



TARHEEL NEWS

WINTER 2023

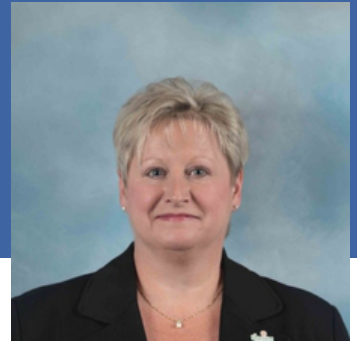
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Message from the Secretary

Elaine Peeler, MBA, FHFMA, CRCR, CHCA, CPC, COC
Manager, Revenue Cycle Quality Assurance
Novant Health



HAPPY NEW YEAR!

It's difficult to believe yet another new year has arrived! I don't know about each of you, but I am continually amazed at how fast time ticks away, and each year it seems to go that much more quickly. Is it our commitments to work, family, or just age that makes looking back a blur? Perhaps it's all the above.

With all the changes surrounding healthcare, it's easy to see why we are all so busy. How do you keep up with those changes and educate yourself regarding benchmarks in the industry? Maybe you read publications or attend webinars and conferences. It's likely all these. But what about those professional relationships – those folks whose opinion you value and whom you can bounce ideas off? That's where your membership becomes so valuable; it's your fellow members, those in the same trenches and looking to solve the same problems that are friends of gold. How do you cultivate those relationships and lasting friendships you ask? Through participation in the Content Advisory Group (formerly known as Matrix). Learn and engage with your peers in a casual setting while contributing to industry problem-solving discussions.

My story with NCHFMA began just that way more than 20 years ago now. A co-worker suggested I join with him and get involved. We did just that and I immediately joined the Program Council. I wanted to see what the council did, what they discussed, and how they carried it out. I found it interesting that though we came from different places we were working toward the same goals and had similar obstacles. I also became involved in the council's work – it was small at first i.e., introducing a speaker or two at a conference, and helping to stuff attendee bags before the conference; but all the while I was learning and making friends. Those are relationships to this day, that I can call on for advice and support when needed.

I challenge you to Make 2024 Great.... by starting a new relationship with the chapter and some soon-to-be new friends.

Elaine

2023-2024 NCHFMA Chapter Leadership

Officers

Ms. Christine Sibley, President
Assistant Vice President, Managed Health Resources
Advocate Health

Ms. Elaine Peeler, Secretary
Manager, Revenue Cycle Quality Assurance
Novant Health

Mr. Ken Vance
Past President
Retired

Mr. Jason Nelms, President-Elect
Vice President
Cone Health

Ms. Wendi Bennett, Treasurer
Director, Patient Finance
Novant Health

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Mr. Ty Carson, Director (Volunteers)
Regional VP, Business Development
GetixHealth

Ms. Ashley Sanders, Director (Communications)
VP, Business Development
Revecore

Ms. Allison White, Director (Chapter Services)
Assistant Director, Revenue Integrity
Cone Health

Mr. Kyle Fredette, Director (Education)
National Account Manager
Huntington Technology Finance

Mr. Phil Rooney, Director (Membership)
Director, Patient Financial Services
Advocate Health

Committee Chairs

Ms. Elkin Pinamonti, Program Chair
Asst. Director, Patient Access & Financial Counseling
Novant Health

Mr. Tom Henderson, Partnerships Chair
Regional Business Development Executive
Credit Solutions, LLC

Mr. Clint Stewart, Healthcare Finance Chair
Executive Director of Finance
Cone Health

Ms. Kimberly Coker, Chapter Bookkeeper
Director of Contracts and Commercial Finance
LabCorp

Mr. Jeff Wakefield, Healthcare Finance Chair
Chief Financial Officer
UNC Lenoir Healthcare

Mr. John Lloyd, Compliance Chair
Vice President, Healthcare Solutions
Wakefield and Associates

Mr. Kevin Leder, NASBA Chair
Managing Principal, Raleigh Office
CliftonLarsonAllen, LLP

Mr. Jeffrey Weegar, NCHA Liaison
Chief Financial Officer
North Carolina Healthcare Association

Mr. Brett McCone, Region Executive (Region 4)
Senior Vice President
Maryland Hospital Associate

We're growing! Help us welcome to our newest members!



