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24th Annual Revenue Cycle Conference

Rev Cycling Through Adversity

The Emerging RevCycle: Lessons Learned from COVID-19

January 22, 2021

Virtual Webinar

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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

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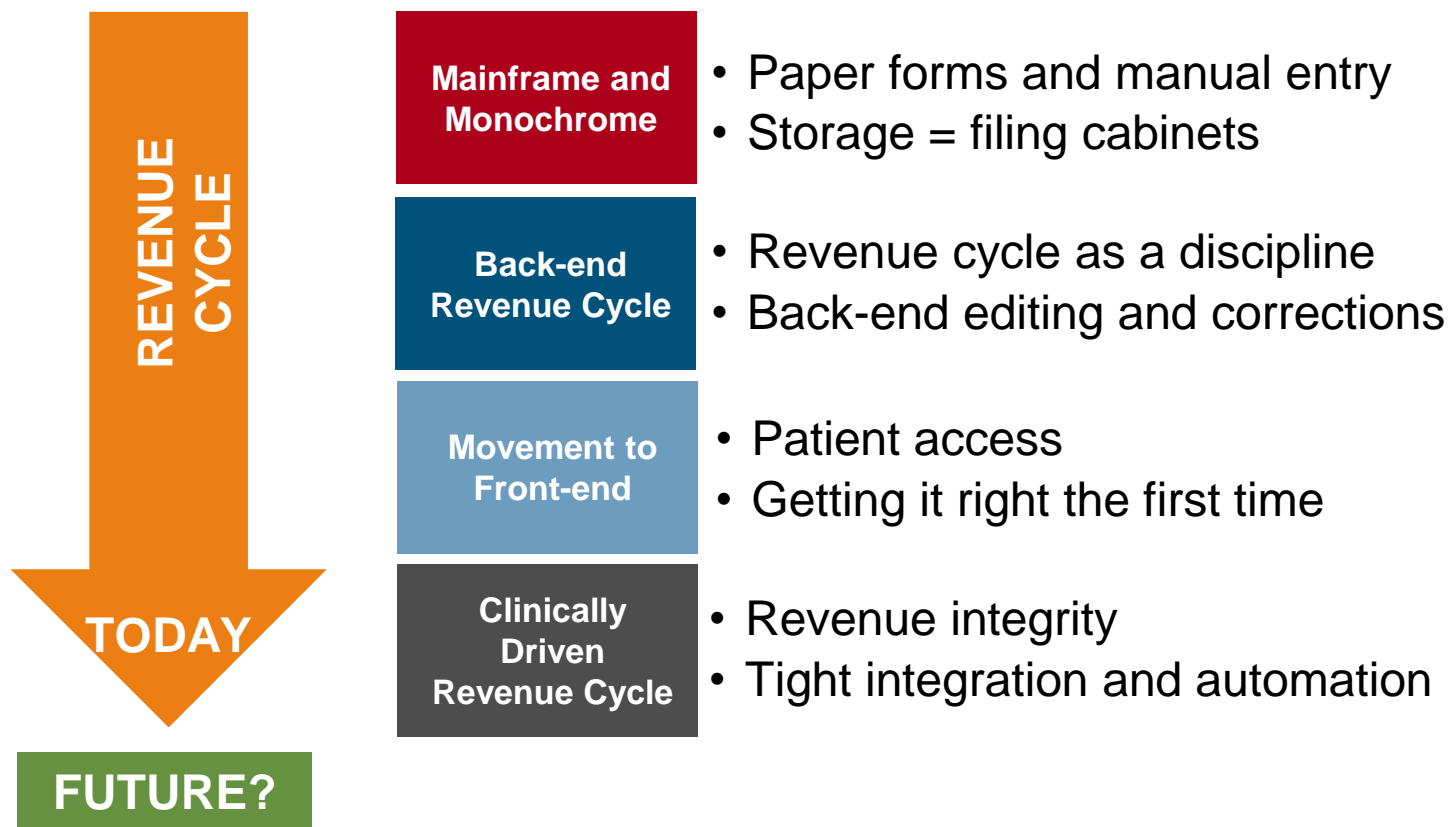massachusetts-rhode island chapter

Polling Question

Will changes necessitated by the pandemic become your new revenue cycle normal?

Yes

No

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Revenue cycle evolution

REVENUE CYCLE

TODAY

FUTURE?

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

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What is inertia?

Inertia:

$$I = \frac{L}{\omega}$$

Merriam-Webster: a property of matter by which it remains at rest or in uniform motion in the same straight line unless acted upon by some **external force**

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Risks of revenue cycle inertia

Revenue Cycle Inertia

- It takes forever for change in healthcare

- With government bureaucracy nothing changes

- Healthcare is always late to adopt new technologies

- Payors only care about profits

- And the list goes on and on……..

