
REIMAGINING REVENUE CYCLE

EFFICIENCY AND EFFICACY IN MODERN HEALTHCARE

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DISCLOSURES

- No financial relationships or conflicts to disclosure
- All images used in this presentation were ethically sourced



LEARNING OBJECTIVES

- Understand the need to adapt revenue cycle operations to the challenges of the current healthcare environment
- Understand how Cost to Collect can be used for revenue cycle expense management performance monitoring
- Learn about three key strategies to improve overall revenue cycle performance

PERSPECTIVE



HEALTHCARE FINANCE IN A NUTSHELL



MOODY'S

*Negative to Stable
November 2023*

S&P Global

*Negative
January 2024*

Fitch Ratings

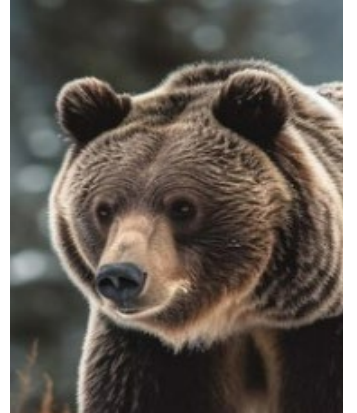
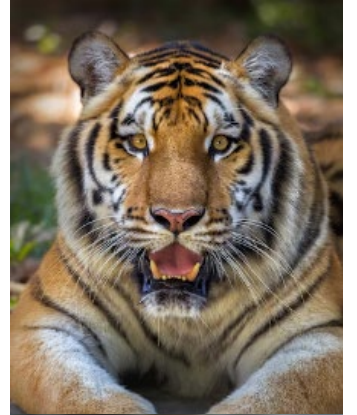
*Deteriorating
December 2023*

FINANCIAL PRESSURE ABOUNDS

Labor shortages!
Compensation pressure!
Inflation struggles!

Pharmaceuticals!
Supplies!
Interest!

Reimbursement declines!
Denials!
Write offs!





THE REALITY

Pressure will remain for the foreseeable future and call for relentless expense management to maintain operating margins to maintain and invest in operations

A HIGH
PERFORMING AND
FISCALLY SOUND
REVENUE CYCLE IS
MORE IMPORTANT
THAN EVER



WE OFFER 3 KINDS OF SERVICES

GOOD · CHEAP · FAST

BUT YOU CAN PICK ONLY TWO

GOOD & CHEAP WON'T BE FAST

FAST & GOOD WON'T BE CHEAP

CHEAP & FAST WON'T BE GOOD

REVENUE CYCLE OPERATIONS IN DAYS OF YORE

- Siloed
- ‘Score-keeper’
- Collector of money
- ‘Business office’
- Not only is legacy RCS unsustainable, its really not very much fun to operate

UNSUSTAINABLE + BORING =



MEASURING REVENUE CYCLE PERFORMANCE





EXPENSE MANAGEMENT USING COST TO COLLECT

- Cost to collect is an effective way to evaluate the expense burden of revenue cycle on your organization
- Your cost to collect can be easily measured and benchmarked
- Expense management initiatives result in a more pragmatic analysis of opportunity
- Forces leaders to evaluate their entire business
- Removes the prospect of draconian or ‘peanut butter’ approaches to workforce reductions

Which if not done carefully can REDUCE cash collection!

CALCULATING COST TO COLLECT

- Answering the question:

How much out of every dollar collected goes to support said collections?

- Total operating revenue collected / total expense of all revenue cycle operations

