

hfma™

massachusetts-rhode island chapter

25<sup>th</sup> Annual Revenue Cycle Conference  
Tailgates, Touchdowns, & Revenue Cycle Championships!  
It's time.....to Reignite!

**NEXT GENERATION  
SYSTEMS &  
TECHNIQUES**

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January 25<sup>th</sup>, 2024

# AGENDA

## # Description

- 1 Why the buzz?
- 2 Definitions
- 3 How do we manage A/R more intelligently?
- 4 Use cases in action
- 5 Key takeaways

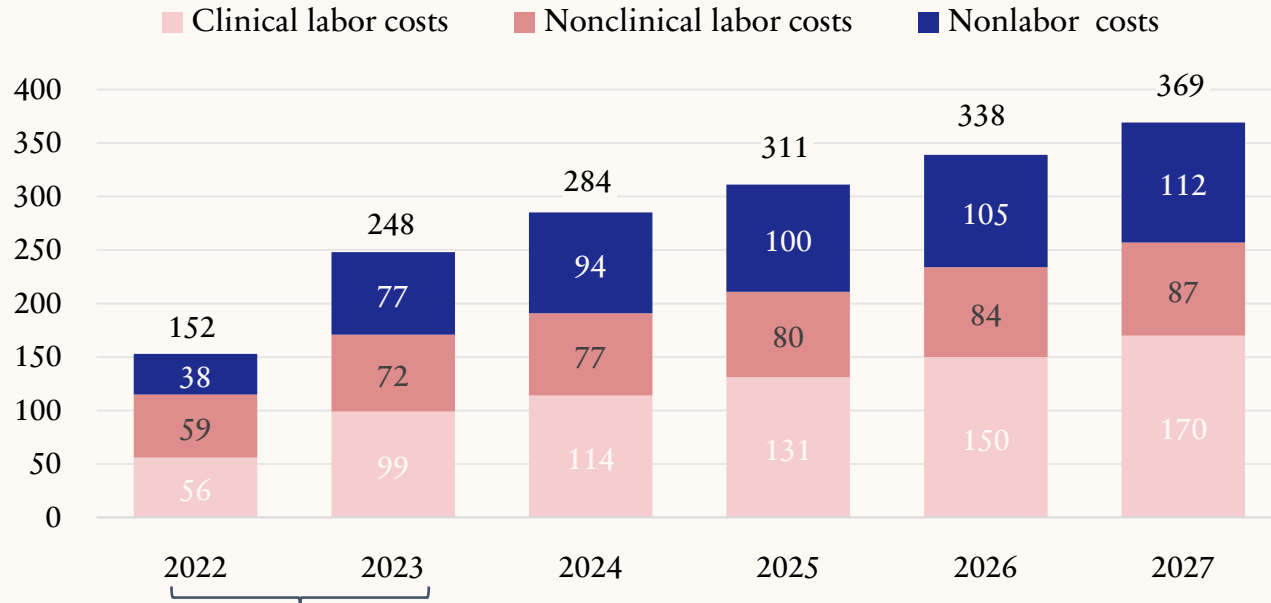


# INCREASING COST PRESSURES AND LABOR SHORTAGES

Costs have continued to grow since the beginning of COVID-19, denial volumes are up, and FTE turnover further compounds the challenges

The largest portion of potential extra healthcare costs are introduced to the system in 2022-23.

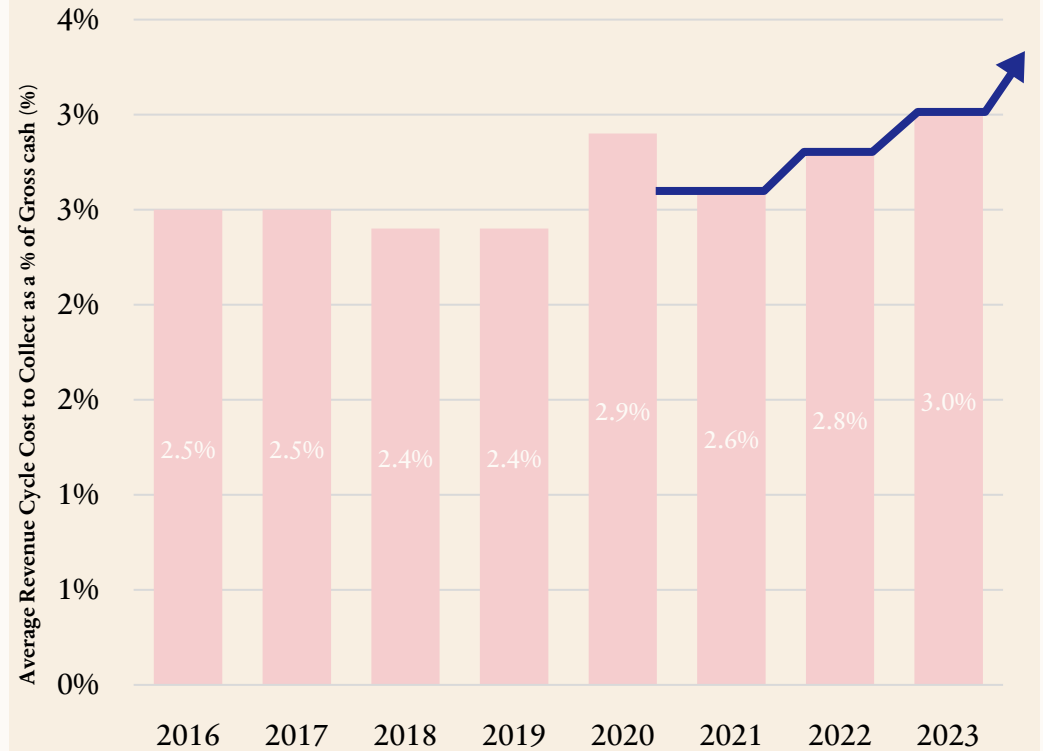
Potential incremental in-year healthcare costs due to inflation, \$ billion, nominal



