



HFMA New to Healthcare Conference Revenue Cycle Overview

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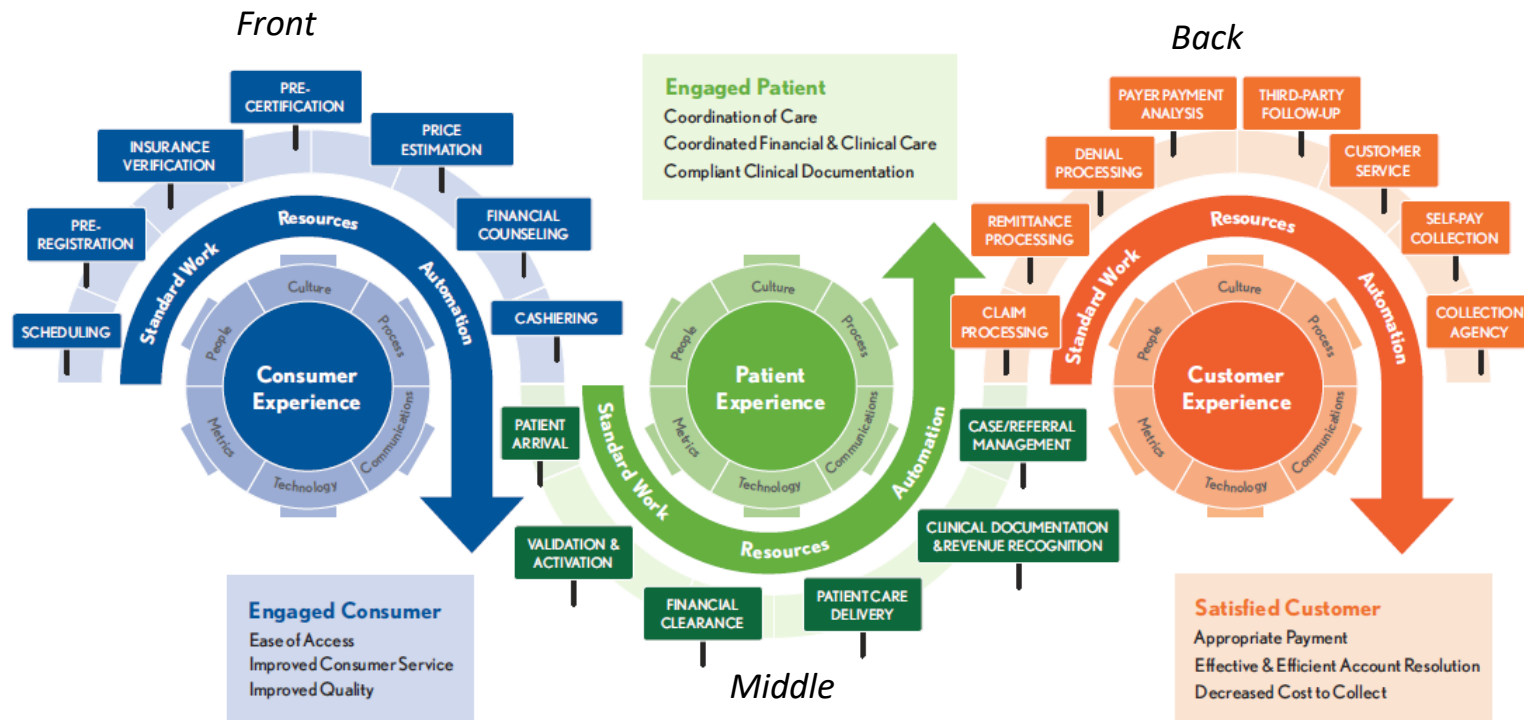
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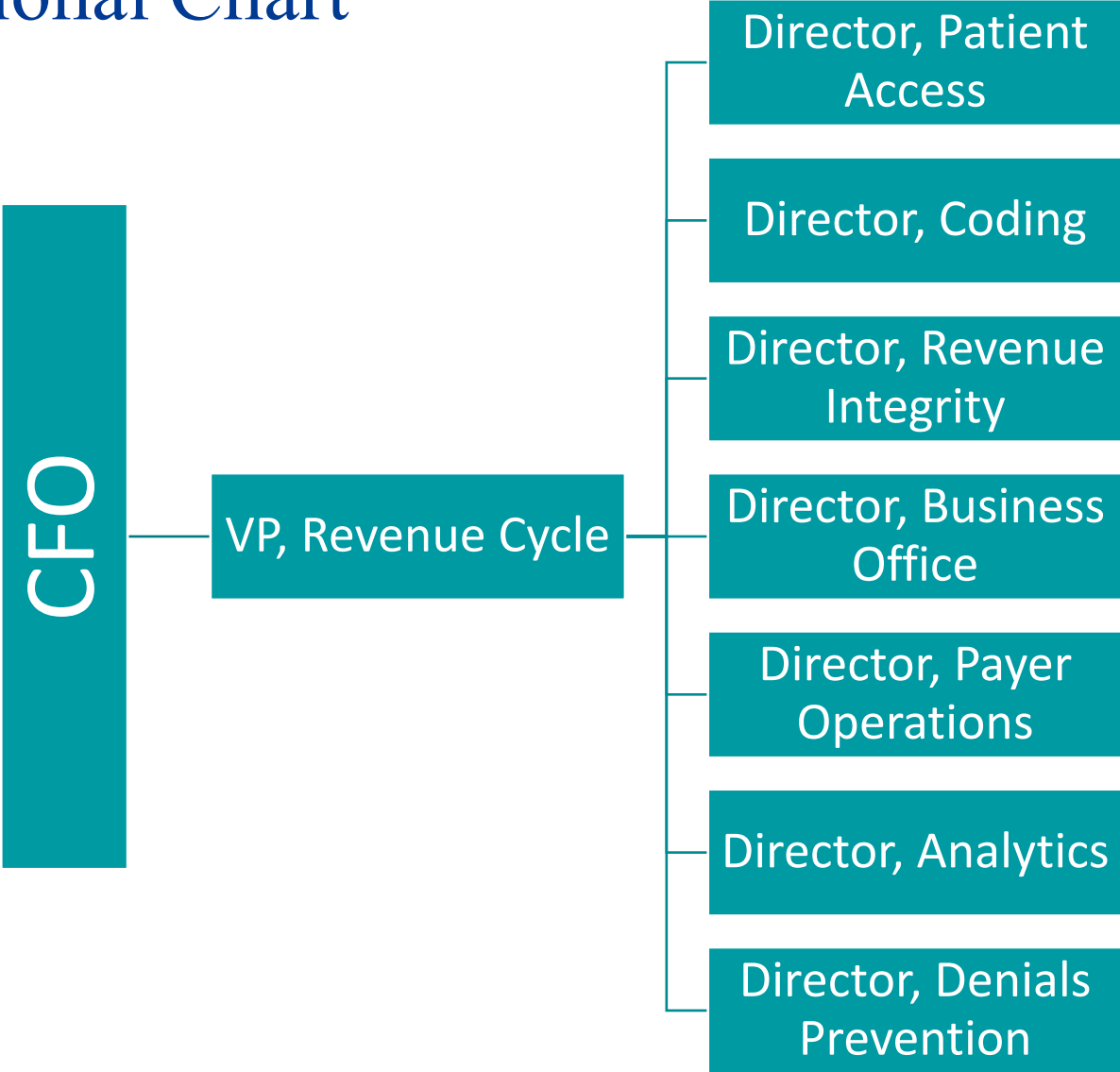
Revenue Cycle Management