\$2B net operating revenue

-----  \$0.04 cost to collect
\$80M revenue cycle operations expense

COST TO COLLECT BENCHMARKING

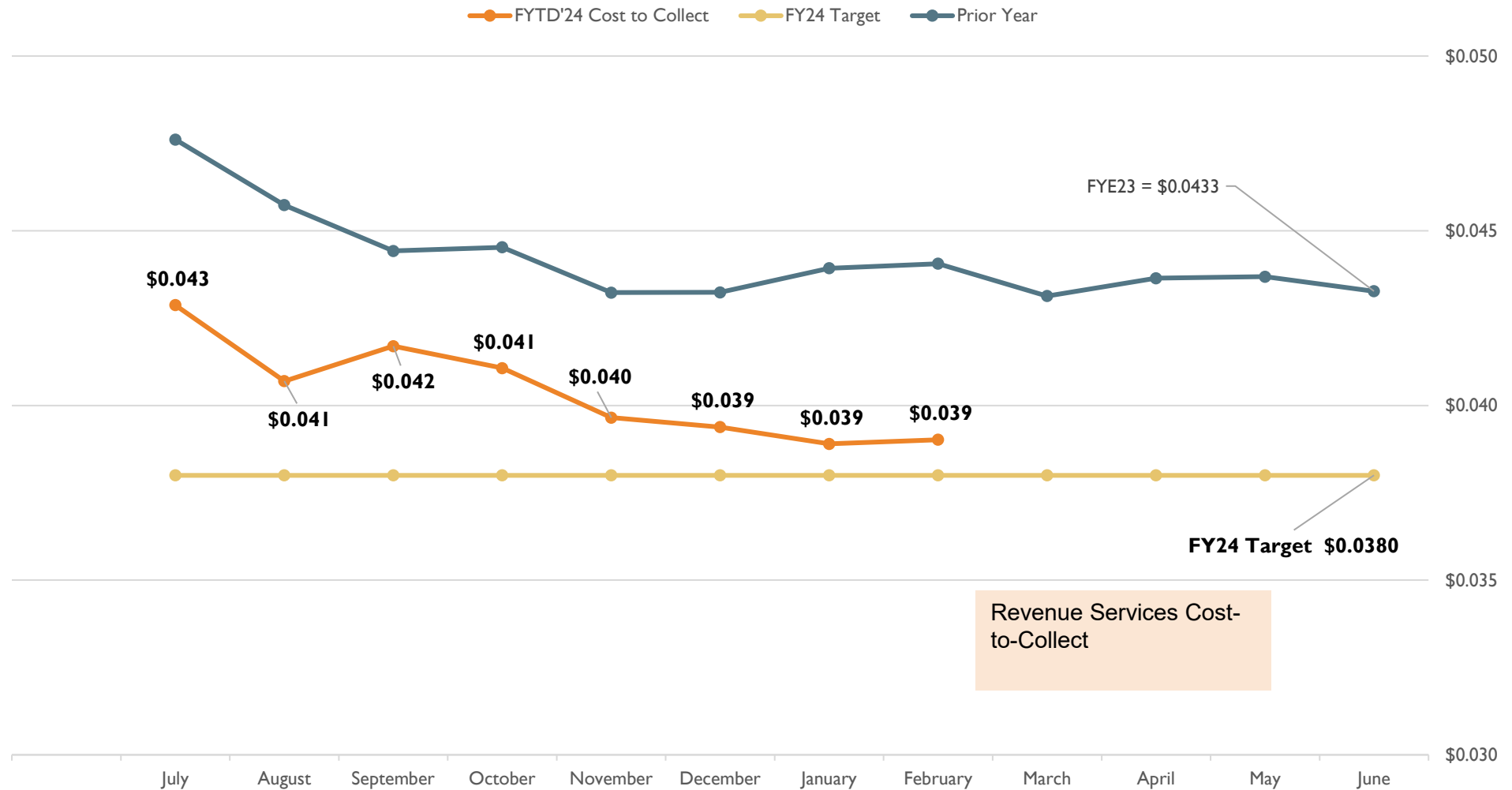
- Have to be in tune to the nuances of what is in and out of the definition.
- At the very worst, track to improvements

HFMA 18 MAP Award Winners	
Cost to Collect	Percentile
1.8%	90th
2.5%	75th
2.9%	50th
3.7%	25th
5.1%	10th

HFMA 19 MAP Certificate of Achievement Winners	
Cost to Collect	Percentile
3.0%	75th
3.4%	50th
3.7%	25th

REVENUE SERVICES – COST TO COLLECT

Revenue Services FYTD24 Cost to Collect



THE LEVERS OF COST TO COLLECT

- Let's use the example of a company with net revenue of \$2B dollars
- A decrease in cost to collect from \$0.04 to \$0.039 would require:

\$51M **increase** in cash collected

OR

\$2M **decrease** in revenue cycle operations expense

COST TO COLLECT IMPROVEMENT OPPORTUNITIES



- Vendor reduction
- Contract renegotiation
- FTE and headcount management
- Strategic outsourcing
- Reductions in avoidable write offs
- Automation
- Self service
- Documentation and coding improvements



KEEP AN EYE ON YOUR FINANCIAL PULSE!