Cynthia	Valentin-Jones	Accel Claims
Carie	McLean	Altera Digital Health
Yasmil	Nunez	Bayada Home Health Care
Lisa	Rodrigues	Bayada Home Health Care
Damian	Chipriano	Carilion Clinic
Bryce	Holbrook	Commercial Banker
Todd	Carriveau	Contractor
joanna	clayton	Duke Univ Health System
Antonio	Brooks	Ensemble Health Partners
Sheila	Denis	Finance Operations Manager
Mollie	Ray	Financial Analyst
Nathon	Williams	FinThrive
Jennifer	Struble	Forvis
Katie	Fail	Grant Thornton
Eric	Migliorino	Grant Thornton
Christina	Sharp	Grant Thornton
Amelia	Ford	Mayo Clinic
Eric	Richardson	MHA Program Coordinator
Adrian	Carter Jr	Oracle Health
Melissa	Huff	PMMC
johnny	walker	Preferred Medical Marketing Corp
Anthony	Bentley	Self Employed
Akaninyene	Joseph	Sound Physicians
Carey	Johnson	Sr Functional Consultant
JANHVI	DUDWADKAR	Strata Decision Technology LLC
Tina	Vines	Student
Alana	Rauhoff	Student
Michael	Lavender	Student
Dallas	Hall	Student
Madison	Bryant	Student
Fatma	AbdelSalam	Student
Jordan	Lobel	Student
Solvakia	Lemon	Student

Jae	Durant	Thompson Child and Family Focus
Malinda	Durant	Trinity
JESSICA	WENDEL	Trinity
Pamela	Cook	Trinity
Cindi	Salley	Trinity
Ann	Grice	Trinity
Mary	Powers	Trinity
Venita	Robinson	Trinity
Danee	Campbell	Trinity
melda	Okwara	Trinity
Mark	Phelps	Truist
Amy	Fulp	UC Davis Health System
Bernadine	Cope	UC Davis Health System
Trina	Ayers	UNC Health
Nicholas	Latta	UNC HEALTHCARE
Bradford	Brooks	WELLS FARGO
Stacy	Christensen	WELLS FARGO
Courtney	Fortenberry	WELLS FARGO

Help us welcome our newest Enterprise members from Advocate:

Kristy	Gelo
Debi	Shurtleff
Charity	Reading
Nancy	Higgins
Sunny	Sain
Macqueda	Madison-Gaffney
Jennifer	Phelps
Keli	Funderburk
Charles	Hicks
Cheryl	Driver
Disa	Pabon
Mary	Forrest
Hollie	Price
Miranda	Jones
Lakeisha	Wilkins
Rashanda	Ray
Randy	Thomas
Gerena	Baker
Danelle	Swaney
Nancy	Hudspeth
Nykia	Cabral
Michelle	Polk
Karen	Snyder
Hope	Morey
Crystal	McCaskill
Laurinda	Carr
Christian	Craver
Michele	Hendrix
Timothy	O'Connor
William	Mitchell
Chaka	Singletary
Brandon	Ansley
Wendy	Brintle
Tamela	Cox
Ileana	Sosa
Lara	Richardson
Nicole	Wilson
Anthony G	Johnson
Catherine	White
Thomasinia	Pettus