Revenue Cycle Management is the process used by healthcare systems to track the revenue obtained from the initial appointment or encounter patients have with the healthcare system to their final payment of balance.

The revenue cycle is comprised of all administrative and clinical functions that contribute to the capture, management, and collection of patient service revenue.



RCM Organizational Chart



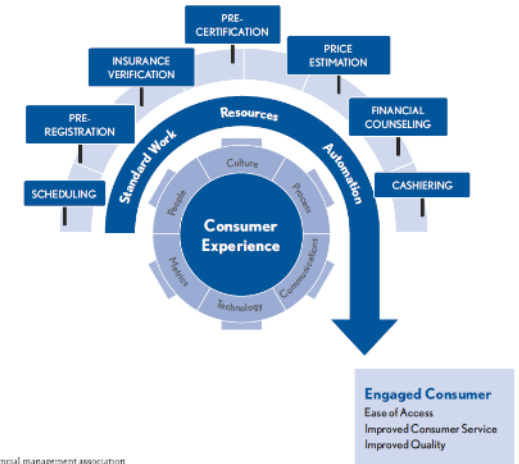
Polling Question 1

Revenue Cycle is typically characterized by how many groups of functions:

- a. 3- front, middle, back
- b. 4- left, right, top, bottom
- c. 2- front, back

Patient Access & Experience- ‘Front end’

