Facilitate the dissemination of information regarding government and third party payer regulations and requirements to clinical departments, providers, management and staff, as applicable. Oversees communication of coding and billing updates published in third-party payer newsletters / bulletins and provider manuals to all stakeholders as appropriate.</li> <li>• Ensure adequate training and education occurs to both providers and hospital departmental staff regarding accurate charge selection / entry and documentation requirements.</li> </ul>

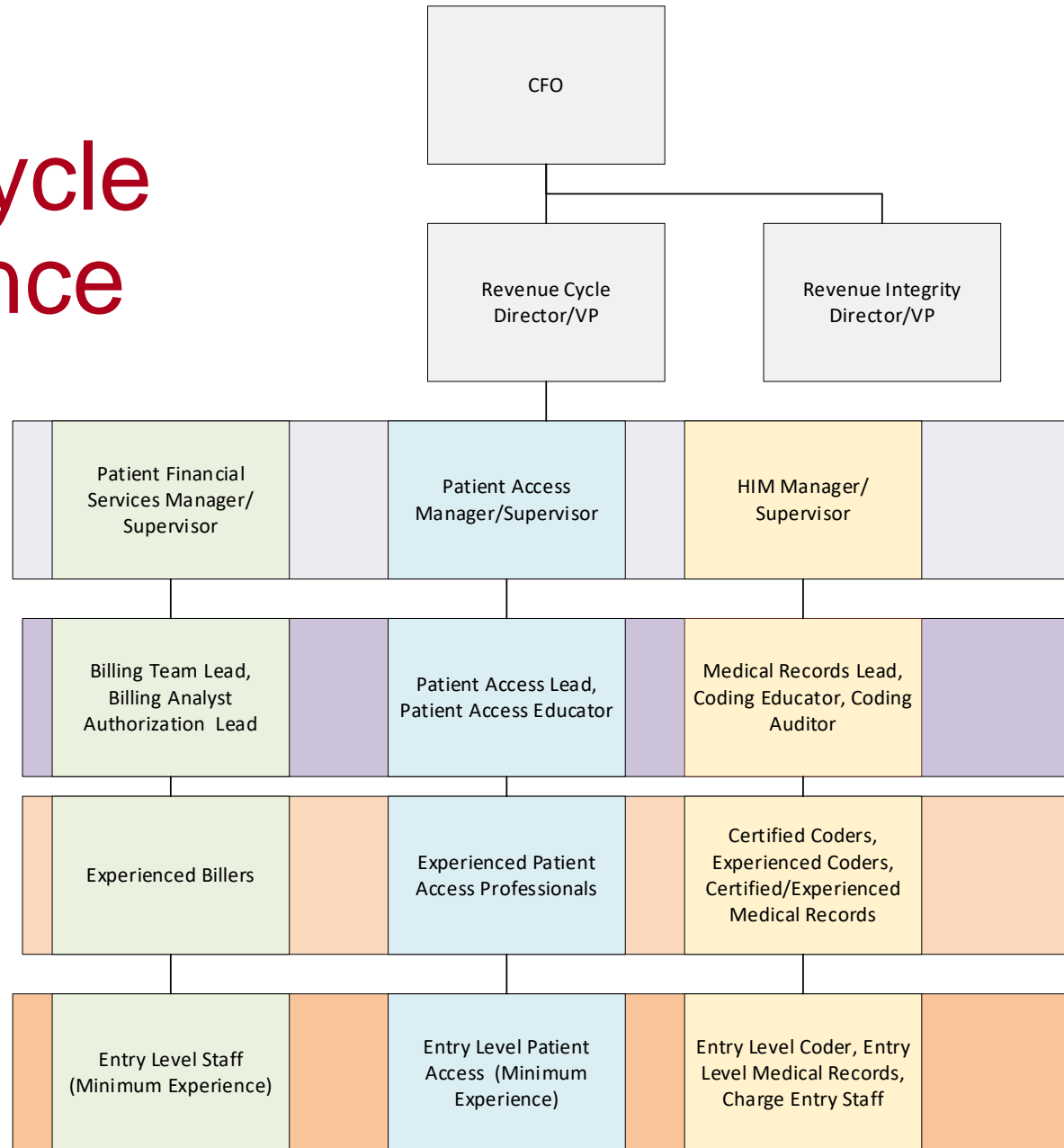
# Reporting structure

## **Dependent on a few current structural considerations:**

- Revenue cycle leadership (VP vs Director)
- Current reporting considerations
- CFO direct reports
- RX, supply chain, and other department reporting structure

