Next Level Revenue Cycle Performance

Presenter: Michael Gladson

Introduction

Michael Gladson, Managing Director - Huron

- Live in Park City ,Utah

- Wife Elena, Jack (19) , Grace (16), Barli (Bernese Mountain Dog), Tulip (French Bulldog)

- Pharmacy School (Univ. Utah), MBA (Univ. San Diego)

- 30 years in healthcare, 25 years consulting, 20 years with Huron

- National Accounts Team

- Representative Clients – UCLA, Columbia University, Kaiser, North Hawaii Community Hosptial, Kona Community Hosptial
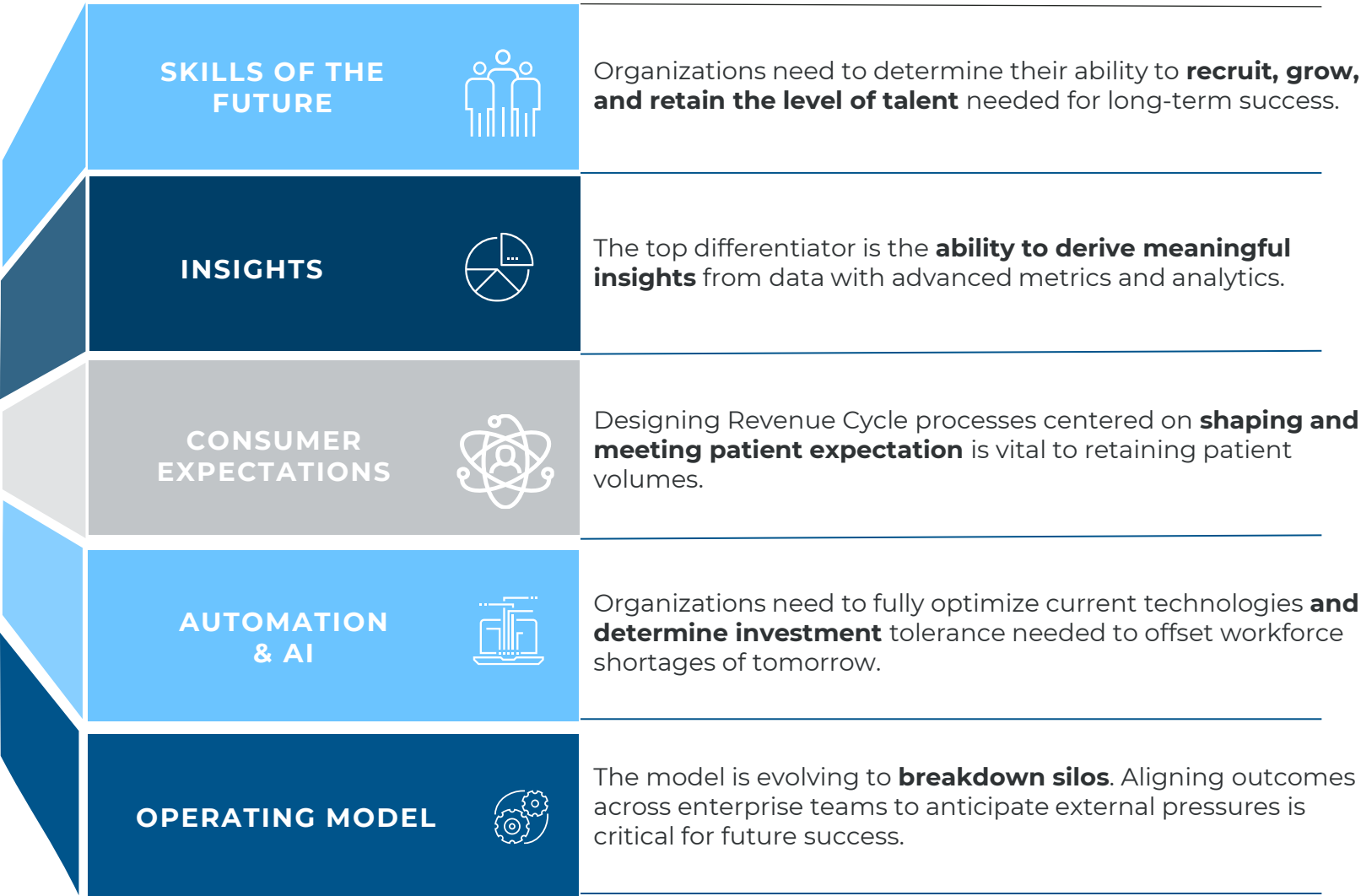
Next Level Revenue Cycle

- Presentation Goals

- Characteristics of a High Performing Revenue Cycle

- Skills of the Future

- Data as an Asset

- Intelligent Automation

- Optimizing the Revenue Cycle Operating Model

- Takeaways

Presentation Goals

During this presentation we will:

- Review key characteristics of a High Performing Revenue Cycle

- Review tools that can be used to plan sustained revenue cycle performance

- Identify 2 –3 "No Regret Bets" that can be initiated now to advance performance

- Identify initiatives that can be started today to drive next level performance in the future

High Performing Revenue Cycle Characteristics

SKILLS OF THE FUTURE

Organizations need to determine their ability to **recruit, grow, and retain the level of talent** needed for long-term success.

INSIGHTS

The top differentiator is the **ability to derive meaningful insights** from data with advanced metrics and analytics.

CONSUMER EXPECTATIONS

Designing Revenue Cycle processes centered on **shaping and meeting patient expectation** is vital to retaining patient volumes.

AUTOMATION & AI

Organizations need to fully optimize current technologies **and determine investment** tolerance needed to offset workforce shortages of tomorrow.

OPERATING MODEL

The model is evolving to **breakdown silos**. Aligning outcomes across enterprise teams to anticipate external pressures is critical for future success.