Epic HB Trophies

- Coding days – gold
- DNFB days – bronze
- Claim error days – bronze
- Insurance AR 90+ % – bronze
- Insurance net collection ratio – bronze
- Additional documentation needed, primary denial rate – bronze
- Authorization primary denial rate – bronze

Epic PB Trophies

- Pre-AR days – bronze
- Insurance net collection ratio – bronze
- Additional documentation needed, primary denial rate – bronze

Benchmarking: Gold – top 5%, Silver top 10%, Bronze top 25%



THREE
STRATEGIES
TO IMPROVE
COST TO
COLLECT

AUTOMATION



CONNECTING EMR AND TELEPHONY SYSTEMS

- The CTI integration *SUPPORTS*, not replaces, verification of patient identity
- Average time savings of 15 seconds per call

200k calls/month x 15s saved
=
\$300k+ annual savings



PATIENTS	Date Of Birth	Location
[Redacted]		

PRESERVICE HOLY GRAILS



- Automated No Surprises Act (NSA) estimates
- Automated prior authorizations



AUTOMATED NSA ESTIMATES

- Fully automated
- Partially automated
(auto generated, but manually reviewed to finalize)

CLINICAL AUTHORIZATIONS

OUR GOAL IS FULLY AUTOMATED CLINICAL AUTHORIZATIONS THAT STATUS BACK INTO THE EMR



High tech imaging, surgery, and cardiac procedures

OUTBOUND DIALER FOR SCHEDULE ORDERS

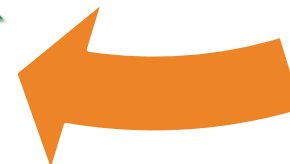
START

Order
created –
sent to WQ

Export from
Epic to
dialer 6am

Disposition
of attempts
written back
into Epic

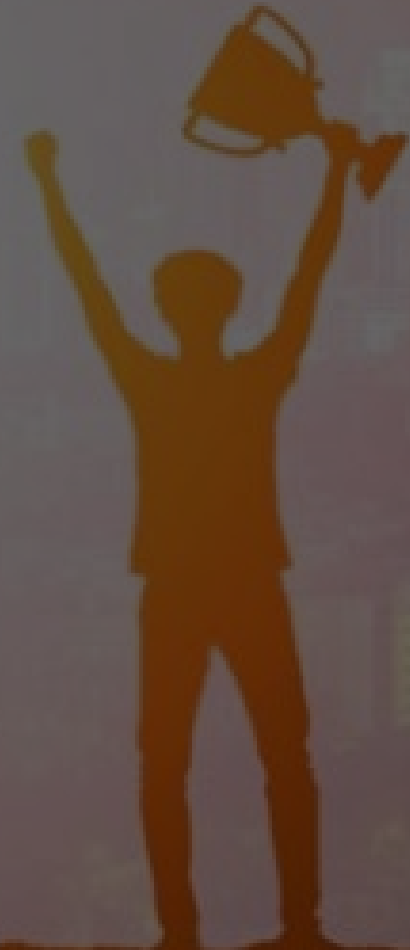
Call or SMS
attempts via
dialer



OUTBOUND DIALER OUTCOMES

- Orders worked per day -> 3x
- Increased attempts per order from 3 to 10
- Receipt of order to time to schedule decreased by 50%

Initial pilot was so successful that we have a
stewardship responsibility to expand



AUTO ADD TO WAITLIST

- An opportunity to augment the use of automated appointment escalation offers direct to patients – Epic Fast Pass
- Added 'auto add to waitlist' for consults throughout the medical practice

2200 accepted appointments in March

Timeliness impact:

22.27

Average Days Saved By
Accepting a Fast Pass
Offer
Mar





OPTICAL CHARACTER RECOGNITION (OCR) FOR INCOMING FAXES

- Receive a significant volume of faxes for patients being referred for care
- Reviewing and indexing into EMR is **PAINFULLY** time intensive
- OCR cuts indexing time by 45%

Reduced staff expense ~\$125k/year

Faster connection to care



ADDITIONAL – MID AND BACK RCS AUTOMATION

- Paperless statements
- Computer assisted coding
- Handling incoming mail services
- Automated adjudication, claim statusing
- Autonomous coding and voice recognition coding – *FUTURE*
 - Want to go there but the tech is still advancing, not there yet.

