

The Kinetic Revenue Cycle

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Speakers



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Objectives

- At the conclusion of this session, participants will be able to:
 - Understand the evolution of the revenue cycle, the drivers of change along the continuum, and what it means for the current and future state of their revenue cycle.
 - Assess their position on the revenue cycles continuum and identify the opportunities and associated challenges their organization has and will have during their evolutionary journey.
 - Recognize how analytics, data, artificial intelligence, and regulatory changes are shaping the future of the revenue cycle.



Revenue cycle goal

 <u>Timely</u> collection of <u>every</u> dollar owed to the provider at the <u>lowest</u> cost



Revenue cycle evolution



Mainframe and Monochrome

- Paper forms and manual entry
- Storage = filing cabinets

Back-end Revenue Cycle

- Revenue Cycle as a discipline
- Back-end editing and corrections

Movement to Front-end

- Patient Access
- Getting it right the first time

Clinically
Driven
Revenue
Cycle

- Revenue Integrity
- Tight integration and automation



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

CMS
Payers

AMA
States/
Medicaid

Standards
Org

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

Other



EMR VENDORS FOCUSING ON RCM

Drivers of the emerging revenue cycle

BIG DATA AND ARTIFICIAL INTELLIGENCE

OUTSOURCING DEMAND

CONSUMERISM



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



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

- The future revenue cycle cannot 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



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



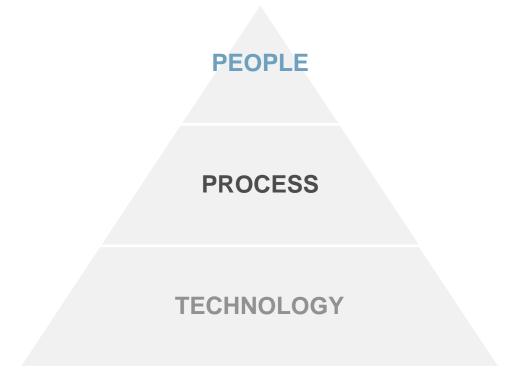
- Clinically integrated revenue cycle was/is characterized by investment
- Kinetic revenue cycle will be characterized by results and performance



MASLOW'S HIERARCHY OF NEEDS

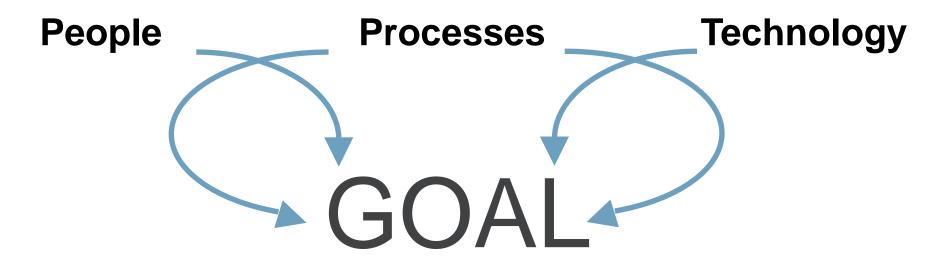
Self-fulfillment Selfneeds actualization: achieving one's full potential, including creative activities **Esteem needs:** prestige and feeling of accomplishment Psychological needs Belongingness and love needs: intimate relationships, friends Safety needs: security, safety Basic needs **Physiological needs:** food, water, warmth, rest

REVENUE CYCLE HIERARCHY OF NEEDS





Revenue cycle needs



Efficiently and effectively collect and retain every dollar owed to the organization

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

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

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



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 realtime results. Month-end is too late.
- Metrics and results inform plans and remedial activities



Future of RCM







DATA AND ANALYTICS



REGULATORY DRIVERS



COMPETITION



EMRS
(INTEGRATION
AND
ADVANCEMENTS)