inflation and clinical labor wage growth are significantly above baseline trends in 2022 and 2023 before returning to a lower rate of growth on this elevated baseline

Source: McKinsey analysis in partnership with Oxford Economics; expert input

## Cost to Collect %



This data was received directly from clients and has not been validated by PwC. Confidential information for the sole benefit and use of PwC's Revenue Cycle Consortium Membership

“ Help me ‘Intelligent Automation,’ you’re my only hope”



# DEFINITIONS

**Automation:** Reducing human intervention in processes.

## Components

### **Artificial Intelligence (AI)**

Software designed to simulate human thinking

### **Machine Learning (ML)**

A subset of AI that becomes intelligent by identifying patterns in data

### **Optical Character Recognition (OCR)**

Converts scanned documents or photos into text

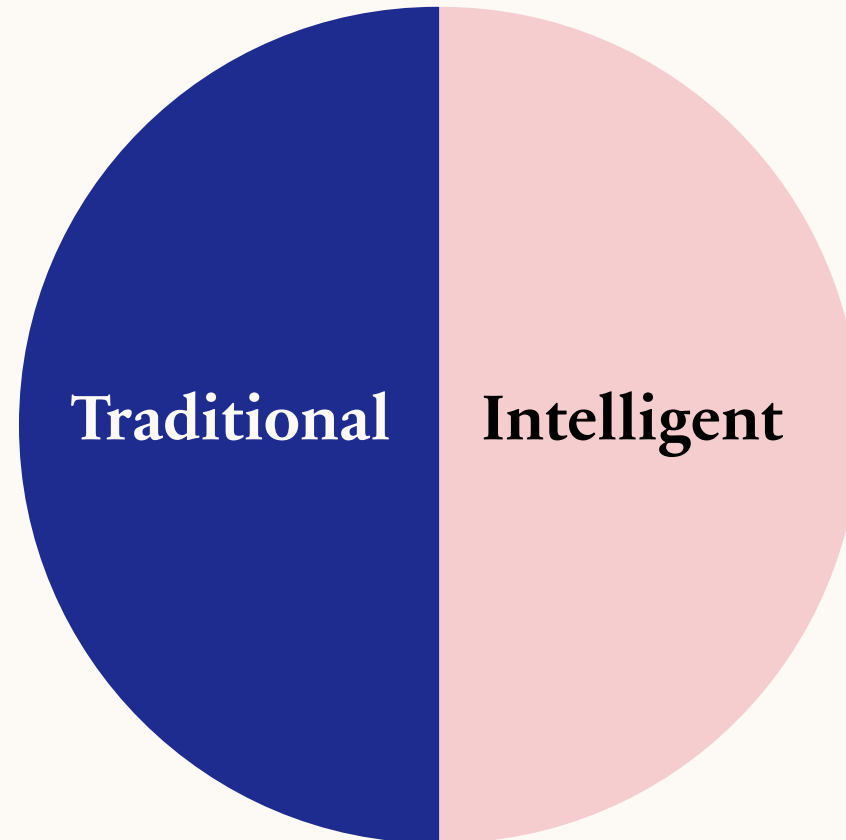
### **Natural Language Processing (NLP)**

Conversational interface to communicate with humans

### **Process Mining**

Diagnosing business processes to identify areas for improvement

Software that can mimic human actions based on predefined activities and business rules (think “RPA” – Robotic Process Automation)



**Traditional**

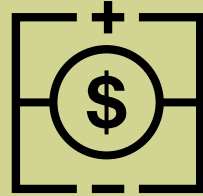
**Intelligent**

# HOW DO WE MANAGE A/R MORE INTELLIGENTLY...

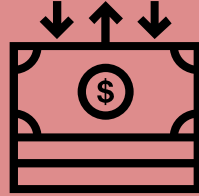
...to increase resolution efficiency & improve cash collections?