- ✓ **Outcome-based measures are prioritized and incentivized**
- ✓ **Robust and nimble analytics exist for all resources**
- ✓ **Consumer experiences are personalized to stated and predicted needs**
- ✓ **Resource strategy considers inhouse talent, offshore operations, managed services, and technology efficiencies**
- ✓ **Operational workflow is based on exceptions from advanced digital solutions**

Revenue Cycle Performance Progression

An organizations current level of progression in any given area will inform the next steps needed to elevate their performance to the next level.

LEADING PRACTICE

OPTIMIZATION

FOUNDATIONAL

Build a **strong** and **sustainable** revenue cycle operation and technology platform:
- Align and standardize operations
- Develop & customize reporting & analytics
- Define priorities between EIS and operations
- Complete quick hits

Achieve **value from scale & systemness**:
- Optimize and align work-drivers to operations
- Enable effective daily management through work prioritization and operational reporting
- Enhance patient experience through enabling technology platforms
- Automate workflow

Transform patient experience, cost, and quality outcomes with a deliberate **operating model that leverages enabling technology, automation and advanced analytics**
- Leverage predictive insights to drive performance and strategy advancements
- Increase staff performance and retention through advanced continuous learning programs
- Increase efficiency through automation and optimized staffing models
- Eliminate silos and align like functional teams via a deliberate revenue cycle operating model

Skills of the Future: Learning and People Development

The Learning Imperative in Healthcare

According to Becker's Hospital Review, "[learning] **programs can help retain** current **employees, improve** their **skills** and **positively impact** the overall **quality** of a **health system**."

Additional factors include:

- Per Gallup/LinkedIn Learning, the **cost of employee attrition** and **disengagement** is high (average **17% of workforce**)

- **Lack of employee training** contributes to **net revenue leakage**

- **Organizations lack strong training departments** or have outdated training programs and materials

- **Adults** need to **learn** through **multiple delivery methods** to maximize **retention**

- **Robust training** is **required** to support **success of key change events** (i.e., performance improvement initiatives, HIS conversions, consolidation/centralization efforts, etc.)

- **Industry is experiencing** a **growing gap** in strong available **talent**

- **Reduce training cost** of dedicated **training resources**

Traits of a High Performing Learning Program

MIX OF MODALITIES
Deploy a mix of learning modalities (instructor-led, self-guided eLearning, scenario-based simulations, on the job shadowing)

CONSISTENT EXPERIENCE
Promote a consistent learning experience for all employees within the organization

CENTRALIZED LEARNING
Establish a centralized learning team with a single accountable owner and an appropriate number of resources

CONTINUOUS ENHANCEMENT
Job competencies are connected to outcome measures to continually identify individual and team learning opportunities

COMPETENCY ASSESSMENTS
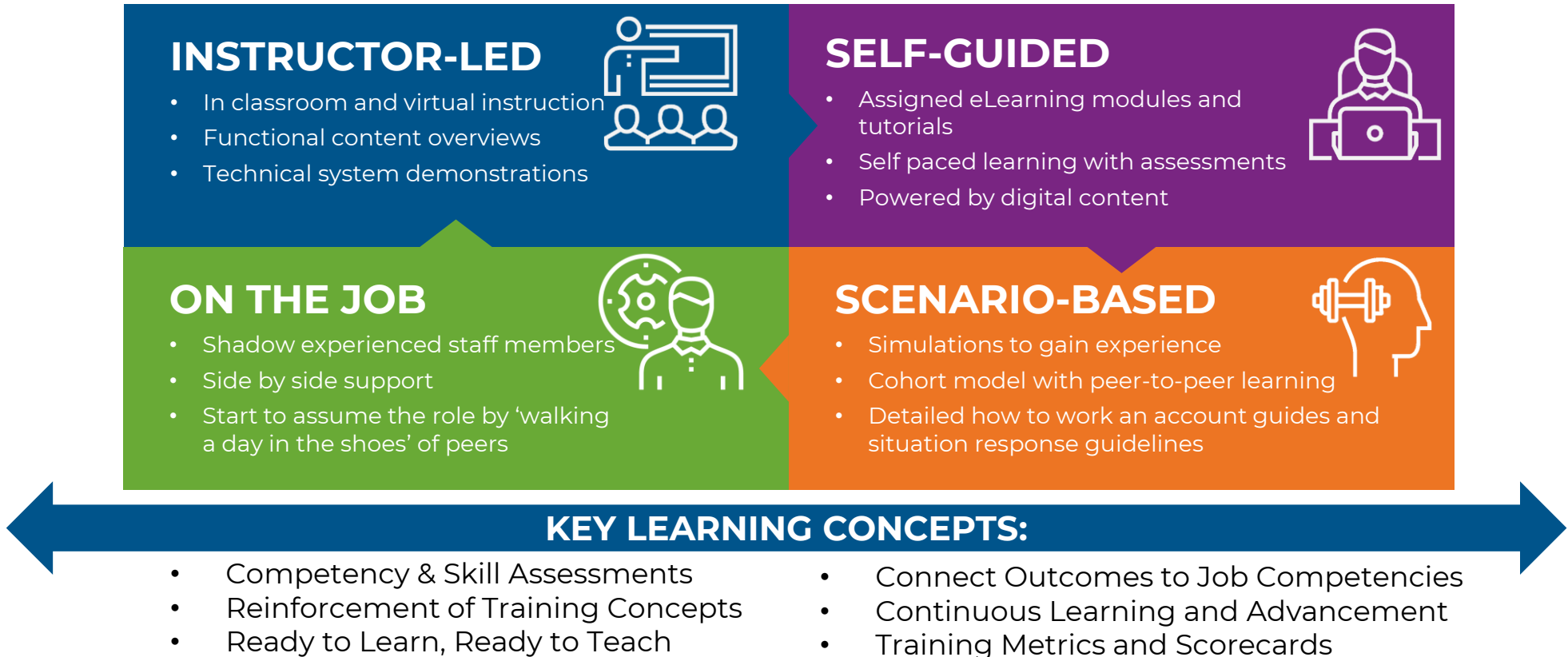Assessments are taken to ensure competency and highlight additional opportunities

ONGOING LEARNING
Mechanisms for continuous learning and advancement are available and encouraged