Consumer Experience



Contact Center



Ambulatory
Contact Center



PSC Registration



PSC Referrals



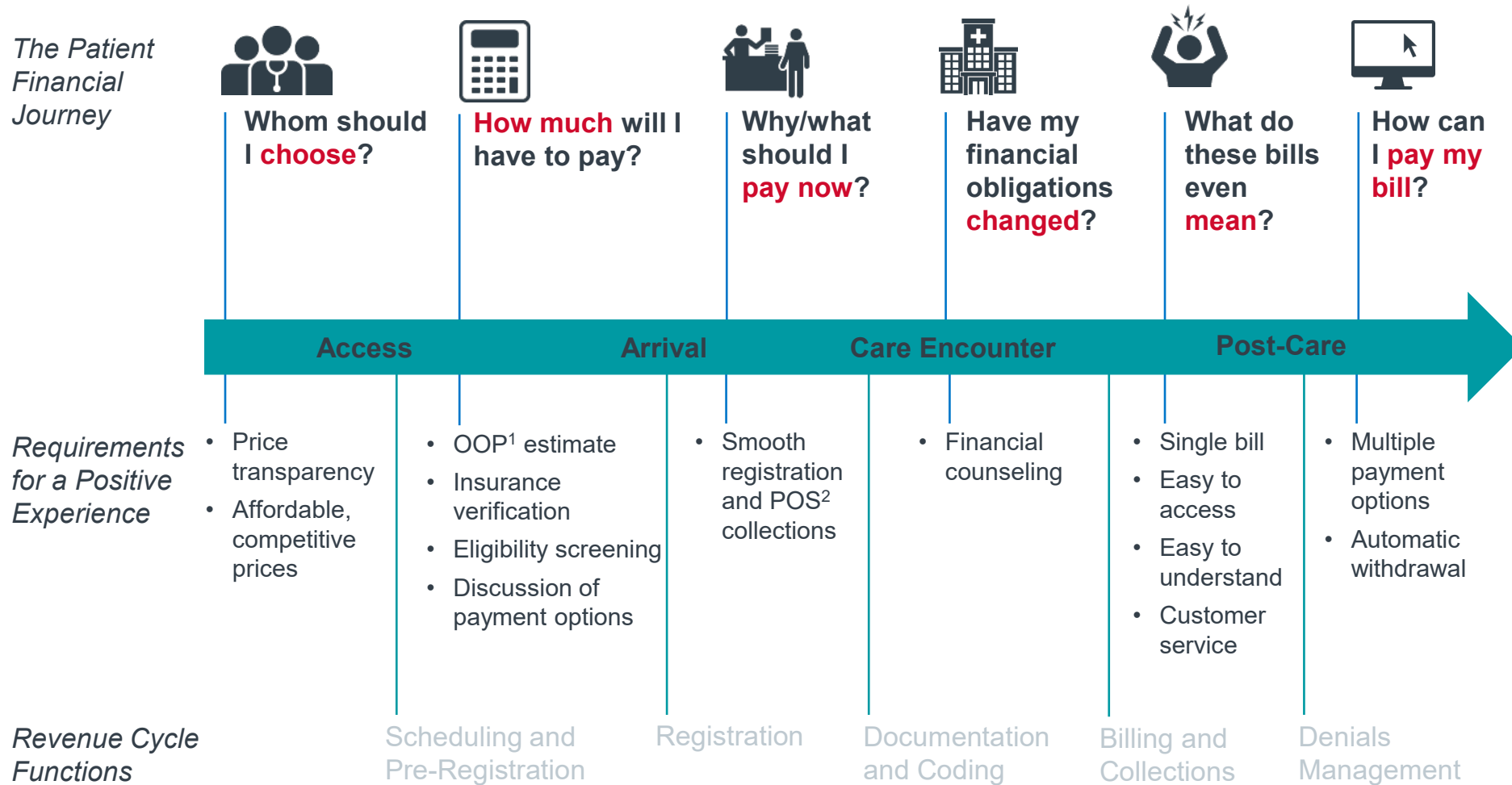
Patient Financial
Experience



Patient Billing
Solutions

The Patient Financial Journey

Meeting Patients' Expectations Requires a New Approach to Revenue Cycle