Reduce unnecessary touches



Increase productivity by decreasing the time spent to touch an account



Lower the average number of touches it takes to resolve an account



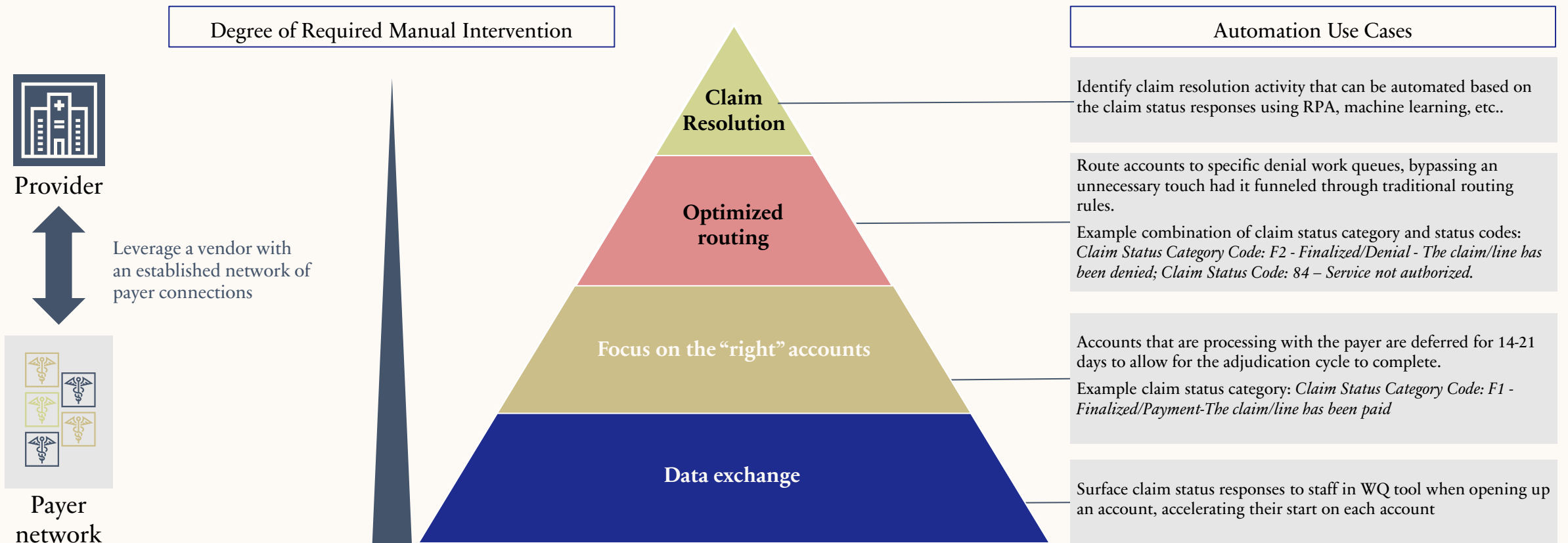
Prioritize accounts to work the right account at the right time, improving overall inventory liquidity