Learning Journey

Organizations are increasingly assessing, building, and enhancing training programs by defining a multi-faceted adult learning strategy. An adaptable approach to address individuals at varied skill levels with different learning needs is essential. Below are key elements to establish a comprehensive training program:

INSTRUCTOR-LED
- In classroom and virtual instruction
- Functional content overviews
- Technical system demonstrations

SELF-GUIDED
- Assigned eLearning modules and tutorials
- Self paced learning with assessments
- Powered by digital content

ON THE JOB
- Shadow experienced staff members
- Side by side support
- Start to assume the role by 'walking a day in the shoes' of peers

SCENARIO-BASED
- Simulations to gain experience
- Cohort model with peer-to-peer learning
- Detailed how to work an account guides and situation response guidelines

KEY LEARNING CONCEPTS:

- Competency & Skill Assessments
- Reinforcement of Training Concepts
- Ready to Learn, Ready to Teach

- Connect Outcomes to Job Competencies
- Continuous Learning and Advancement
- Training Metrics and Scorecards

Case Studies - Revenue Cycle Learning

Program Development

A national health system required a partner to design, develop, and implement a Revenue Cycle training program to support business office centralizations

SOLUTION

Develop the training framework, program curriculum, and integration with an eLearning partner

IMPACT

- Comprehensive learning curriculum and onboarding schedule developed
- Training team established to support the onboarding of 950+ new hires within a 6-month period
- Training assessments deployed to ensure knowledge was retained during system trainings
- Huddles established as a communication bridge between HR, Recruiting, Training, and Operations
- Contributed to overall PI engagement impact of annual recurring cash benefit of **$138M (1.1% of NPR)**

Comprehensive Training Partnership

A large regional health system insourcing its Revenue Cycle operations required a partner to deliver training and enhance performance for all staff

SOLUTION

Design, develop, and deploy Revenue Cycle training and learning solutions for all associates and leaders

IMPACT

- Training team established to serve ongoing learning needs for new and existing employees
- Identified training needs via a staff skills assessment, deployed re-training efforts to enhance performance for 1,600+ staff across PFS, Patient Access, Coding, and HIM
- Established role and region-specific training curriculums
- Enabled advanced virtual learning strategy via the Huron Learning Digital Platform
- Contributed to overall PI engagement impact of annual recurring cash benefit of **$34M (0.8% of NPR)**

Leadership Assessment & Development

A community hospital and long-term client needed Revenue Cycle support, identifying leadership and tactical planning as primary areas of focus

SOLUTION

Deploy a leadership assessment for Revenue Cycle leaders rating performance against 40+ foundational skills including practical management and softer leadership skills

IMPACT

- Developed customized development plans for each individual leader
- Provided targeted support to individual leaders focusing on managing the business, managing their teams, and effective communication
- Developed comprehensive strategy for Revenue Cycle improvements enabling leaders to prioritize appropriately and leverage newly acquired skill sets
- Contributed to overall engagement impact of annual recurring cash benefit of **$38M (3.5% of NPR)**

Insights: Leveraging Data as an Asset

huronconsultinggroup.com

Revenue Cycle Analytics Landscape

Key RCM Technology Trends

- Predictive analytics, machine learning & AI
- Measuring efficiency, effectiveness, satisfaction, and outcomes
- Data integration
- Workflow automation / RPA
- Remote workforce monitoring

Millions have been spent on EHR, ERP and analytics, yet **many health systems remain data rich and insights poor**, achieving only the tip of the iceberg of analytic outputs. The pandemic revealed healthcare's Achilles' heel—the **lack of actionable information needed** in a dynamically changing environment. HIMSS

50% Of large health systems **plan to pursue RPA and/or AI technologies in the next 3 years**, particularly to improve financial performance

The Health Management Academy

50% Of large health systems have fully centralized tracking of revenue cycle metrics across their health system, but **there isn't universal consensus on how or what metrics to prioritize**
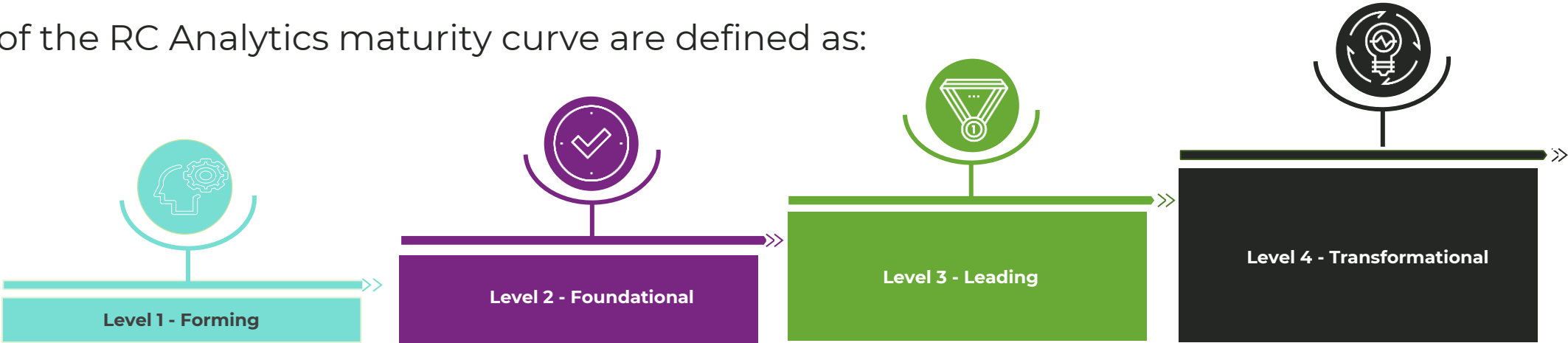
The Health Management Academy

By 2025, **RCM teams that have made the technology investments,** retained their talented staff, and adjusted their processes will find themselves **helping their organizations make important strategic operational decisions.**

Becker's

# Revenue Cycle Analytics Maturity Model

The **stages** of the RC Analytics maturity curve are defined as:

	Level 1 - Forming	Level 2 - Foundational	Level 3 - Leading	Level 4 - Transformational
Description	**Forming the vision** and operationalizing initial phases **to position the organization** to achieve foundational status	**Delivering** high quality offerings **within today's revenue cycle operations**	**Differentiating with exceptional performance** within today's revenue cycle organizations, and introducing new models, services, and partnerships in the market	**Delivering exceptional solutions within new models** which transform the market and healthcare industry
Characteristics	Enabling the organization to have a consistent, reliable and repeatable cornerstone to evolve and build from		Industry leaders and models for achieving high performance	Pioneering new models to drive innovative services to transform service delivery
Types of Analytics	Descriptive		Diagnostic	Prescriptive & Predictive
Approximate Size	85% of organizations		15% of organizations	<1% of organizations

Data as an Asset

- While many organizations are data rich, they are finding they are "information poor" - lacking visibility into their true financial health.