Balance of technology v. assuming risk



KEEP AN EYE ON YOUR AUTOMATION PULSE!

Epic HB Automation Trophies

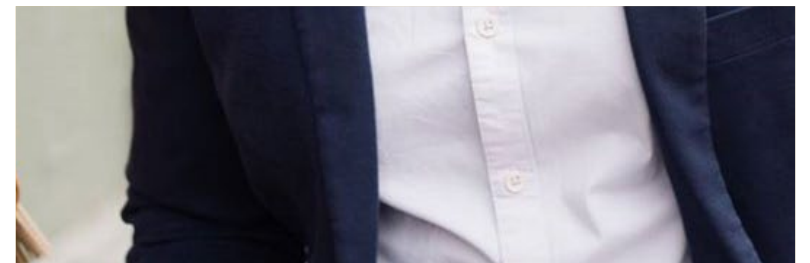
- Medicare replacement chaining % – gold
- Charges triggered clinically % – gold
- Outpatient accounts coded by simple visit coding % – gold
- Authorizations auto obtained % – silver
- Insurances payments auto posted % – bronze
- Payment plans using auto pay % – bronze

Epic PB Automation Trophies

- Medicare replacement chaining % – gold
- Charges triggered clinically % – bronze
- Self Pay payments auto posted % – bronze
- Payment plans using autopay % – bronze

Benchmarking: Gold – top 5%, Silver top 10%, Bronze top 25%

SELF SERVICE

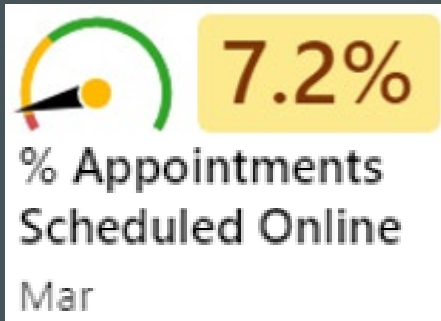


Orthopedics
Internal Medicine
Podiatry
Radiology
Family Medicine
OB/Gyn
Pediatrics

ONLINE SCHEDULING

- Focusing on the front door
- Multiple modes of opportunities
- Access to consult to drive new patients in specialty care

ONLINE SCHEDULING



- Increased over the last year from ~4% scheduled online
- *EXPANDING SOON* – additional specialties and additional consult self scheduling