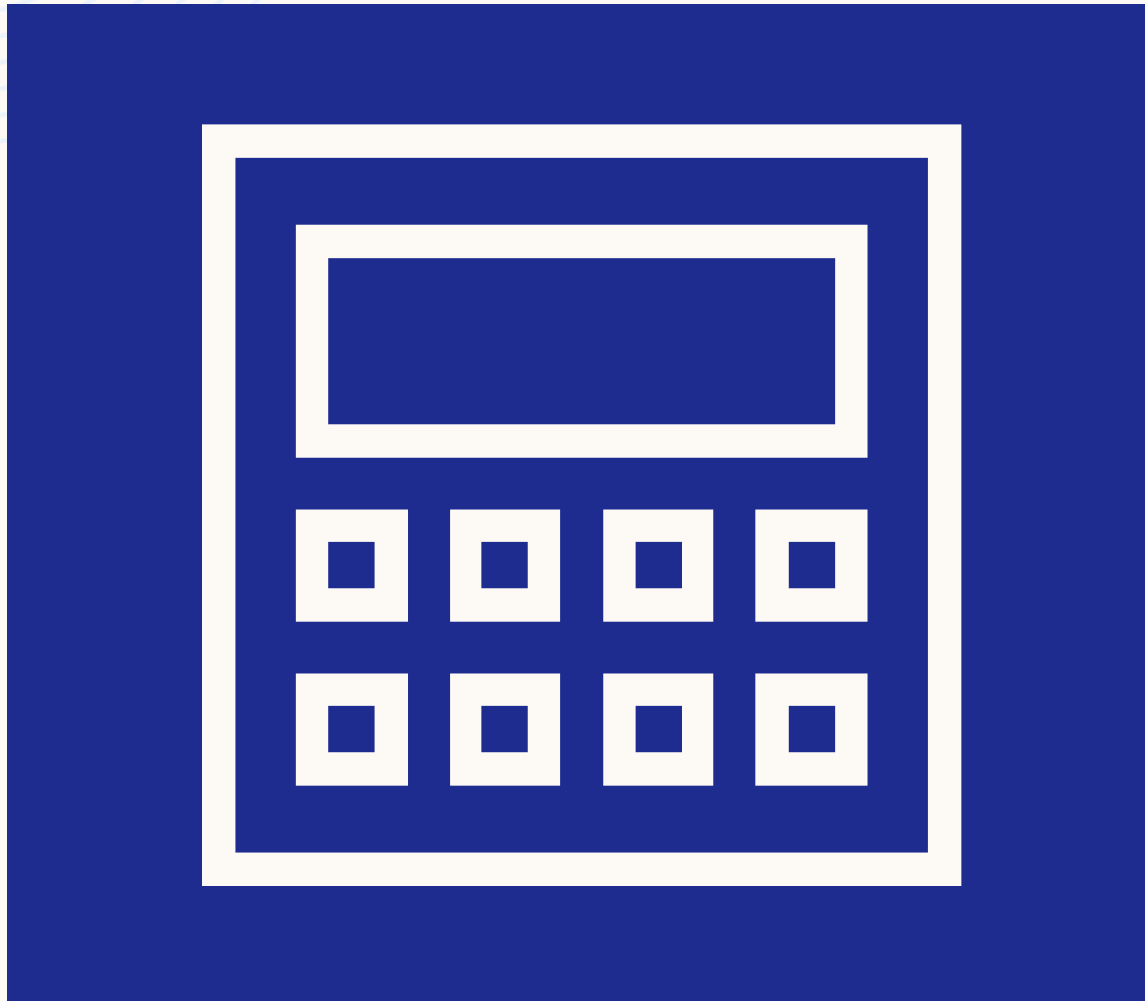
Identify the most optimal path to working like accounts, overturning denials and avoiding write-offs, and doing so in an accelerated manner

# CLAIM STATUS FOCUSES REPS ON ACCOUNTS THAT REQUIRE ACTION AND ROUTE THEM TO THE APPROPRIATE WORK QUEUE, REDUCING THE OVERALL TOUCHES REQUIRED TO REACH RESOLUTION

The integrated claim status solution sends select inquiries out in nightly batches, processes the responses, and applies business rules to update accounts and route them appropriately. The latest claim status response is also visible to staff in their WQ Tool when opening up an account, accelerating their start on each account.



# ROI BEHIND CLAIM STATUS



20-40%\* of accounts deferred are resolved without an additional manual touch



Every 1,000 account touches saved in a month represents 1-2 FTEs\*\*

\*Based on PwC's experience with Revenue Cycle Managed Services client engagement experience

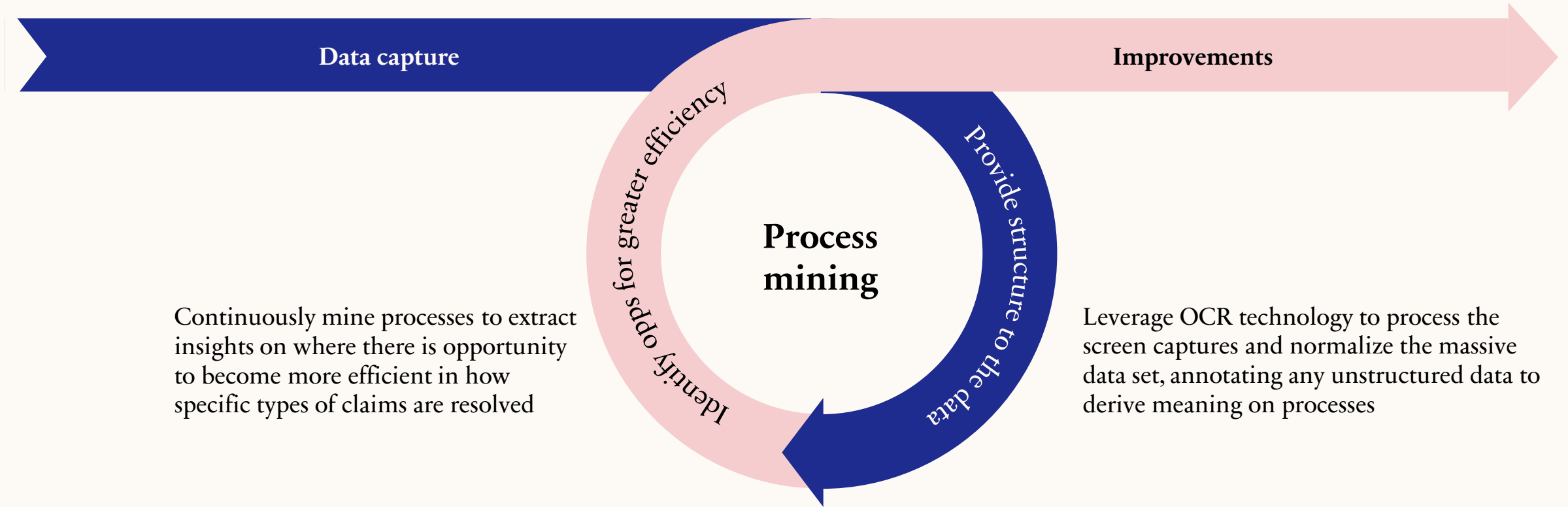
\*\*Can vary based on expected productivity levels