- The reasons vary, yet the need to leverage quality data to make strategic business and financial decisions remains.

- By developing an intentional data compilation and distillation platform, organizations can enhance their ability to truly leverage their data as an asset, gaining insights into their current financial health and key areas of optimization and improvement.

- Using industry leading technology, key financial data can be centralized within a Data Hub for enhanced reporting and analytics. KPIs, targets/benchmarks, and related measures are defined; dashboards and their content developed.
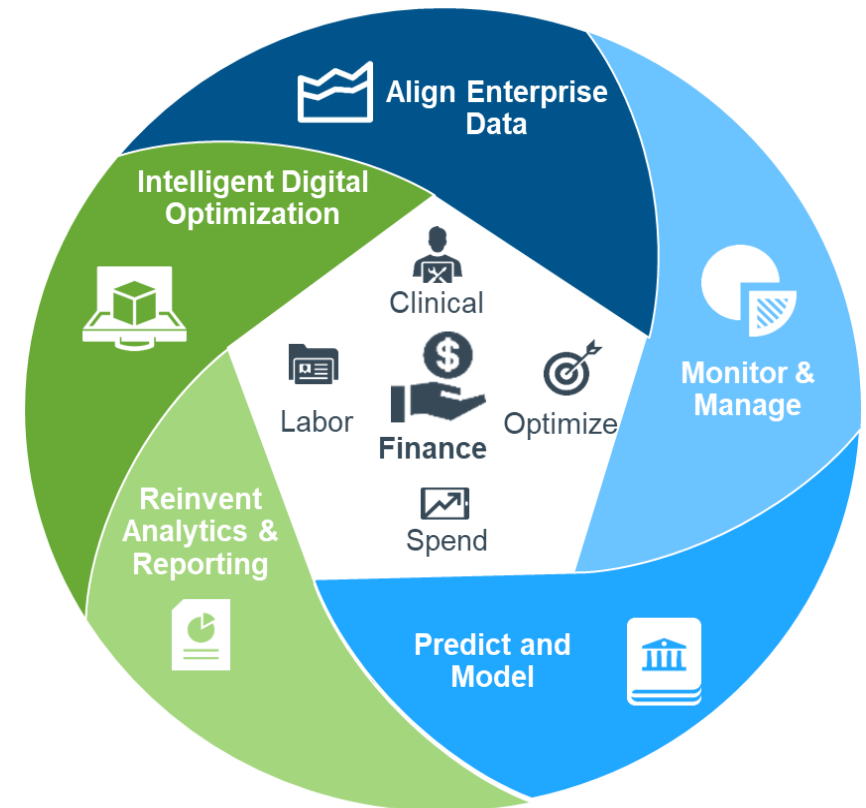
Analytics Competencies in Action

The combination of skills should enable an Analytics Department working together as an ecosystem to validate and analyze data, apply statistical rigor and advanced techniques to realize specific revenue cycle improvements.

Partner with Operations to Provide Recommendations

- Identify retraining need for individuals with touches to resolution increases
- Consider leveraging a vendor to work untouched populations
- **Consider automations to cover claim status checks**
- Further examine 'like balance' accounts

Discover Root Cause

- 50% of aged accounts have no activity within the past 6 months
- Touches to resolution timeframe has extended for certain populations
- Accounts are primarily lower balances ($0-$1K and $1K-$5K) and within commercial payer groups
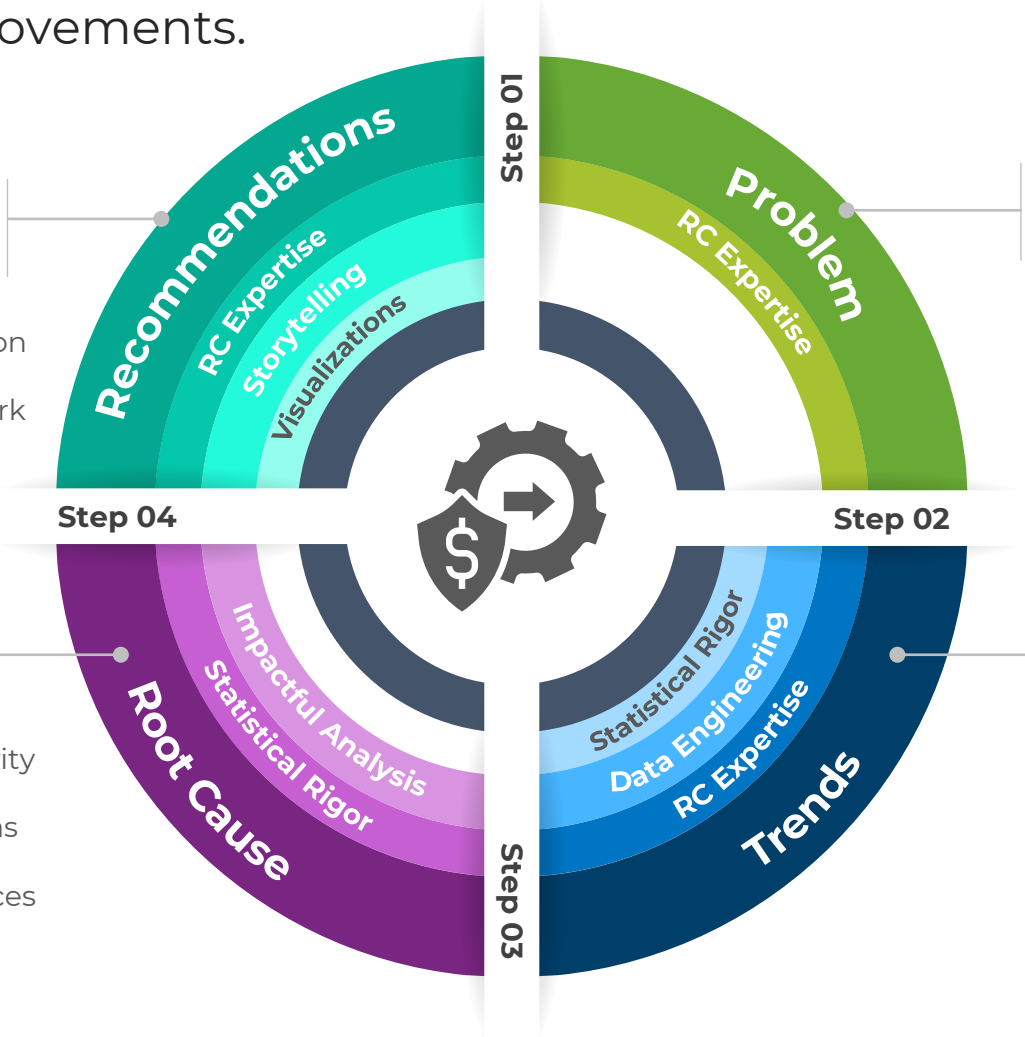
Identify the Problem to Solve