1) Out-of-pocket.
 2) Point-of-service.

No Surprises Act: Federal

Compliance with the No Surprises Act Provisions

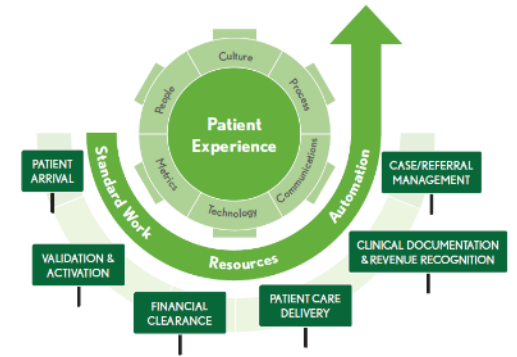
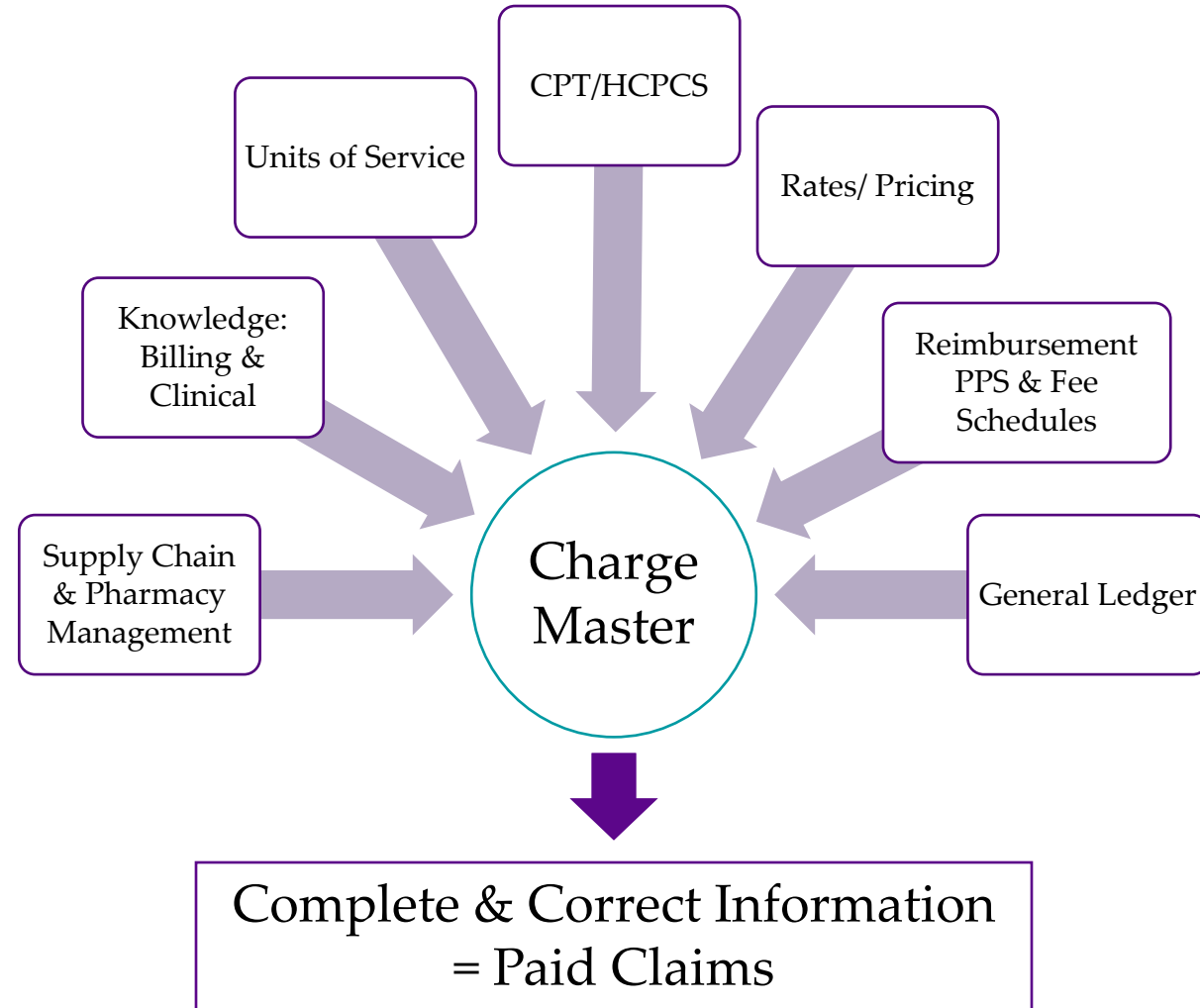
In-Network Convening Providers/ Out-of-Network Co-Providers