# PROCESS MINING

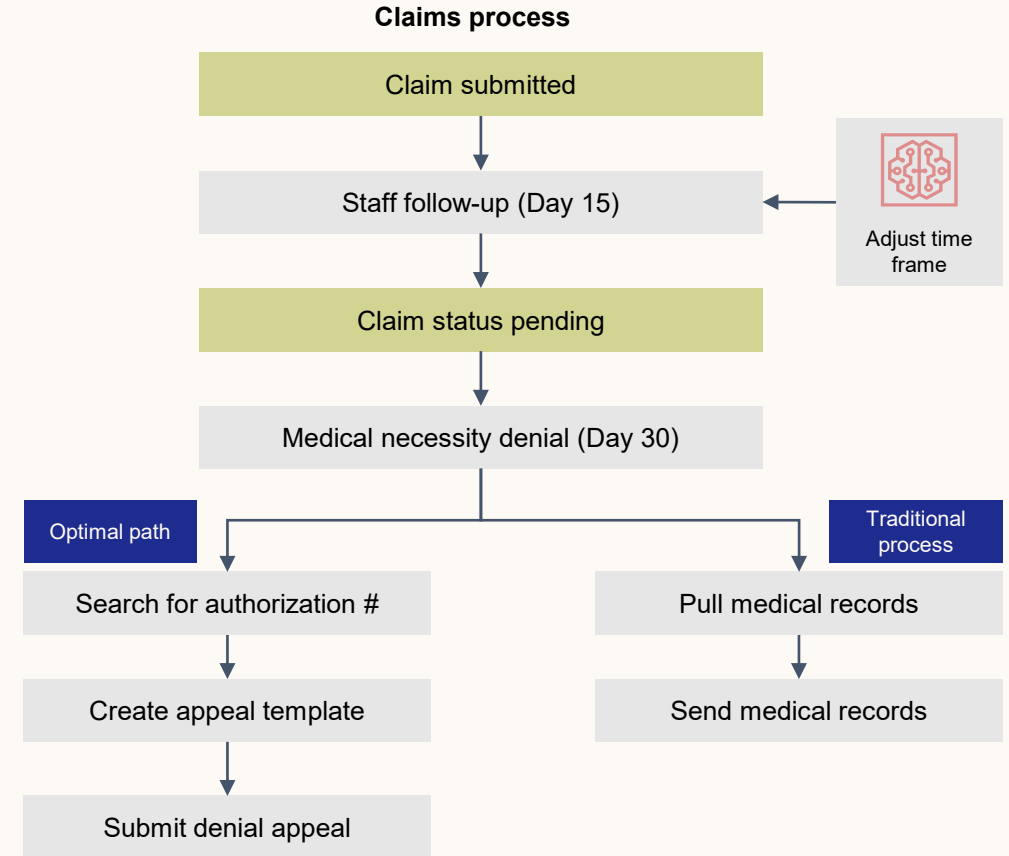
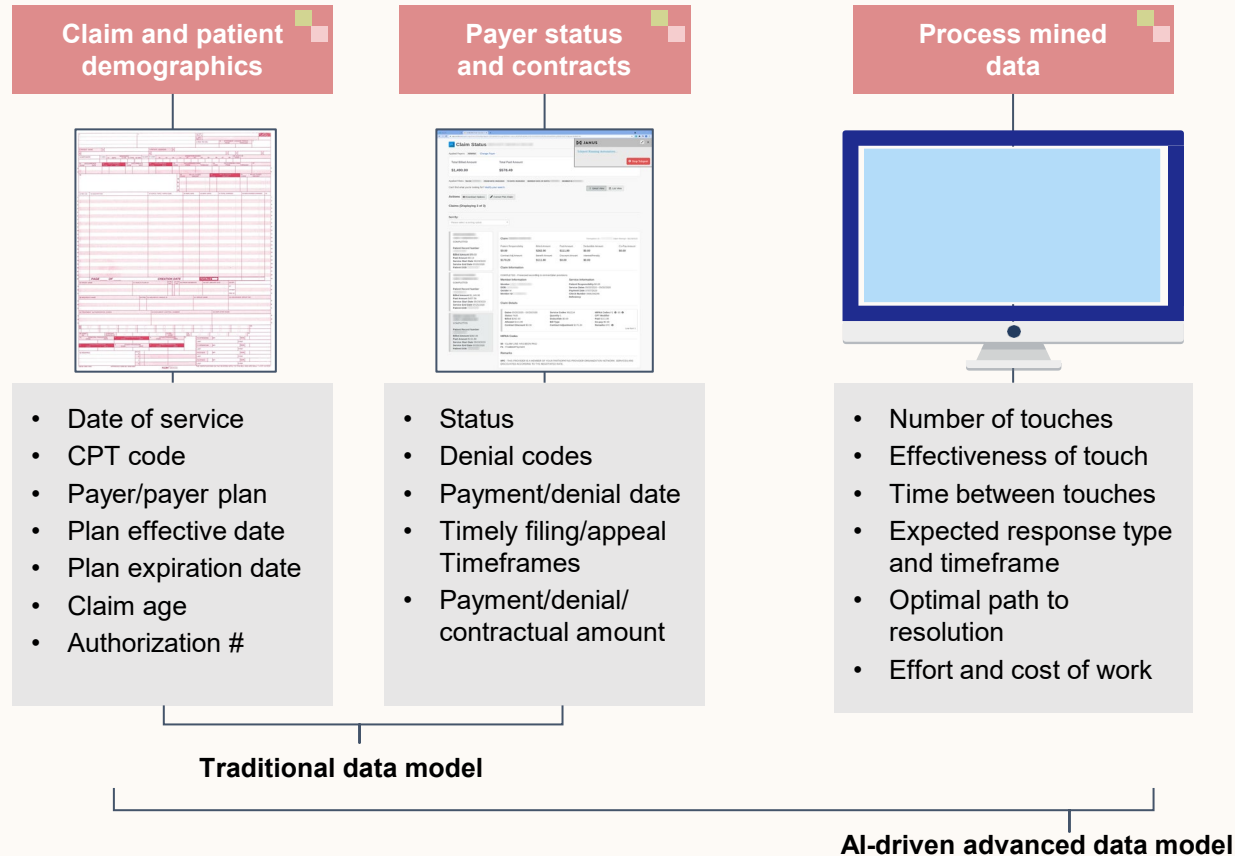
For every click, pull associated metadata and screen captures