- 91+ Days From Service Agings has increased
- Denials from Blue Cross payors have increased significantly in the past calendar year
- % of net revenue collected has decreased for OP services

Seek Trends to Investigate

- Identify the right sources within the data model (A/R accounts, touches, denials, etc.) and leverage appropriately
- Determine statistically significant deviations from the norm and best practice

Recommendations — RC Expertise — Storytelling — Visualizations — Step 01

Problem — RC Expertise — Step 02

Root Cause — Impactful Analysis — Statistical Rigor — Step 04

Trends — Statistical Rigor — Data Engineering — RC Expertise — Step 03

Intelligent Automation

Automation **Solutions**

An estimated **40%** of the world's jobs could be **automated** over the next 15 years [1]

Healthcare providers could save as much as **$14.64 per patient interaction** by using a fully electronic workflow[2]

By 2025, up to **95%** of **customer interactions** could be powered by AI

1. https://fortune.com/2019/01/10/automation-replace-jobs/
2. https://www.caqh.org/sites/default/files/explorations/index/report/2018-index-report.pdf

Automation & AI Potential

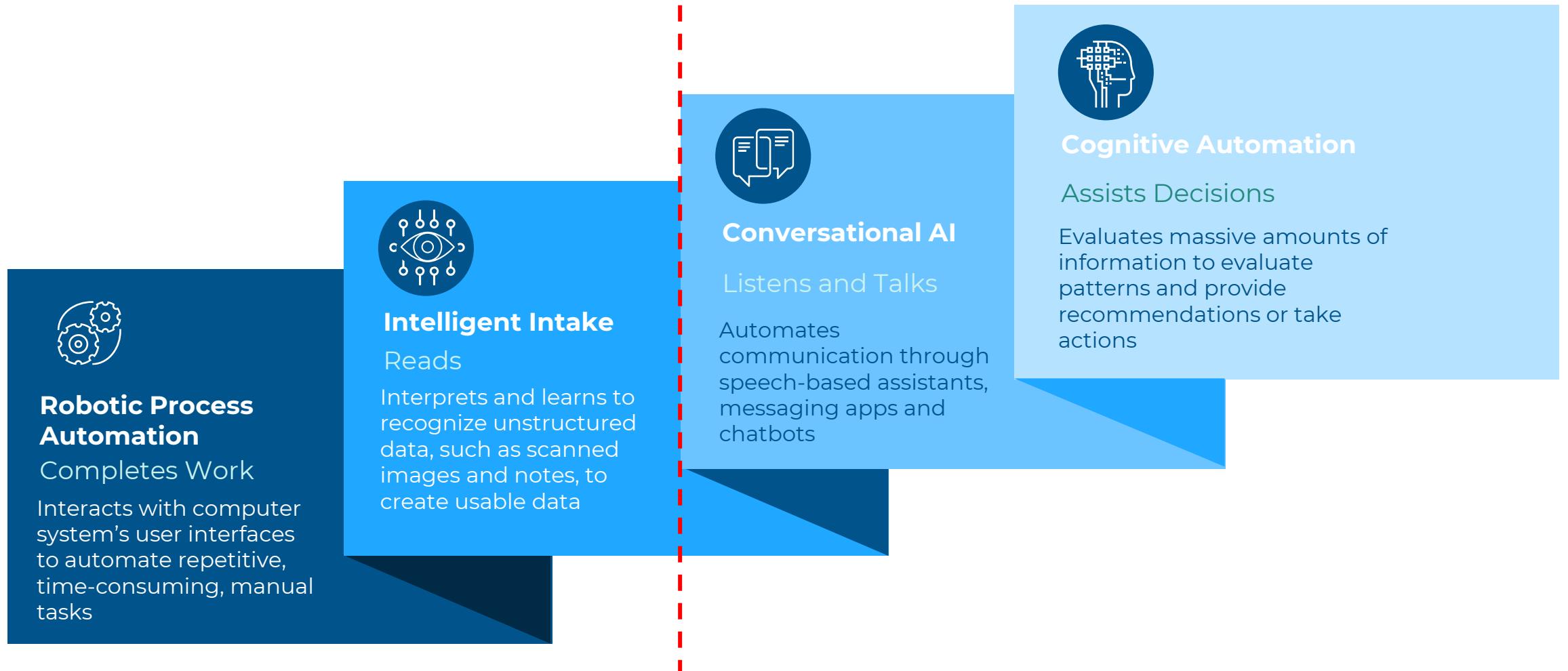Artificial Intelligence (AI) is driving innovation in many industries today, examples include:

- Autonomous Driving Cars

- Predicting Traffic Patterns

- Facial Recognition

- Shopping Recommendations

Healthcare Spotlight

- Chronic Disease and Cancer Prediction

- *AI and Claims data helped a W. Virginia hospital identify and initiate treatment in over 800 patients with previously unidentified lung cancer*

Intelligent Automation Spectrum

The digital workforce can be viewed within the context of the intelligent automation spectrum. Robotic process automation (RPA) is often the first step.