- Full Compliance required with emergent and non-emergent services
- Each individual provider responsible for their own cost estimate

Uninsured/Self-Pay Good Faith Estimates

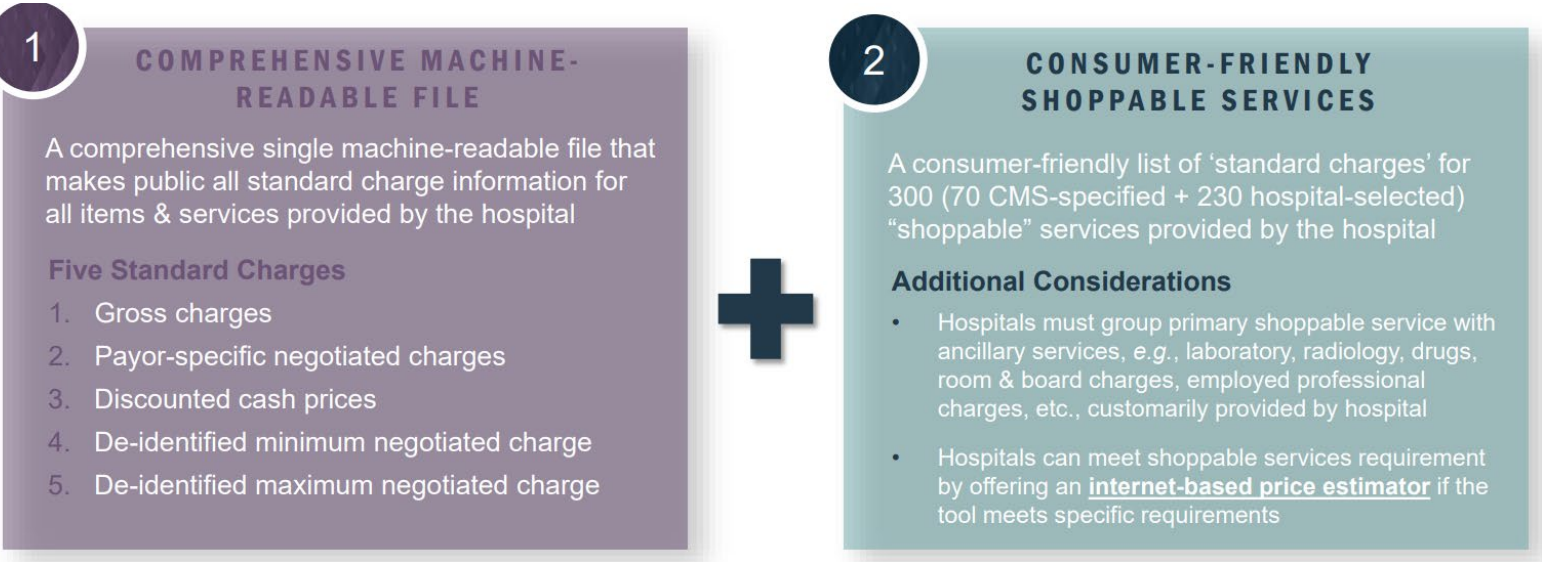
- One all-inclusive estimate is provided to the patient including ALL professional and technical costs... however, each provider held responsible for their own GFE and \$400.00 threshold variance