Based on the insights extracted from the process mining output, identify opportunities to improve through training/education, process changes, and technology enhancements



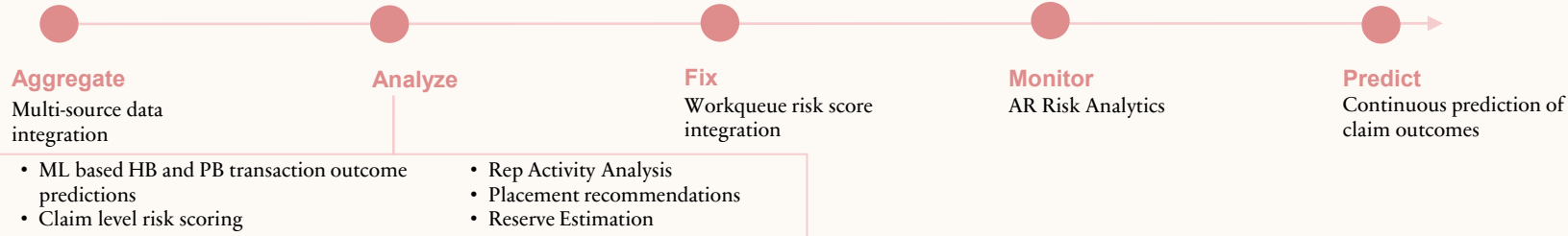
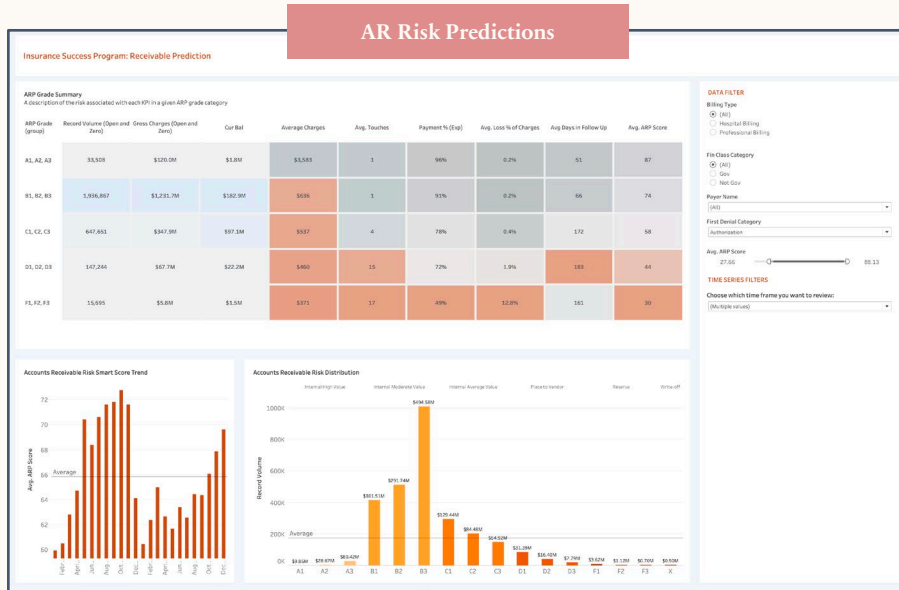
# PROCESS MINING (CONT'D)