Robotic Process Automation
Completes Work

Interacts with computer system's user interfaces to automate repetitive, time-consuming, manual tasks

Intelligent Intake
Reads

Interprets and learns to recognize unstructured data, such as scanned images and notes, to create usable data

Conversational AI
Listens and Talks

Automates communication through speech-based assistants, messaging apps and chatbots

Cognitive Automation
Assists Decisions

Evaluates massive amounts of information to evaluate patterns and provide recommendations or take actions

Revenue Cycle Automations Available Today

Robotic Process Automation (RPA)
Leverage bot technology for denial and follow-up activities

Scheduling
Enhance scheduling efficiency using chatbots

Claim Status
Use 277 and API calls to request and receive claim status information and drive account automation and follow-up

Payment Plans
Use logic to suggest and auto-create payment plans in patient portals

Denial & Appeals Processing
Automate account activities based on specific denial codes. Automate Appeal letters and medical record attachments.

Patient Estimates
Automate patient estimates, utilizing templates within your EHR

Potential Future Applications - Revenue Cycle

AI, analytics, and a highly skilled workforce may have big impact on what revenue cycle work looks like in the future

Today

RC **teams react** to incoming calls and work drivers

Follow-up and other *interactions with payors are manual* and require active intervention

Analytics are used to predict some payor and patient actions

Pinpoint payor, service, location patterns impacting denials

Representatives can manage larger account portfolios or have increased specialization
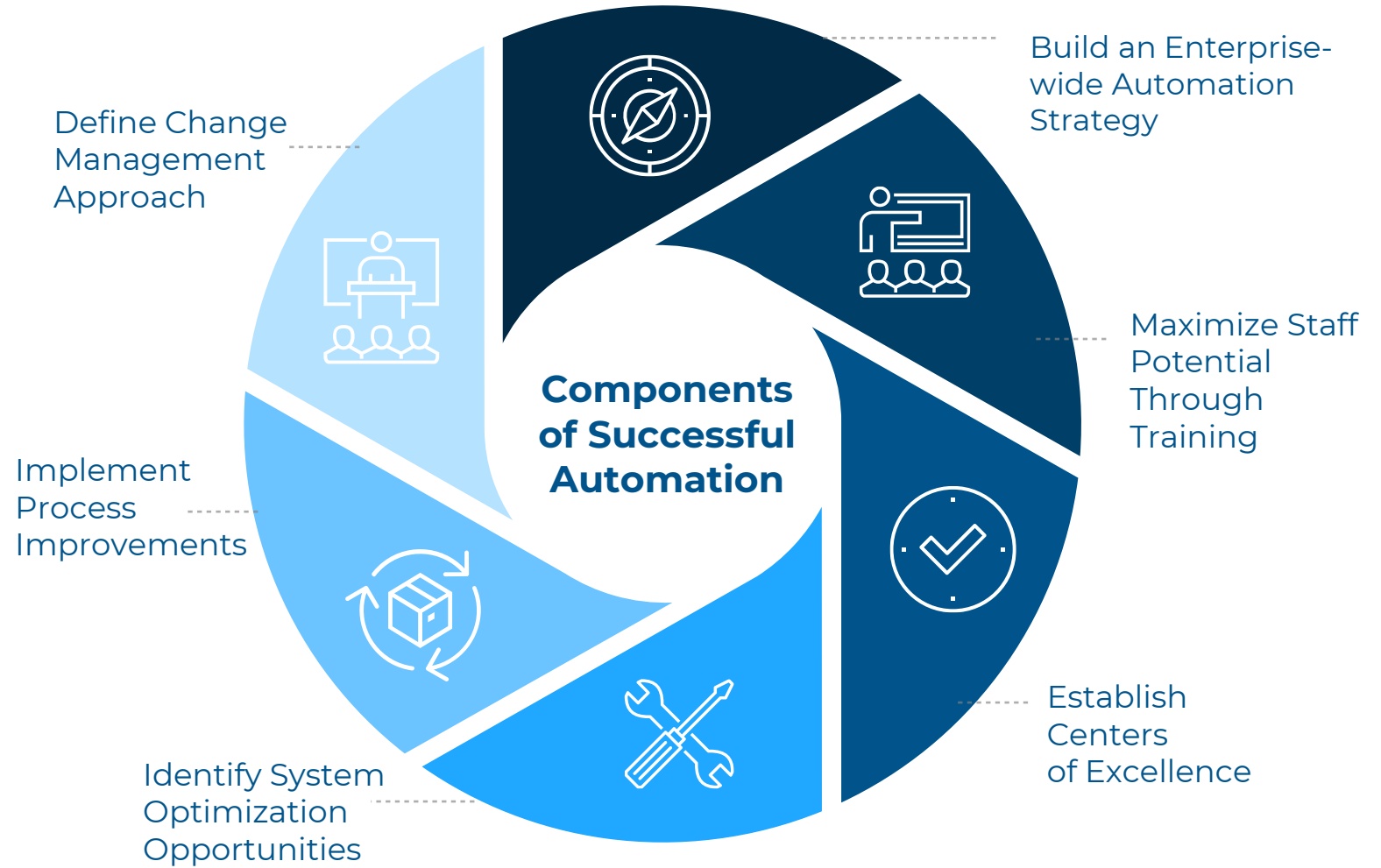
Future

RC team will spend more time designing data queries to provide insights

Follow-up and other payor **interactions will be automated,** and the team will. analyze the results

Analytics will be used to **pinpoint improvement** opportunities

Automation: Beyond Technology

Automation isn't just a technology solution —

success requires **reimagining** the way you work.