Mid-Rev Cycle “Middle”



Price Transparency: Federal

Two Primary Requirements for Providers to Publicize Standard Charges



Clinical Documentation Integrity (CDI) Concepts

Measuring Per Case CDI Financial Impact

$$\text{CDI Impact} = (\text{Final Coded DRG RW} - \text{Working DRG RW}) \times \text{Base Rate}$$

| | ICD-10 Code Assignment | DRG | Reimbursement |
|---------------------|--|---|--|
| No CDI Intervention | Principal: Z5111 Encounter for Antineoplastic Chemotherapy Secondary: C9100 Acute Lymphoblastic Leukemia (S3/R2) | DRG 839: Encounter for Chemotherapy for Acute Leukemia Relative Weight: 1.4872 (S2/R2) | Final Coded RW x Base Rate <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 5px auto;"> 1.4872 X \$8,000 \$11,897 </div> |
| CDI Queried Case | Principal: Z5111 Encounter for Antineoplastic Chemotherapy Secondary: C9100 Acute Lymphoblastic Leukemia (S3/ R2) E46 Protein Calorie Malnutrition (S3/R1) E883 Tumor Lysis Syndrome (S4/R4) | DRG 837: Encounter for Chemotherapy for Acute Leukemia Relative Weight: 5.6993 (S4/R3) | <p>CDI Impact (Final Coded RW minus the Working DRG RW) x Base Rate</p> <div style="display: flex; align-items: center; justify-content: center;"> <div style="border: 1px solid black; padding: 5px; margin-right: 10px;"> 5.6993 -1.4872 4.2121 </div> <div style="margin-right: 10px;">→</div> <div style="border: 1px solid black; padding: 5px;"> <div style="border: 1px solid red; padding: 5px; width: fit-content;"> 4.2121 x\$8,000 \$33,696 </div> </div> </div> |



Polling

Question 2

CDI stands for:

- a. Clinical documentation improvement
- b. Clinical documentation integrity
- c. Clinical determination integrity

Patient Financial Services “Back End”

Responses from payers are posted to Epic through an electronic file, called a...
The file contains the following information:

- Payment
- Allowed amount
- Rejection code (if the claim doesn't pay or partially pays)
- Patient Liability