Jackie	Smith
Marindy	Harris
Kerry	Cupp
Charity	Brown
Lisa	Bullard
Tasha	Hall
Michelle	Snow
Cynthia	Alexander
Karen	Deese
Lorraine	Wilding
Sandra	Vermillion
Andrea	Ortiz
Zaundra	Miller
Shae	Springs
Pamela	Brinkley
Marion	Grubbs
Katina	Tucker
Chemika	Richardson
Stephanie	Cirilli
Tonya	Griffin
Regina	King
Nellieell	Orr
Jonathanonat	Johnson
Heather	Terry
Martha	Forrest
Melodie	Lockhart
Lynn	Cabrera
Tamaria	Wilson-Moore
Michael	Heller
Kathy	Courtemanche
Jeffrey	Perry
Joy	Wilder
Steven	Smith
Kesia	Maupin
Angela	Hankins
Deidre	Scott
Debbie	Dethrow
Danetta	Greenidge
Alefiyah	Basrai
Stephen	Hairston

Janell	Lockett
Nicole	Turnage
Catherine	Collier
Diondra	Gould
Maribeth	Hicks
Christy	Worthy
Tyra	Gray
Sara	Dorszynski
Liliana	Cobb
Theresa	Hymes
Ashley	Toney
Mary Beth	DeVos
Jennifer	Almond
Jessica	Reece
Christina	Hunt
David	Euliss
Mary	Garris
Bridgett	Chaffin
James	Robinson
Shari	Moore
John	Fowler
LaChandra	Battle Rapley
Marsha	Nielsen
Tiffany	Tate
Dorian	Lowe
Michele	Patton
Brandi	Long
Montana	Key
Maureen	Landry
Maria	Ingram
Lizanne	Poehling
NICOLE	RICE
Carolyn	Perdue
Ashley	Sturgill
Ashley	Jones
Meghan	DeBlasio Simmons
Rufus	Pennix
Shurunda	Harris
Bethany	Simpson
Melissa	Roberts

LaQuell	Wilson
DANA	FOGG
JENNIFER	HILL
Jennifer	Guthrie
Sydney	Cato
Kristina	Birch
Shelley	Gadd
Jonel	Kinser
Pansy	Hedrick
Kimberly	Aguilar-Halsey
Lacey	White
Kaylee	Wess
Angela	Makor
Elizabeth	Chapman
byllie	mccullers
SHARON	SMITH
Erin	Wright
Kimberly	Swindle
Joanna	Collins
Reanna	Koontz
Betsy	Batten
yaritza	david
Melissa	Bowles
Tinisia	Coffin
Susan	Snow
Dustin	Patterson
Naomi	McElroy
Jacqueline	Baslious
Hayley	Everhart
Brenda	Lowery
Cayla	Mansel
Laci	Garner
Donna	Chipman
yasmen	ashoush
Jesica	Montgomery
Sophie	Dulaney
Luz	Cole
Cynthia	Bollinger
Kelly	Tanas
angela	williams

Kayla	Jones
lizbeth	hernandez
Amber	Bolden
Keisha	Jones
Kelly	Lopez
Amy	Hester
Vickie	Smith
Deidra	Thorne
Amy	McHone
Kelle	Gordon
Alexandra	Reid
Tammy	Singleton
Tamara	Lineberry
LaTonya	Smoot
Kim	Leonard
Brandie	Bryant
Isaris	Mitchell
Carolyn	Clark
Jayna	Lentz
Laurie	Tanner
Chrissy	Johnson
Kristin	Brown
Latavia	Ruffin
Latesha	Long
Brittani	Porter
Lupe	Young
Shelly	Childress
Garcia	Barker-Walters
Teresa	Shipman
kristen	bates
ANDREA	NORALES
Jamie	Lambert
Melody	Mosteller
Jessica	Keever
Carol	Phillips
Consuela	Baxter
Nikki	Hairston
Kimberly	Evans
Christie	Craig
Amy	Oehler

Help us welcome our newest Enterprise members from Advocate:

Janelle	Venant
Mitze	Segers
Sheila	Villegas
Brandy	Hill
Kimberly	Nickens
Jessica	Bosworth
Deann	Sherrill
Sherry	Davis
Diane	Ziebarth
Jennifer	Taylor
ASHLEY	SMITH
Lauren	Cozart
Dexter	Glover
Shanell	Holmes
Stacy	Gunnell
Linda	White
Amber	Todi
Erendira	Jamerson
Sarah	Shaw
Bonita	Maxwell
Stacy	Alderman
Kim	Phillips
Thien-Thu	Dinh
Allison	Cathcart
Stephanie	Speice
Mariya	Narodny
Austin	Murray
Cerrina	Fuller
Christina	Wood
Donna	Safrit
Candace	Oliver
Jim	Carty
Tyler	Shear
Patrice	Jones
Julia	Jeter
Renee	Harrison
Susan	Smith
Megan	Edwards
Leslie	German
Christine	Snody

Eula	Gabard
James	Ramsey
Kelly	Garmon
ChaToya	Dudley
Deanna	Allen
Ann	Smith
Cory	Grimshaw
Tara	Hames
Latoya	Freeman
Melissa	Snuggs
Kelly	Carson
herlinda	felix
Summer	Setliff
Renee	Hood
Kameron	Brooks
Bart	Reeves
John	Fowler
Erin	Rydell
Wilhelmina	Nance
Monique	Edgecombe
Gina	Barrett
Amanda	Barnes
Nadia	Duncan
Cheryl	Massey

Have a question about Membership?
Reach out to us at
Membership@NCHFMA.org



Highlights from the 2023 Healthcare Finance & Technology Symposium

On December 6th and 7th, NCHFMA teamed up with NCHIMSS, SCHIMSS, SCHFMA, GCHEG, and NCAHRMM to host the Healthcare Finance and Technology Symposium in Charlotte. More than 150 attendees came together from across these various organizations for education, networking, and fun!

Included in the event were Leadership Panels involving Provider leaders with Healthcare, Technology, Finance, and Revenue Cycle backgrounds. Attendees also were briefed in sessions that provided an Economic and Supply Chain update.



Attendees also enjoyed a holiday-themed happy hour networking event at Dilworth Neighborhood Grille, where we collected toys for Levine's Children's Hospital and enjoyed a special visit from Santa!

The Symposium gave attendees a broader understanding of the overall healthcare environment than their specific area of expertise. It also provided Networking for members of different Chapters that likely hadn't connected before. Feedback has been overwhelmingly positive and we look forward to identifying future opportunities to collaborate with other chapters!

Member Spotlight

Jeff Neisen, MBA
Vice President Revenue Cycle Operations
WakeMed Health & Hospitals



For this issue, Ashley Sanders (NCHFMA Director of Communications) was lucky enough to interview Mr. Jeff Neisen, Vice President Revenue Cycle Operations with WakeMed Health & Hospitals. Below is their Q&A:

Ashley: How long have you been a member of NCHFMA?

Jeff: 17 years

Ashley: Are you currently involved in any kind of volunteer role with the Chapter?

Jeff: So, I just moved back to NC in January and have been a bit busy in my new role with WakeMed. I was able to serve on a revenue cycle panel at the Summer Conference in Myrtle Beach but not much beyond that. Prior to leaving North Carolina in 2017, I served on matrix counsels and committees for many years. While in Colorado between 2017 and 2023, I was a two-term active board member, served as sponsorship committee chair for the Colorado chapter, served as the sponsorship committee chair for the 2023 Western Regional Symposium, and have been a course coordinator volunteer at the last two HFMA Annual Meetings.

Ashley: What drew you to volunteer, and have you seen any positive impacts from getting involved?

Jeff: The original driver behind getting involved in HFMA was to learn about healthcare finance, revenue cycle specifically. Over the years, I have found my involvement has yielded relationships with healthcare professionals that have become exceptionally valuable resources that I've reached out to when I need information and data, or just a sounding board when I'm wrestling with some tough questions. Some of those folks have also become lifelong friends.

Ashley: How long have you been with WakeMed and what drew you back to North Carolina?