Components of Successful Automation

Define Change Management Approach

Build an Enterprise-wide Automation Strategy

Maximize Staff Potential Through Training

Establish Centers of Excellence

Identify System Optimization Opportunities

Implement Process Improvements

Operating Model

HURON|24

Industry Leader Op Model Trends

While the **details vary** and are specific to each environment, we're observing **similar organizational strategies** across our high-performing client base:

- Highest performing organizations have **a single accountable revenue cycle leader**, regardless of organizational structure, to drive ownership and clarify decision-making

- **Hospital & Physician operations are combined where possible** to drive consistency and provide a seamless experience

- **Patient facing functions are being centralized into contact centers** to improve the patient experience and increase efficiency of workload

- **Non-patient facing Patient Access and Coding functions are being centralized** due to growing complexity of payor environment and inability to recruit appropriate skillsets

- **Clinical coordination is a priority** with a focus on Utilization Review, Clinical Appeals Management, Revenue Integrity optimization, CDI, and Physician collaboration and education

- **Shared revenue cycle support / enablement services vertical** to support operations, drive ongoing improvement, and implement strategic initiatives

Revenue Cycle Operating Model
## OPERATING MODEL FRAMEWORK

When **defining the operating model**, the following framework and key components should be utilized as the basis of the broader design.

| COMPONENT	DESCRIPTION
Organizational Alignment	• Decision Rights • Leadership Oversight by Function • Leadership Meeting Governance • Organizational Structure
Operational Excellence	• Standard Workflows & Policies • Guiding Principles & Journey Mapping • Technology Point Solutions & Ecosystem
Resource Optimization	• Role Ownership by Function • Role Definition & Team Delineation • Staffing Management & Workforce Retention
Performance & Accountability	• Key Performance Indicators (KPIs) • Productivity & Quality Assurance • Service Level Agreements (SLAs)
Strategic Work Model	• Centralization & Specialization by Function & Role • Partnership Strategy • Work Location & Virtual Workforce Strategy

Revenue Cycle Operating Model
CONSOLIDATING ACCOUNTABILITY

Organizations that grow over time often develop fragmented/duplicative ownership over revenue cycle operations. A strategic operating model redesign should focus on consolidating ownership across the revenue cycle.