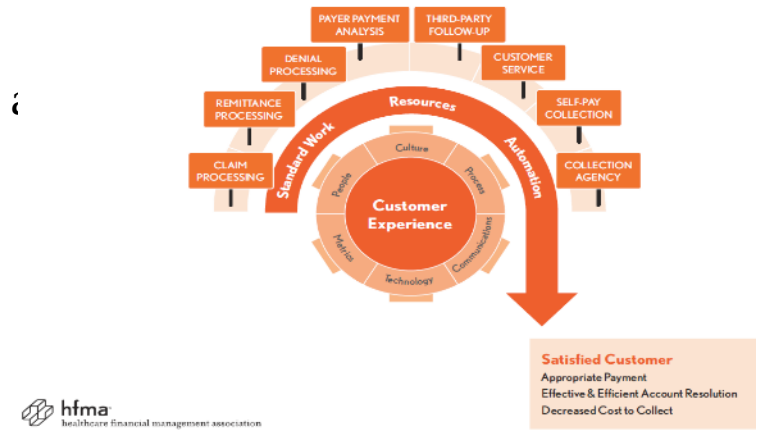
Once the detail is posted to patient financial system, logic determines what the next actions are:

- Patient Liability → bill patient
- Partial Pay (80%) Co-insurance due → bill secondary
- Claim Rejects → file to a work queue for third party reviewer processing

Top rejections:

- Auth/Referral
- Coordination of Benefits
- Patient not covered
- Not Medically Necessary
- Filing Limit

Customer Experience



Patient Financial Services – Hospital Billing

UB-04/837i

UB04/Hospital Claim

The image shows a detailed view of the UB-04 Hospital Claim form. The form is divided into several sections, including patient information, service dates, and clinical coding. The form is filled with data, and the fields are color-coded in red and white. The form is a standard UB-04 form used for hospital billing.

UB04 Data Sources

81 field locators

- Patient Access – 40%
- Service Departments – 11%
- Clinical Coding – 20%
- Billing/System – 20%
- Reserved for future use – 9%
 - Acute Care @ Home
 - Z-codes