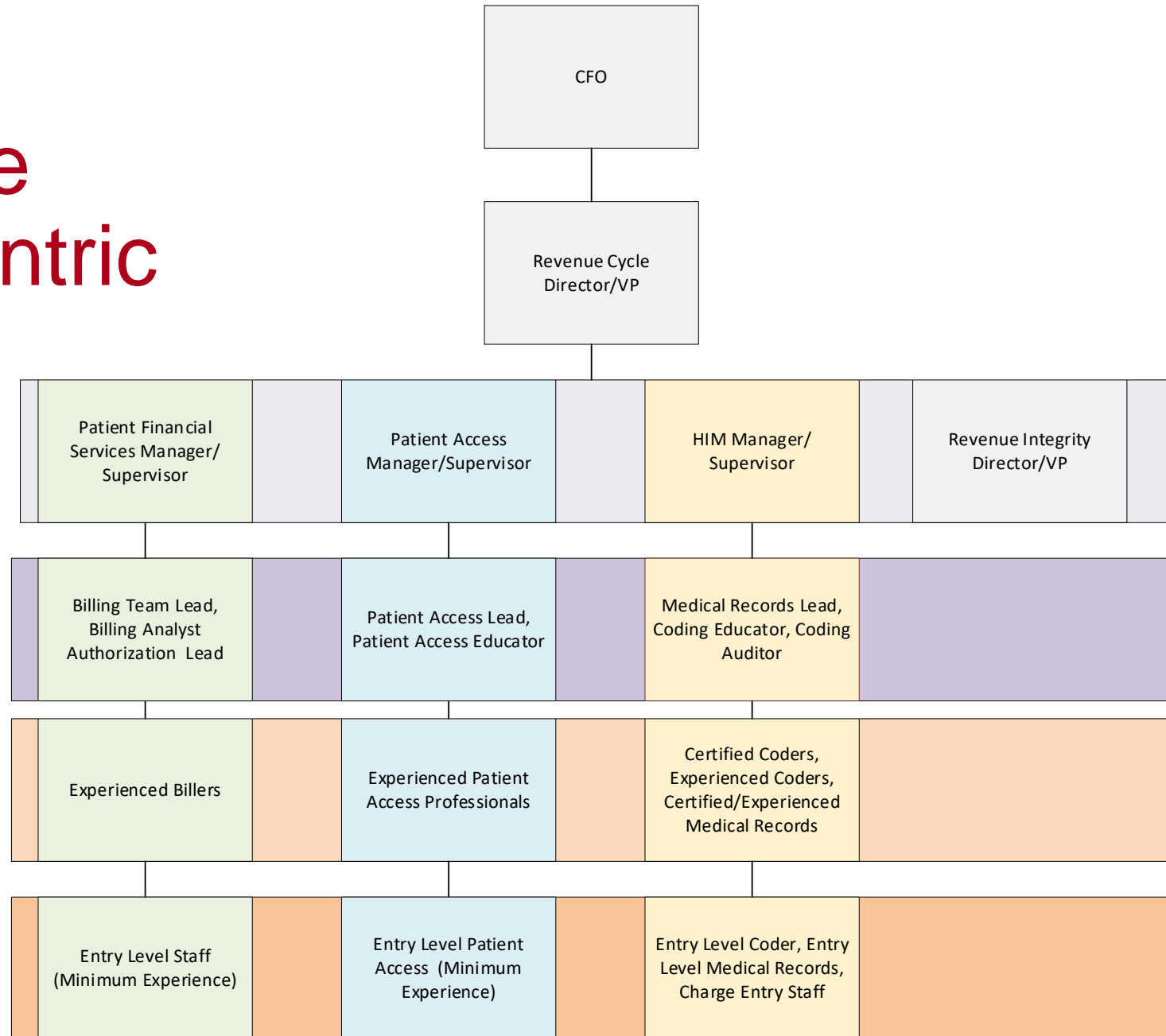
## OPTION 1

# Revenue cycle independence

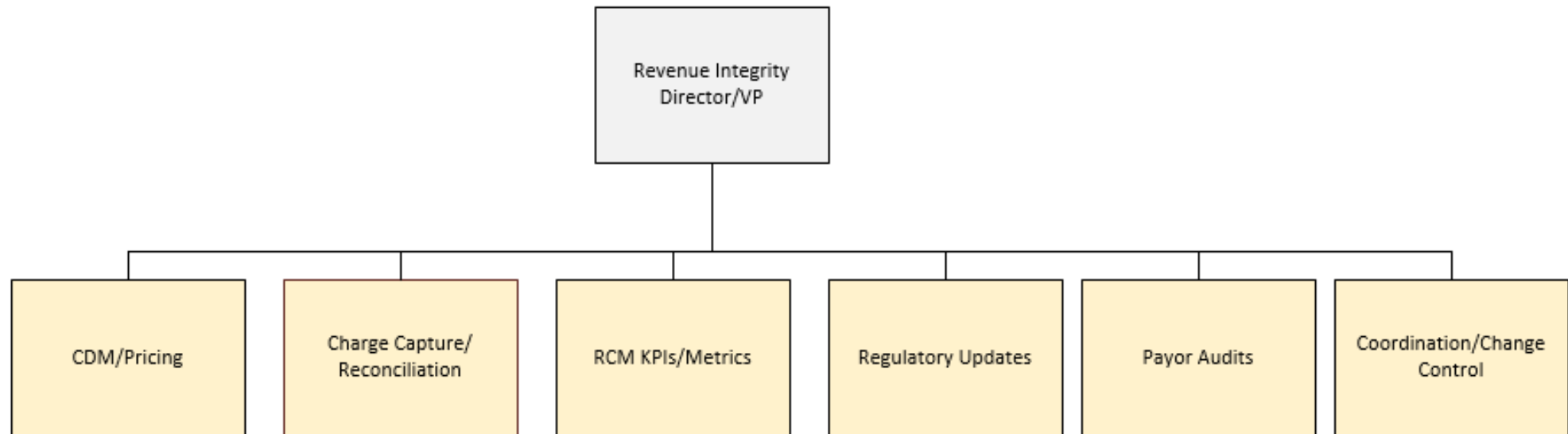


## OPTION 2

# Revenue cycle centric



# Revenue integrity roles and responsibilities



Revenue integrity is the glue that sticks the clinical, financial, and revenue cycle functions together.

**Practice downtime  
procedures**

**Always follow  
change control  
process**

**Coordinate,  
coordinate,  
coordinate**

**BEST  
PRACTICES**

**Audit**

**Identify continual  
improvement  
opportunities**

**Educate**

**Daily reconciliation  
Is a must**



Questions?