Jeff: This is actually my second time around with WakeMed. I grew up in Raleigh NC, graduated from Millbrook high school in... well that doesn't matter...and my wife and I's first child was born at WakeMed. From 2000-2003 I worked for WakeMed negotiating managed care contracts. I started in my new role this past January, and it was actually a person that I worked with my first time at WakeMed and stayed in touch with that texted me one afternoon letting me know WakeMed was looking for a VP of revenue cycle and I should put my name in the hat and compete. You know how that story plays out! Coming back to NC was easy. It's always been home!

Ashley: What is the biggest challenge you're facing currently (specific to WakeMed or industry-wide)?

Jeff: I wish I could say there was a biggest challenge, but unfortunately there a multitude of big challenges. If you read Becker's, you know we are all being squeezed on the revenue side while expenses have us feeling like we are in a pressure cooker! Continued...

Member Spotlight, Continued

Jeff: From my first stint at WakeMed to now, 23 years, I have never seen healthcare so upside down. Payers are experiencing records breaking profits and providers are just trying to survive. Payers violate their own policies and our state hospital associations (saw this in Colorado as well) do their level best to support us, but the state legislature and DOI just don't seem to care. If there are no consequences for payers overrunning us with denials that are flat out inappropriate, they will continue the behavior. A few of the other big challenges are around recruitment and retention of staff, the onboarding and training of new hires, managing the plethora of vendors integrated into our revenue cycle, and keeping up with all of the new ways we can better leverage our EHR (Epic) to more efficiently manage revenue cycle operations. They push things out at a rate that we struggle to keep up with, which isn't a bad thing, but it is nonetheless a challenge for us.

Ashley: I'm sure you've had many mentors throughout your career. Is there one that sticks out in your mind? If so, what's one thing they taught you that made a lasting impression?

Jeff: So, I love this question! I have been fortunate to have three "mentors" that have had a big impact on my career. Tom Thayer, Ray Champ, and Scott Williams. I've taken the time to let Tom and Scott know personally how grateful I am for their mentoring over the years and that I would not be where I am without their valuable guidance, direction, and support. However, Mr. Champ doesn't even know he was a mentor or how big of an impact he had on my career. Mr. Champ was the CEO at WakeMed when I started there in 2000. When I met Mr. Champ, I was standing in the doorway to his office. On his bookshelf filled with books was one book facing outward so you could see the cover, and that book was called *The Goal*. It was written by Eliyahu Goldratt, and since it was the ONLY book with the cover facing out for all to see, I thought I better go out and buy that book and read it. Well, I did, and it gave me perspective about workflow efficiency that I had never gotten through my undergraduate or graduate school programs. It literally changed the way I thought about performance and process improvement, and I credit Mr. Champ and that book with much of the success I've had over the years driving process and performance improvement.

Ashley: You've been a leader at several different organizations throughout your career...If you could share some of your wisdom to the up-and-coming leaders in our industry, what would you tell them?

Jeff: That your success in the role you've been hired into is going to be in direct proportion to the relationships you develop with people. Health systems are big places, and in my current role, I say frequently out loud that managing the revenue cycle is a team sport. And I work hard to develop good working relationships with people in a multitude of functional areas across the health system to get the support that will ensure the health system's revenue cycle is converting clinical care into cash as efficiently as possible.

Ashley: Any personal details you would like to share about yourself that we may not know about you (any party tricks or weird hobbies we need to know about)?

Jeff: My wife's name is Amy, and we have been married 30 years this month. We've had dogs from the time we got engaged through today, so Amy and I don't know life together without man's best friend. We currently have a Griffondor (Griffon Black Lab mix) that worships me and that drives her nuts, because it's supposed to be her dog! I have two 20-something young men that I am very proud of. I love to play golf and fish, and I have a very unusual hobby; I collect old beer cans from the 1930s – 1950s.