Patient Financial Services – Professional Billing

CMS 1500/837p

1500/Professional Claim

1500 Data Sources

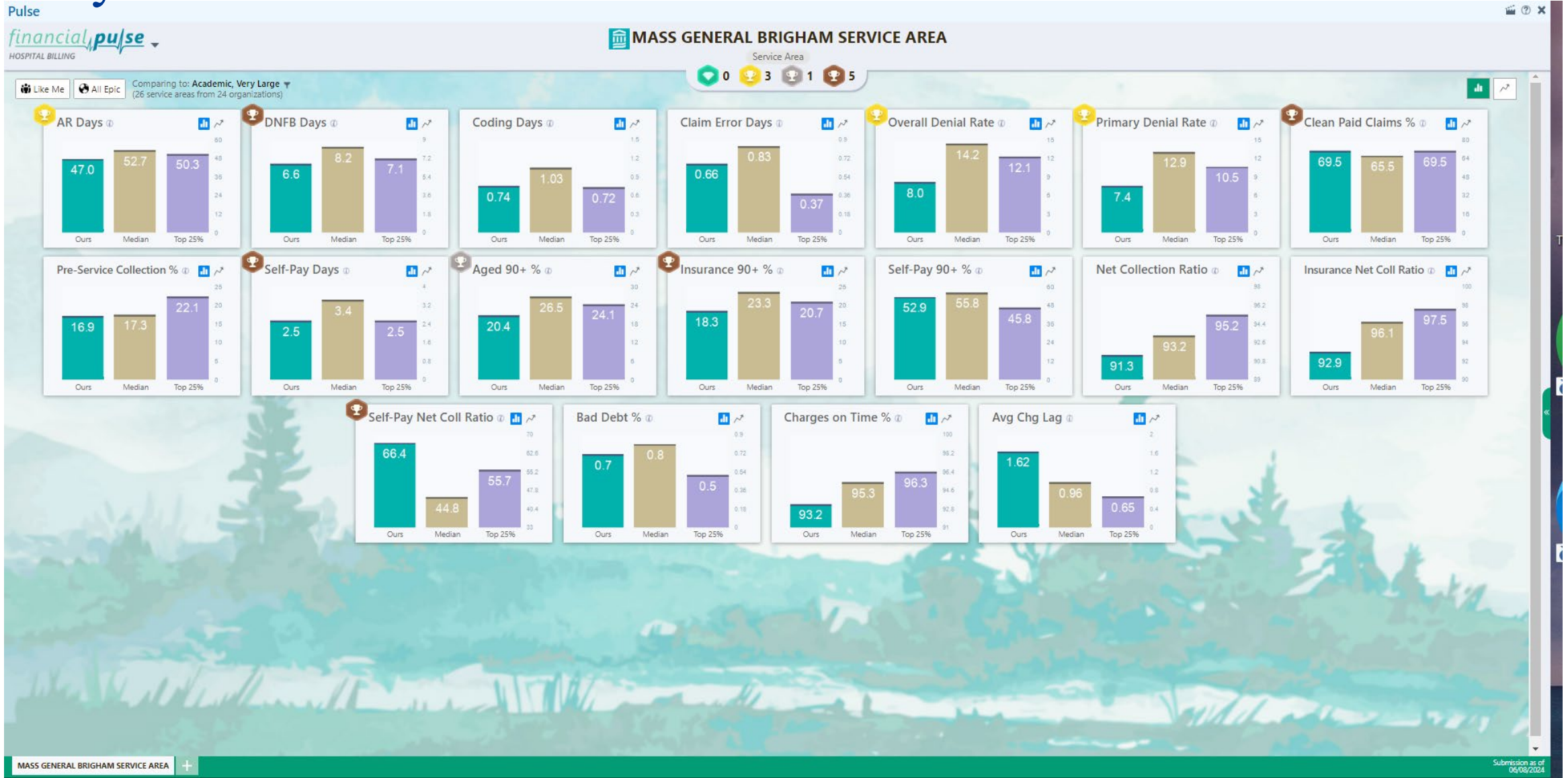
33 Fields

- Patient Access – 90%
- Service Departments – 2.5%
- Clinical Coding – 1%
- Billing/System – 4.5%
- Reserved for future use – 2%
 - Telehealth codes

Polling Question 3

True or False- Hospital claims are billed on a UB92 and Professional claims are billed on a CMS1500.

Key Performance Metrics



Revenue Cycle Strategy

Objective and Desired Outcomes

Design a future state structure that enable efficiency, enhance collaboration, and ensure system-wide Revenue Cycle best practices



Enhanced core capabilities and **new strategic capabilities** to create a **leading, future focused organization**



Increased alignment with **system strategic priorities** and objectives **through enterprise level integration**



Improved patient and provider experience by aligning customer facing capabilities



Enhanced alignment and collaboration of Enterprise Revenue Cycle and Site Revenue Cycle capabilities



Increased employee engagement by cultivating opportunities for innovation and advancement



Enhanced collaboration between Operations and Revenue Cycle via **data and feedback loops**

Revenue Cycle Innovation

Sometimes the old way of thinking needs to be shifted...

Digital Front Door

Predictive Analytics



Automated Front-End and Back-End



Intelligent Charge Capture and Coding



Strategic Partnerships



Billing/Collections with enhanced Payer/Provider Connectivity

➤

- Friction-less Patient Experience
- Improved Margin
- Financial Excellence
- Reduced Compliance Risk



Rev Cycle Technology and Vendors

Technology in the revenue cycle is a key capability and enabler. Robotic Process Automation (RPA) and AI have emerged in this space over the last 5-10 years. There is a formidable vendor landscape that includes the following companies (representative sample):



Resources/Links

Centers for Medicare and Medicaid Services

<https://www.cms.gov/>

CMS Training

<https://cmsnationaltrainingprogram.cms.gov/moodle/login/index.php>

Healthcare Financial Management Association (HFMA) Patient/Consumer Focused Initiatives:

<https://www.hfma.org/industry-initiatives/healthcare-dollars-and-sense.html>

Revenue Cycle KPIs (MAP Keys and MAP Award):

<https://www.hfma.org/tools/map-initiative.html>

Advisory Board – Patient Financial Journey

<https://www.advisory.com/topics/revenue-cycle/2018/08/the-patient-financial-journey>

KLAS Research

<https://klasresearch.com/category/revenue-cycle-management/34>