By deploying a desktop-enabled application that captures transactional metadata and user actions, you can create digital process maps and correlate those process maps to financial outcomes. The result? A “best path flow” to resolution on a variety of accounts with specific attributes. This allows you to focus on touching the accounts that you need to and when you do, you lower the number of touches.



# A/R RISK PREDICTION

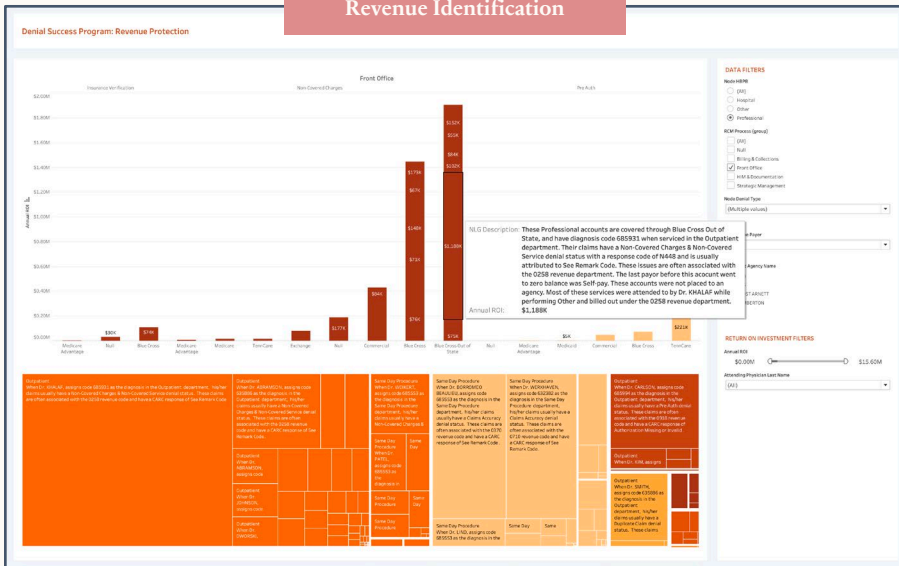
**Machine learning** solutions for predicting accounts receivable risk and recommending appropriate follow-up action for staff to provide an efficient and accurate way to manage patient accounts and reduce revenue loss. Based on the risk score, define processes for recommended follow-up action to staff.



# DENIALS MANAGEMENT INTELLIGENCE

Using **machine learning** for revenue protection and leakage identification in the revenue cycle, harnessing the power of artificial intelligence to safeguard a healthcare organization's financial health. Advanced algorithms and data analysis techniques can proactively detect, prevent, and rectify potential sources of revenue loss.