Upcoming Events

In-person Events:

Medicare Workshop (Novant Conference Center)

January 26, 2024

2024 Spring Institute - 70th Anniversary! (Pinehurst, NC)

February 7 - 9, 2024



2024 Conference for Women & Healthcare Leadership (WakeMed Cary Hospital)

May 21, 2024

2024 Summer Meeting (Myrtle Beach, SC)

August 21 - 23, 2024

Finance Bootcamp (Charlotte, NC)

June 11, 2024

Virtual Events:

Ethics Training

March 26, 2024

Health Insurance Institute

April 16 - 17, 2024

EDUCATIONAL ARTICLES



*Rise in Self-Pay Requires Providers to Improve
their Reimbursement Strategies*

Elevate PFS

*The Unbeatable Value of the Human Touch in a
Digital Healthcare World,*

SSI

The RCM Leader's Guide to DRG Downgrades

Revecore

Rise in Self-Pay Requires Providers to Improve their Reimbursement Strategies

Submitted by Elevate PFS

As health care costs continue to grow so do the popularity of high deductible health plans (HDHP), with more than half of all U.S. workers now using one.¹ The plans, designed to reduce unnecessary health care spending, encourage enrollees to actively manage their health care costs. Different from a traditional insurance plan, the monthly premium with a HDHP is lower, but enrollees pay more health care costs in a higher deductible before the insurance company starts to pay its share. Due to their widespread use, patients are shouldering more of the financial responsibility for their medical care, and this is increasing bad debt for healthcare providers.

Since 2000, the patient's portion of healthcare payments has risen 30%. Today, that amount makes up 35% of provider revenue. Self-pay is the third largest payer behind Medicare and Medicaid.² In 2022, nearly a third of covered workers were in HDHPs with deductibles of \$2,000 or more, compared to 7% in 2009.³

While patients without insurance have greater access to charity care and other forms of financial assistance, the increased number of HDHPs has changed what it means to have health insurance coverage. For most hospitals, the change means they must collect more from the patient. Since patients in these plans must pay more, it leaves providers struggling to collect from them.

In 2021, the self-pay market was valued at \$8 billion and is expected to hit \$15 billion by 2027.⁴ Patient collection rates at hospitals have declined and the percentage of bad debt has been shown to increase when a patient's out-of-pocket bills reaches \$7,500. According to a Crowe Revenue Cycle Analytics report, after the patient responsibility portion reaches thousands of dollars, collectability sharply drops off.⁵

Data in the Crowe report uncovered trends that place a greater burden on providers' ability to collect from self-pay patients. And as labor shortages and higher wages create a struggle for hospitals, an inability to recover all expected revenue further challenges slim operating margins. One of the biggest challenges is write-offs associated with patient balances after collection efforts by the provider. In the past, most of the bad debt was attributed to uninsured patients. Now it is most associated with patients with insurance. Self-pay after insurance accounts for nearly 60% of patient bad debt.⁵

This evolving landscape means healthcare providers will need to adjust their collection strategies to reflect this change. These approaches include improving communication with patients, so it's tailored to how they prefer to receive messages. Patient-friendly language that is clear and concise, and the use of a variety of communication channels, including text messages, phone calls, and letters, help patients remember and understand information. Compassionate advocates who engage with patients through dignity and respect are also key to helping patients understand their medical bills and insurance options.

Additionally, providing a self-service option and payment plans offer patients more options to pay when it's most convenient for them. Providers have an opportunity to succeed in this environment, whether they choose to keep their Self-Pay collection services in-house or outsource them to a vendor with the right expertise, processes, and technology solutions, to better address patient satisfaction, reduce revenue loss, and improve collections.