Historical RC Operating Model

Deliberate RC Operating Model

Takeaways

Revenue Cycle Work in the Future...
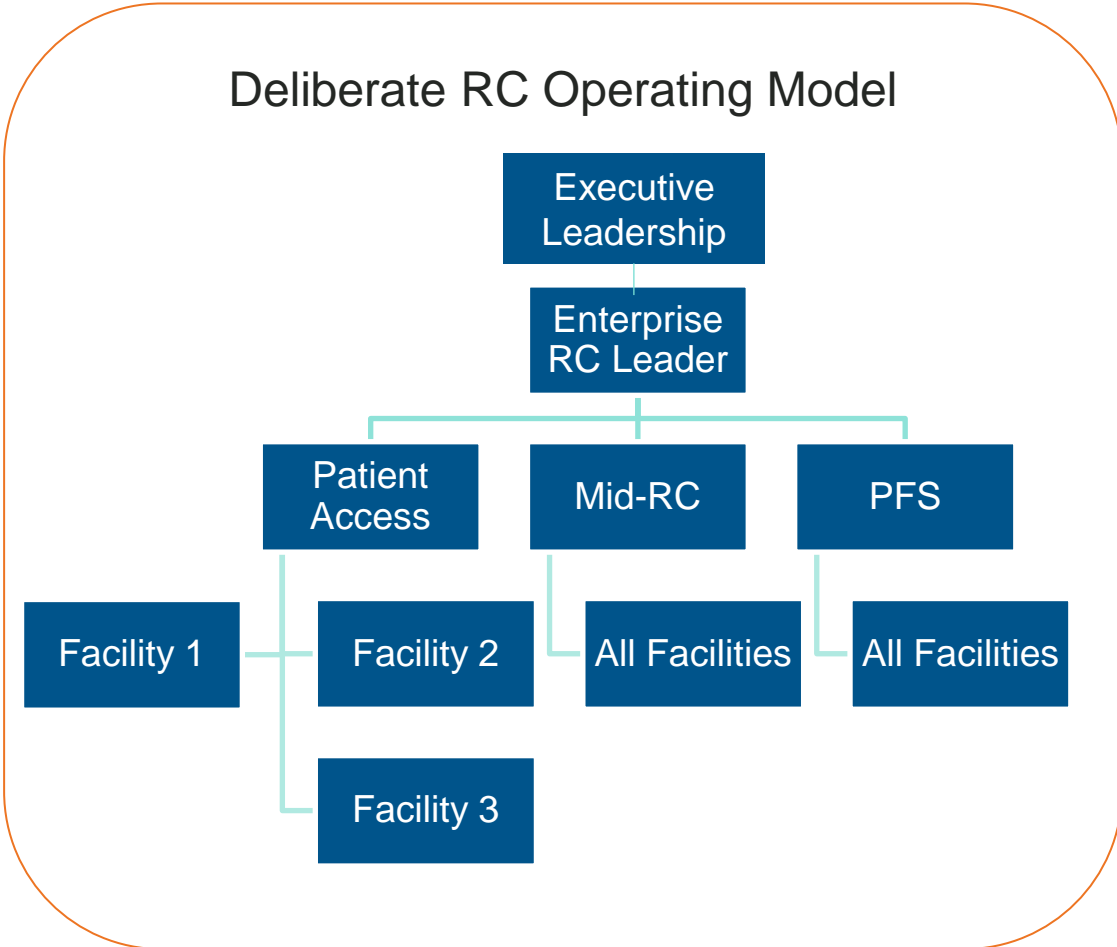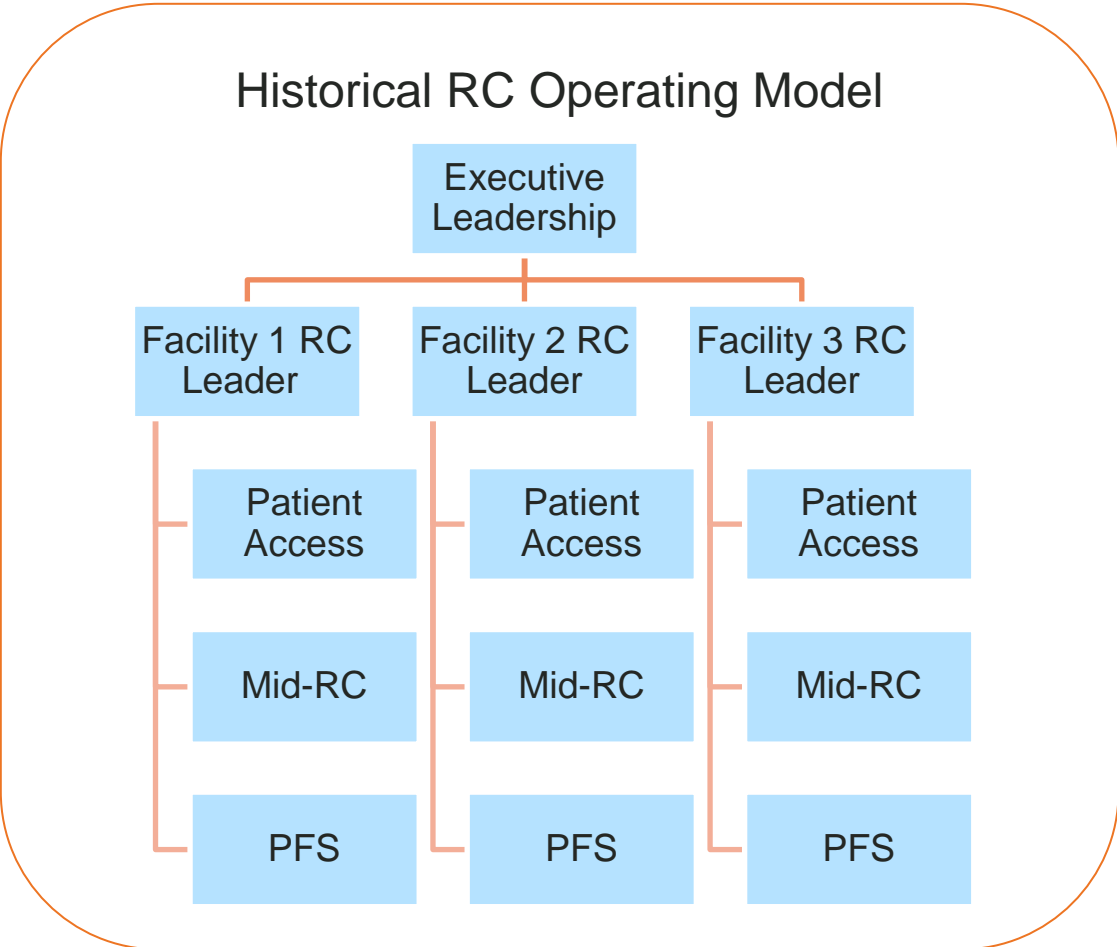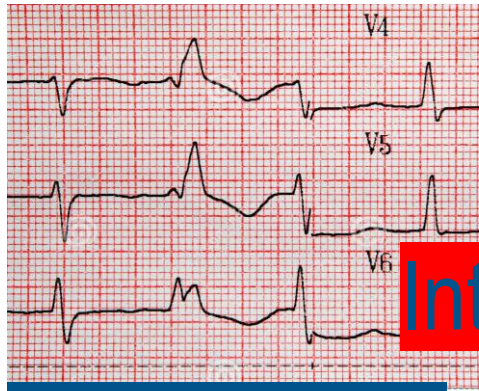
Increased Automation

Integrated with care and patient experience

Require advanced and evolving skill set

2025 RC Job Description
- Manage portfolio of 15 RPA Bots
-Help patient access the most appropriate and convenient care within the network
- Design reports to proactively monitor patient bio-markers for predictive outcome indicators
- Identify and follow-up with non-compliant payors and patients
- Monitor and manage utilization and cost
-Other…

Next Level Revenue Cycle

Regardless of area of focus, bringing revenue cycle performance to the next level first requires understanding where an organization currently sits in terms of level of sophistication and formulating a strategy to optimize performance from there.

Assess → Align → Design → Implement

Assess Current State

- Where does your organization currently sit on the maturity curve?
- What potential benefits exist from pushing to the next level?
- What is appetite for change and pace of change?

Align on Strategy

- What are desired outcomes of pushing to the next level in this area of RC performance?
- What are anticipated barriers to change and change management strategy to overcome?

Design the Future State

- What are key activities / timeline for achieving next level of RC operations?
- What will the next level operations look like?
- How will success be measured?

Implement Next Level Solution

- How are activities pacing against timeline?
- How is performance comparing to planned targets/objectives?
- Are changes being sustained?
- What is the next level of improvement from here?

Review Next Level RC Considerations

Focus areas for taking your organizations Revenue Cycle performance to the "Next Level" that we have discussed today:

No Regret Bets that you can start today:

- Develop a revenue cycle maturity model and use it to plan your progress
- Start or enhance a Revenue Cycle Learning Program
- Implement a Data Hub to support Advanced Analytics
- Leverage RPA to automate transaction-based functions like denials and claim status
- Integrate "bots" into scheduling workflows

Initiatives that can be started today to support sustained Next Level Revenue Cycle performance:

- Build continuous learning into your staff engagement program
- Include data analytics training for all revenue cycle team members
- Integrate financial, patient, clinical, and cost data
- Work with community education providers to provide a data science foundation
- Revisit your operating model and staffing model as automation increases efficiency

Thank You