\$195,615.00

Savings from Online Scheduling
Mar

E-Check in and Hello
Patient auto arrival
using geolocation

Arrival using
Welcome kiosks

In person, at the desk,
face to face registrar

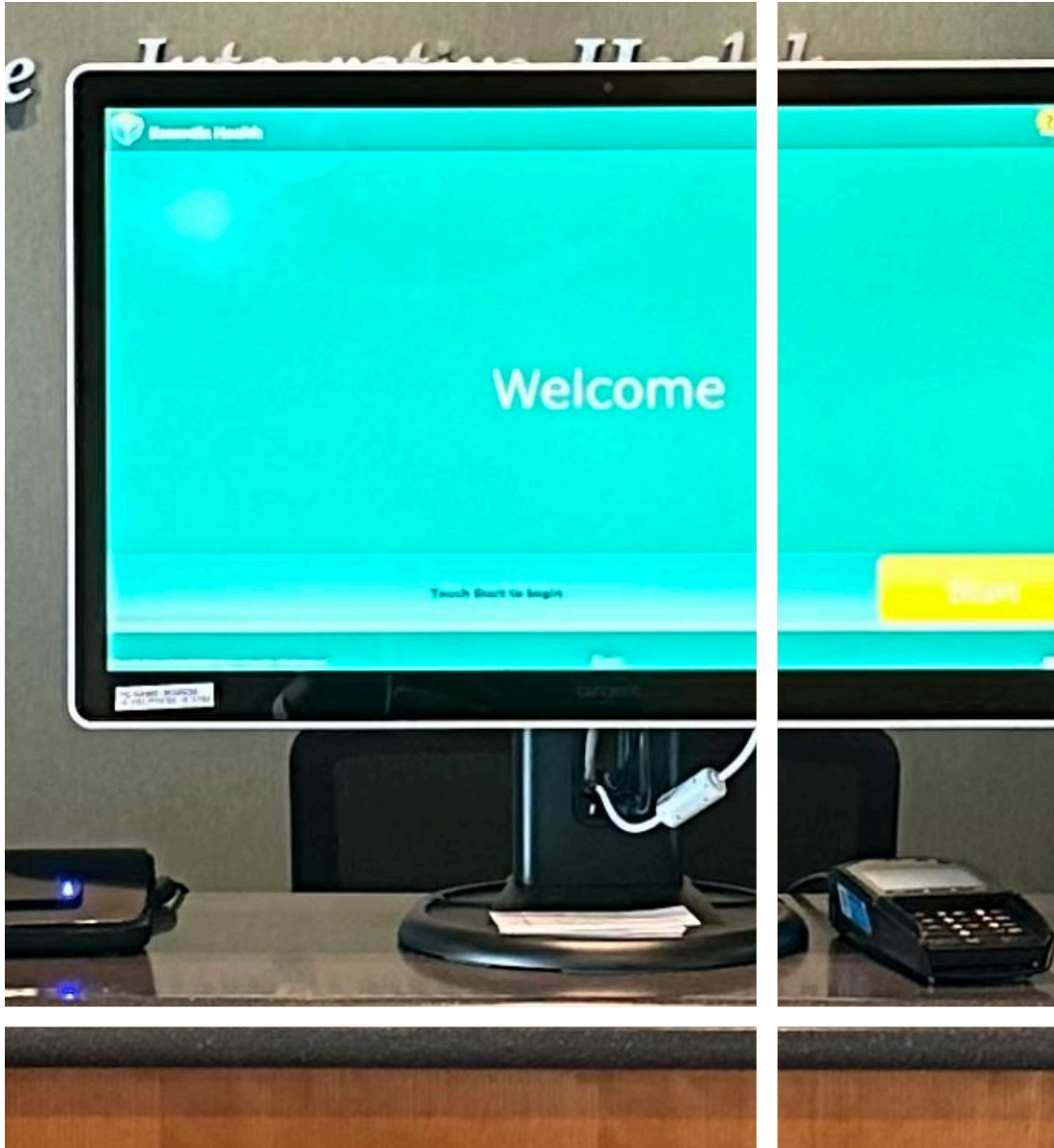


E-check in and self initiated
arrival through MyChart

Live Virtual
Agent Check in

SELF SERVICE REGISTRATION

Creating a flexible registration experience



SELF SERVICE REGISTRATION UPON ARRIVAL

- Create a concierge type model of service and support
- Reallocate registration resources to other value add work

Expected ROI:

\$4M in cost savings in year 1

REFERRAL MANAGEMENT FOR EXTERNAL CLINICIANS





COMING SOON!!

Referral management

- Care Everywhere Referral Management
- EpicCare Link referral entry

ED self registration

- Allowing patient entered registration data after stabilizing medical evaluation
- Optional for patients – a ‘belt’ to the ‘suspenders’ of Access Reps trying to get into exam rooms



ADDITIONAL – MID AND BACK SELF-SERVICE

- Natural language processing for dictation
 - The future is to transition natural language into coding

COLLABORATION WITH CLINICAL OPERATIONS

Revenue cycle as a driver of
organizational change



SCHEDULING OPTIMIZATION STRATEGY



Scope of work

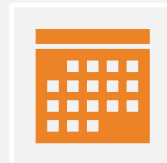
Align visit types at specialty level

Codify scheduling rules into Epic Decision Trees

Revision of referral orders to decision trees

Realign schedule templates

Build or update online scheduling when appropriate



Expected Outcomes

Remove location and geography specific variation wherever possible

Decrease resource requirements and rework for scheduling

Reduce burden of 'accrued knowledge' for scheduling team members

Remove unnecessary barriers to scheduling at the time care is ordered

FORECASTED 3-YEAR ROI

Investment:

\$1.5M of facilitation and
build time



Net Revenue:
\$20.2M capturing
additional volume



Annual Cost
Avoidance:

\$275k through
efficiency

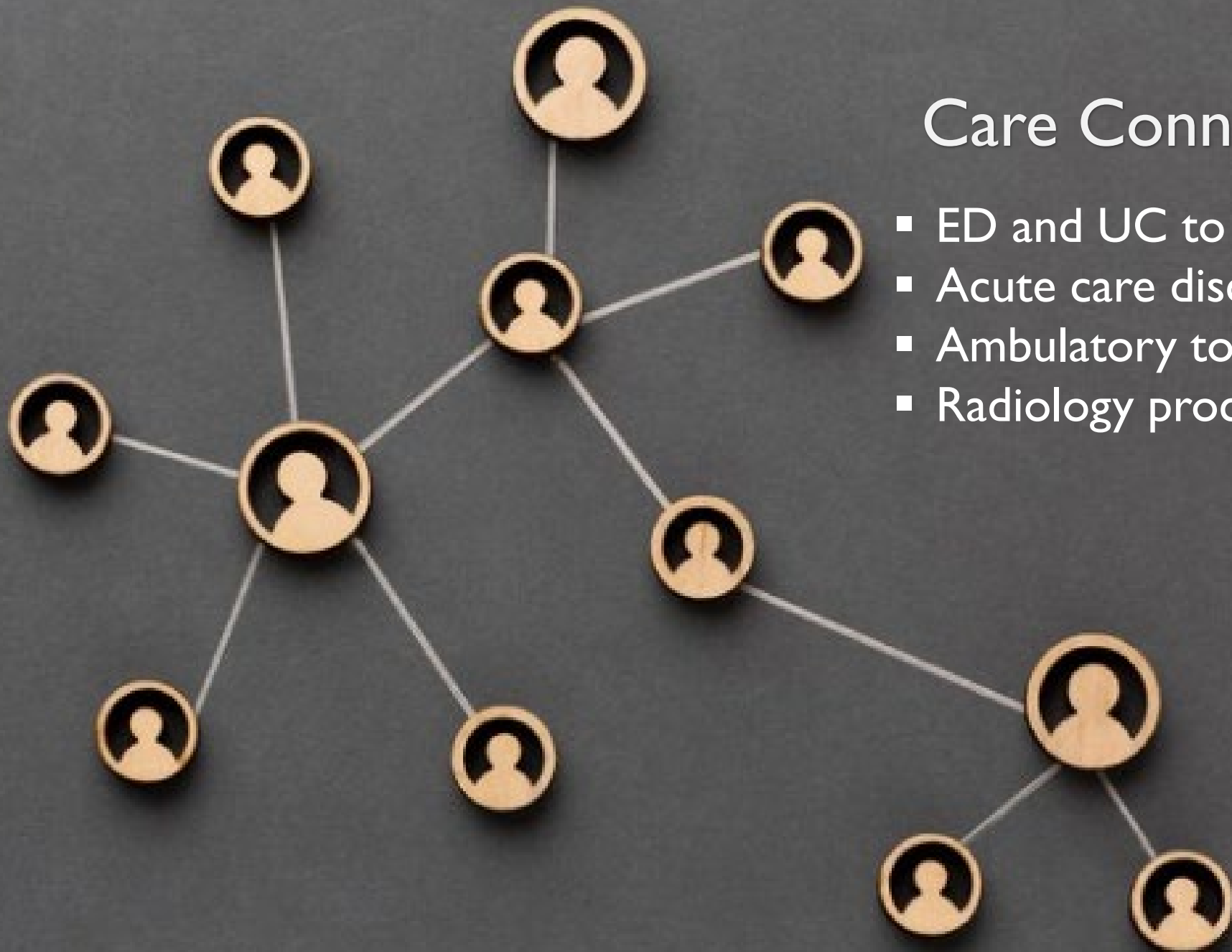


Forecasted Three Year Net Return: \$19M



CONNECTED CARE STRATEGY

- **Patient-centered care model in which all colleagues have ownership of advancing the patient's care through a coordinated team approach to support care connections and an ideal patient experience.**



Care Connections

- ED and UC to outpatient
- Acute care discharges
- Ambulatory to ambulatory
- Radiology procedural



ADDITIONAL – MID AND BACK COLLABORATION

- Outpatients in an inpatient bed
- Physician advisor program – Coding and documentation, authorization support



THANK YOU!!

QUESTIONS?





APPENDIX