1. Value Penguin, "Rate of Workers Enrolled in High-Deductible Health Plans Jumps for 8th Year in Row to Record 55.7%," Jacqueline DeMarco, January 30, 2023. <https://www.valuepenguin.com/high-deductible-health-plan-study>
2. Definitive Healthcare, "Healthcare Insights," July 14, 2023. <https://www.definitivehc.com/resources/healthcare-insights/breaking-down-us-hospital-payor-mixes>
3. KFF, "2022 Employer Health Benefits Survey," October 27, 2022. <https://www.kff.org/report-section/ehbs-2022-summary-of-findings/>
4. Pitchbook, "Pitchbook Analyst Note: Creating a Consumer-Centric Patient Payment Ecosystem," April 27, 2021. <https://pitchbook.com/news/reports/q2-2021-pitchbook-analyst-note-creating-a-consumer-centric-patient-payment-ecosystem>
5. Crowe, "Hospital collection rates for self-pay patient accounts," August 2022. <https://www.crowe.com/-/media/crowe/llp/widen-media-files-folder/h/hospital-collection-rates-for-self-pay-patient-accounts-report-chc2305-001a.pdf>

The Unbeatable Value of the Human Touch in a Digital Healthcare World

Kristy Boldt, Sr. Director of Marketing

In today's rapidly digitizing healthcare landscape, technology is ubiquitous. From telehealth to advanced robotic surgeries, from AI-driven diagnostics to automated administrative tools, we're in the midst of a technological renaissance. Yet, even amidst this digital transformation, one element remains irreplaceable: the human touch.

As revenue cycle leaders and CFOs of hospitals and health systems, you're at the helm of operational excellence and financial sustainability. You understand that while technology offers efficiency, it's the human element that ensures genuine care, understanding, and a deep-seated commitment to service. In this blog post, we'll explore the irreplaceable value of human-led tech in the digital healthcare landscape and why, even in our tech-driven age, a personal touch makes all the difference.

Human Connections: Beyond the Algorithms in Digital Healthcare

Remember the feeling when you walked into a local store, and the owner remembered your name? Or when a restaurant manager recalled your favorite dish? That's the power of human connection. In the medical world, it's the comforting hand of a nurse, the reassuring words of a physician, or the empathetic ear of a therapist.

The world of revenue cycle management (RCM) is no different. Amidst the codes, claims, and clearances, lies a world where human relationships determine success. For 35 years and counting, SSI has always held onto this belief. Technology facilitates, but it's our people that drive excellence. It's not just about processing claims but understanding the intricacies behind each one.

Digital Fatigue: The Unspoken Challenge

As healthcare technology progresses, a new phenomenon has emerged: digital fatigue. Systems, platforms, and applications bombard us daily. Each promises efficiency but often at the cost of depersonalization.

Research has consistently shown that while digital healthcare tools can enhance efficiency, over-reliance can lead to burnout, decreased job satisfaction, and increased errors. The antidote? A balanced approach. Blending the best of technology with a human-centric approach ensures that while we ride the wave of digital transformation, we never lose sight of the shore.

Human-led Tech: The Path Forward in Digital Healthcare

As we navigate the complexities of modern healthcare, it's evident that a balanced approach is essential. While there's no doubt that technology will continue to grow and expand our horizons, the human touch will remain irreplaceable.

As decision-makers, the choice is clear. In a world saturated with tech solutions, it's the human-led ones that stand out. It's about choosing a partner that understands the heartbeat of healthcare, one that values human connections as much as technological advancements.

As the digital healthcare landscape evolves, let's not forget the timeless value of human connections. After all, in the intricate dance of healthcare, technology may lead, but it's the human touch that truly elevates the experience.

The RCM Leader's Guide to DRG Downgrades



What is a DRG Downgrade?

A DRG downgrade is a payer's removal and/or replacement of one or more of the billed diagnosis codes on an inpatient hospital claim. That removal typically – although not always – leads to lower reimbursement.

What are the two kinds of DRG downgrades?

1. Coding-Related Denials - The payer uses coding rules/ guidelines to justify removing the diagnosis code.
2. Clinical Validation-Related Denials - The payer is not questioning the coding of the diagnosis but is questioning whether the diagnosis should have been made.