## Revenue Identification



**Aggregate**  
Multi-source data integration

**Analyze**  
ML based process mining and project issue clustering

**Fix**  
ML based project recommended worklists

**Monitor**  
Revenue leakage analytics for continuous monitoring of improvements

**Predict**  
Continuous prediction and recommendations of KPI loss areas

## Revenue Project Worklisting



**Denial Success Program: Revenue Protection Projects**

Pocket ID	Issue	HU/PP	Denial Category	Payer Name	Department Group	Procedure Category	Total Charge Impact	Total Denial Count	Annual Forecast	Quarterly Growth
888.2022.02.12	MEDICARE is denying Hospital Billing, Oncology Series procedure for Medical Necessity/Level of Care reasons. This is happening within the Infusion Treatment department at Milwauke Medical Center. These procedures are all Oncology Series pt classes.	HB	Medical Necessity/Level of Care	MEDICARE	Infusion Treatment	Oncology Series	\$11,096K	627	494	11%
1068.2022.02.12	MEDICARE is denying Hospital Billing, Visit Type LAB procedure for Medical Necessity/Level of Care reasons. This is happening within the Lab department at Milwauke Medical Center. These procedures are all Outpatient pt classes.	HB	Medical Necessity/Level of Care	MEDICARE	Lab	Visit Type LAB	\$0.63M	537	219	-73%
842.2022.02.12	MEDICARE is denying Professional Billing, Nuclear Medicine, General procedure for Medical Necessity/Level of Care reasons. This is happening within the Imaging department at Milwauke Medical Center. These procedures are all Outpatient pt classes. The BANI application is MEDICARE DOESN'T SUPPORT LEVEL OF SVC.	HB	Medical Necessity/Level of Care	MEDICARE	Imaging	Nuclear Medicine, General	\$2,498K	633	308	44%
1188.2022.02.12	CDNA is denying Hospital Billing, Visit Type LAB procedure for Medical Necessity/Level of Care reasons. This is happening within the Lab department at Milwauke Medical Center. These procedures are all Outpatient pt classes. The BANI application is NED REVIEW PLAN BENEFIT DOES NOT APPLY.	HB	Medical Necessity/Level of Care	CDNA	Lab	Visit Type LAB	\$0.87M	486	11	-100%
492.2022.02.12	MEDICARE is denying Professional Billing, Cardiology, General procedure for Medical Necessity/Level of Care reasons. This is happening within the Nursing department at Milwauke Medical Center. These procedures are all Inpatient pt classes.	PB	Medical Necessity/Level of Care	MEDICARE	Nursing	Cardiology, General	\$0.34M	564	304	10%
1168.2022.02.12	CDNA is denying Hospital Billing, Visit Type COVID TEST procedure for Medical Necessity/Level of Care reasons. This is happening within the COVID department at Milwauke Medical Center. These procedures are all Outpatient pt classes.	HB	Medical Necessity/Level of Care	CDNA	COVID	Visit Type COVID TESTING	\$0.21M	561	0	0%
1221.2022.02.12	CDNA is denying Hospital Billing, Visit Type COVID TEST procedure for Medical Necessity/Level of Care reasons. This is happening within the COVID department at Milwauke Medical Center. These procedures are all Outpatient pt classes. The BANI application is...	HB	Medical Necessity/Level of Care	CDNA	COVID	Visit Type COVID TESTING	\$0.20M	448	32	40%

DATA FILTERS

Project Name: [A]

Specificity:
 

- All
- Not
- Slightly
- Specific
- Very Specific

Business Line:
 

- All
- Hospital Billing
- Professional Billing

Denial Category: Medical Necessity/Level of Care

Payer Name: (Multiple values)

Procedure Category: [A]

Is there a specific department you want to review: [A]

Patient Access Scope: [A]

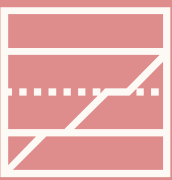
Patient Financial Services Scope: [A]

CUSTOM REPORT FILTERS

Quarterly Growth: -100% to 70%

Annual Forecast: 0 to 6,339

# KEY TAKEAWAYS...



## **Incremental improvements**

We aren't going to solve for an autonomous revenue cycle overnight. Focus on moving the needle through incremental improvements and continue to iterate on solutions where a foundational layer has been established.



## **Be willing to try and invest**

We've exhausted different strategies to lower our cost to collect. We **HAVE** to try new things, such as intelligent automation; however, it requires an open mindset to see what will work best. Creating a more intelligent tech-enabled workforce is the path we need to invest in.



# WITH YOU TODAY...



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Managed Services

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📞 (617) 894 3148

**Industry tenure: 15+ years**

## Summary

Matt is a director with PwC's Revenue Cycle Managed Services practice, leading engagements and responsible for driving intelligent automation and reporting solutions to accelerate cash flow and increase revenue for our healthcare provider clients. He has 15 years of experience in the healthcare industry, serving in consulting, operational, and analytical roles, with a focus on revenue cycle management and healthcare interoperability.

## Relevant experience

Matt has consulted health systems and large multi-specialty physician groups to drive operational efficiency and bottom-line growth, focused on their revenue cycle management strategy and operations. Engagements included business office consolidation, physician group merger integration, supply chain cost savings, IT vendor selection, project and change management.

He led an organization at athenahealth responsible for the design, strategy and management of all interoperability needs for existing and prospective clients and partners. Capabilities included API, HL7, C-CDA, SSO, X12, as well as custom flat file integration.

**THANK YOU!**