COVID-19 was an external force

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Combatting inertia

COVID-19 Proved:

- We can change quickly

- Government payors can react quickly

- Payors and providers working together can find innovative solutions

- Providers and revenue cycle can work together to quickly adopt changes

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Desired result : Momentum

Momentum:

$$p = mv$$

Merriam-Webster: a property of a moving body that determines the length of time required to bring it to rest when under the action of a constant force

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Revenue cycle evolution

REVENUE CYCLE ERA

TODAY

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?

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Potential vs Kinetic Energy

POTENTIAL ENERGY = STORED ENERGY

- Massive EMR/PAS investments

- Bolt-on technologies

- Data and analytics
  - Denials
  - Payer analytics
  - Performance metrics
  - Key performance indicators

- EDI data and transactions sets
  - Eligibility and benefits
  - Claim status
  - Electronic claims attachments

- Staff training and certification

IS YOUR RCM PERFORMANCE FULLY REALIZED?

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 return on investment (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

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Rev Cycling Through Adversity

KINETIC REVENUE CYCLE

- Avoidable denials eliminated
- Point-of-service collections mechanized
- Duplication and redundancy removed
- Shelf-ware terminated
- Late charges and lags minimized
- Charges tied to documentation and reconciled daily
- Staff accountable and managed to standards
- Meaningless touches/ work minimized

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
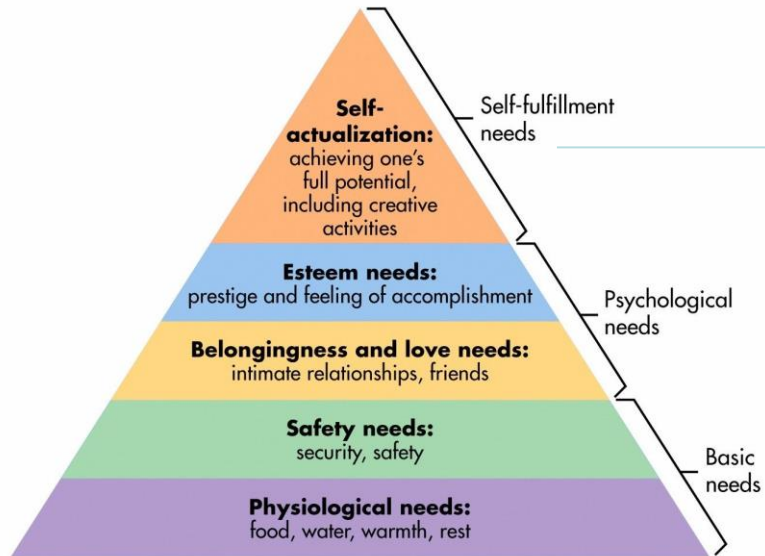
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Revenue Cycle Characteristics

- Clinically integrated revenue cycle was/is characterized by investment

- Kinetic revenue cycle will be characterized by results and performance

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Hierarchy of Needs

MASLOW'S HIERARCHY OF NEEDS

REVENUE CYCLE HIERARCHY OF NEEDS

PEOPLE

PROCESS

TECHNOLOGY

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Polling Question

What is your biggest revenue cycle barrier to change?

- People

- Processes

- Technology

- All of the above

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Revenue Cycle Needs

People   **Processes**   **Technology**

GOAL

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

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Technology

TECHNOLOGY

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

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Process

PROCESS

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 work queue whack-a-mole.

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People

PEOPLE

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.

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Evolving to Kinetic Revenue Cycle

CURRENT STATE ANALYSIS	PLANNING (AND MORE PLANNING)	GOVERNANCE	METRICS AND ACCOUNTABILITY
• Where is the organization today • What is possible • What is the ROI associated with optimization activities	• Identify the easy high ROI wins • Create meaningful milestones and celebrate success • **Budget** for the needed technology, people, and process changes and offset costs by measuring financial improvements	• Senior leadership oversight and commitment • Ownership and accountability of each task • Teamwork and dedication	• 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 real-time results—month-end is too late • Metrics and results inform plans and remedial activities

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Polling Question

Complete the following sentence:

My organization will be _____ likely to adopt revenue cycle changes as a result of the pandemic.

- More

- Less

Future of RCM

ARTIFICIAL INTELLIGENCE

DATA AND ANALYTICS

REGULATORY DRIVERS

COMPETITION

EMRS (INTEGRATION AND ADVANCEMENTS)

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Questions

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