How do DRG downgrades impact your revenue cycle?

- Revenue - While the difference in payment resulting from a DRG downgrade varies, together, across many claims, the downgrade can become a significant revenue hit.
- Case Mix Index - Incomplete and inaccurate documentation in the medical record impacts reimbursement rates and can negatively impact Case Mix when it appears patients are less sick than they really are or have longer lengths of stay than the norm for that DRG.
- Workload Impact - Significant time and resources are needed to intake, process, appeal, and track each DRG downgrade audit/letter, adding labor on coders, clinicians, and administrative staff.

Strategies & Best Practices for Appeals:

1

Establish a threshold for review + track and trend

If DRG downgrades are increasing at your facility, reviewing and appealing low-dollar appeals may not be feasible. Determine a threshold for review that addresses DRG downgrades without overtaxing staff, then track and trend downgrades to determine if there are significant patterns that need to be addressed.

2

Do not trust rationale used by the payer

Payers will often cite references in removing the diagnosis code that actually support the use of that code. They are likely using technology to identify certain claims and diagnoses, with no human review.

3

Match the review to the appropriate staff

Experienced staff with expertise in particular DRG downgrades is key. If there is a coding rule/ guideline referenced in the removal of a diagnosis code, a coder should review that audit/ denial. Clinicians should review a clinical validation denial to identify the documentation/ clinical indicators that support the diagnosis.

4

Employ technology

Half the battle with any new payer denial trend is knowing what you are dealing with and the possible financial impact. Employ the correct technology in order to appeal and track and trend these denials by payer, denial type, financial impact, and diagnosis code.

5

Escalate when the appropriate outcome is not obtained

Be willing to escalate DRG downgrades when the appropriate outcome is not obtained after following the appeal process. This may include involving the provider rep when there are patterns of failed appeals or considering external escalation/arbitration.

The RCM Leader's Guide to DRG Downgrades



Key Takeaways

Prevention Strategies



Physician Education

It is crucial to have continued physician education on consistent documentation of the diagnosis, clinical indicators for the diagnosis, and how they are treating it throughout the stay. Consider providing coding education and feedback and track trends to identify additional education needs.



Robust CDI Program

A CDI program ensures the events of the patient encounter are captured accurately. CDI will help identify and resolve gaps in documentation that exist before code assignment. Thorough documentation will reduce denials and improve appeal outcomes.



Facility Policy on Guidelines

Having a facility policy on which guidelines to use will help appeals with certain payers.



Tracking and Reporting

Tracking and reporting will help identify individual physician and coder trends, diagnosis codes, and payers, so that corrective action can be taken.



Communication with the Front End

Continued feedback and education from the back end to the front/concurrent end can help maintain consistency and improve outcomes.



Payer Contracts

Payer contracting is complex, but be cautious of agreeing to policies and guidelines from the payer. This can lock you in to following many different payer policies that could potentially have a negative impact on your facility.

NCHFMA Business Partners

As always, we extend our sincerest gratitude to our business partners for their continued investment in our Chapter. For further information or questions regarding partnerships, please contact Tom Henderson, Partnership Committee Chair: 336-858-0088 · partnerships@nchfma.org.

Platinum



Provider



Master of Management
in Clinical Informatics

Gold

AccessOne
BDO
CloudMed
EnableComp
Knowtion
Medit
SSI

Silver

Bank of America
Clear Balance
Encore Exchange
Getix Health
MDaudit
Medlytix
NCHA
OiHealth
Penn Credit
Prestige Staffing
PreMedical
Revecore
Wakefield

Bronze

Bull City
Credit Solutions
ElevatePFS
EligibilityOne
FCI RevCare
Xtend

Harris & Harris
Healthfuse
Hollis Cobb
KeyBridge
Labcorp
LikeKuhl Group

MDS
Salud
SLG, Inc.
TruBridge
USA Senior Care
Vispa