The Future is Now

Preparing Revenue Cycle Operations for the Clinic of the Future

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The Houston Methodist Physician Organization

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Learning Objectives:

1. Explore how to build a foundation for scaling a growing physician enterprise

2. Understand the processes and technologies that will shape the "Clinic of the Future" and how they are being deployed

3. Learn about the processes that went into making the decision to centralize Insurance Verification and Authorizations throughout the Houston Methodist Physician Organization

Agenda

1. Introduction
2. Forces of Change
3. What is the Clinic of the Future?
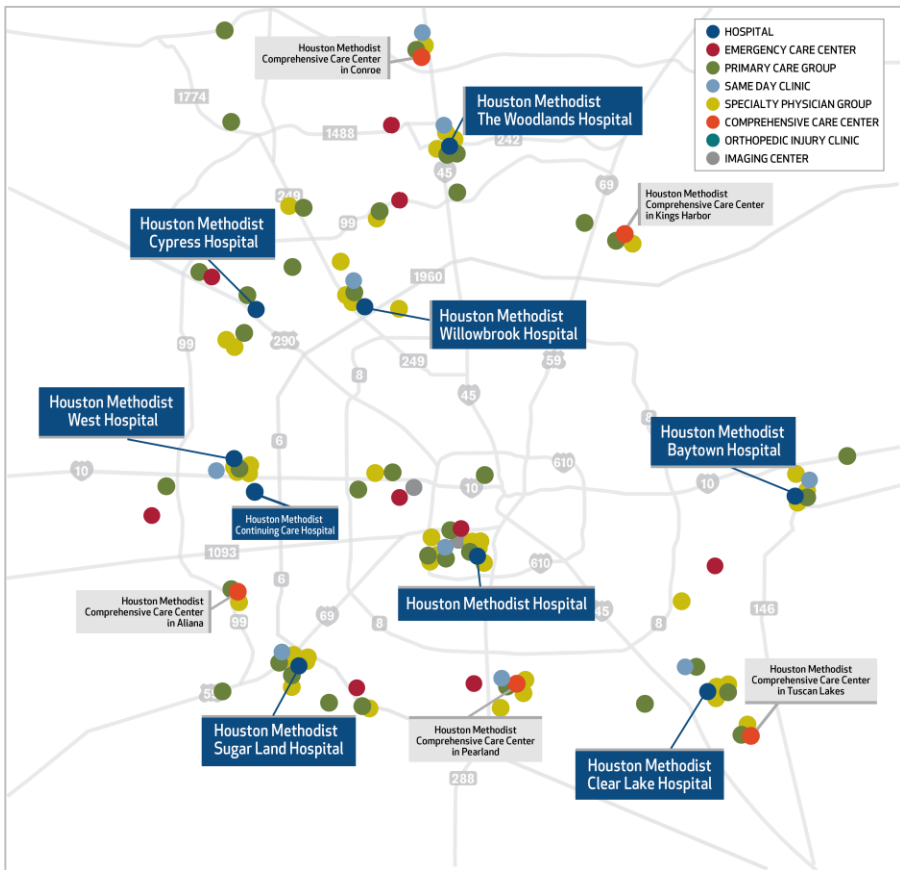4. Preparing the Revenue Cycle
5. Q & A

Houston Methodist Hospital is recognized by *U.S. News & World Report* as the

BEST HOSPITALS

U.S.News & WORLD REPORT

HONOR ROLL 2024-2025

#1 IN TEXAS
FOR PATIENT CARE & QUALITY

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Introduction to Houston Methodist

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Houston Methodist at a Glance

Map Legend:
- HOSPITAL
- EMERGENCY CARE CENTER
- PRIMARY CARE GROUP
- SAME DAY CLINIC
- SPECIALTY PHYSICIAN GROUP
- COMPREHENSIVE CARE CENTER
- ORTHOPEDIC INJURY CLINIC
- IMAGING CENTER

Map labels:
- Houston Methodist Comprehensive Care Center in Conroe
- Houston Methodist The Woodlands Hospital
- Houston Methodist Comprehensive Care Center in Kings Harbor
- Houston Methodist Cypress Hospital
- Houston Methodist Willowbrook Hospital
- Houston Methodist West Hospital
- Houston Methodist Continuing Care Hospital
- Houston Methodist Baytown Hospital
- Houston Methodist Comprehensive Care Center in Aliana
- Houston Methodist Hospital
- Houston Methodist Comprehensive Care Center in Tuscan Lakes
- Houston Methodist Sugar Land Hospital
- Houston Methodist Comprehensive Care Center in Pearland
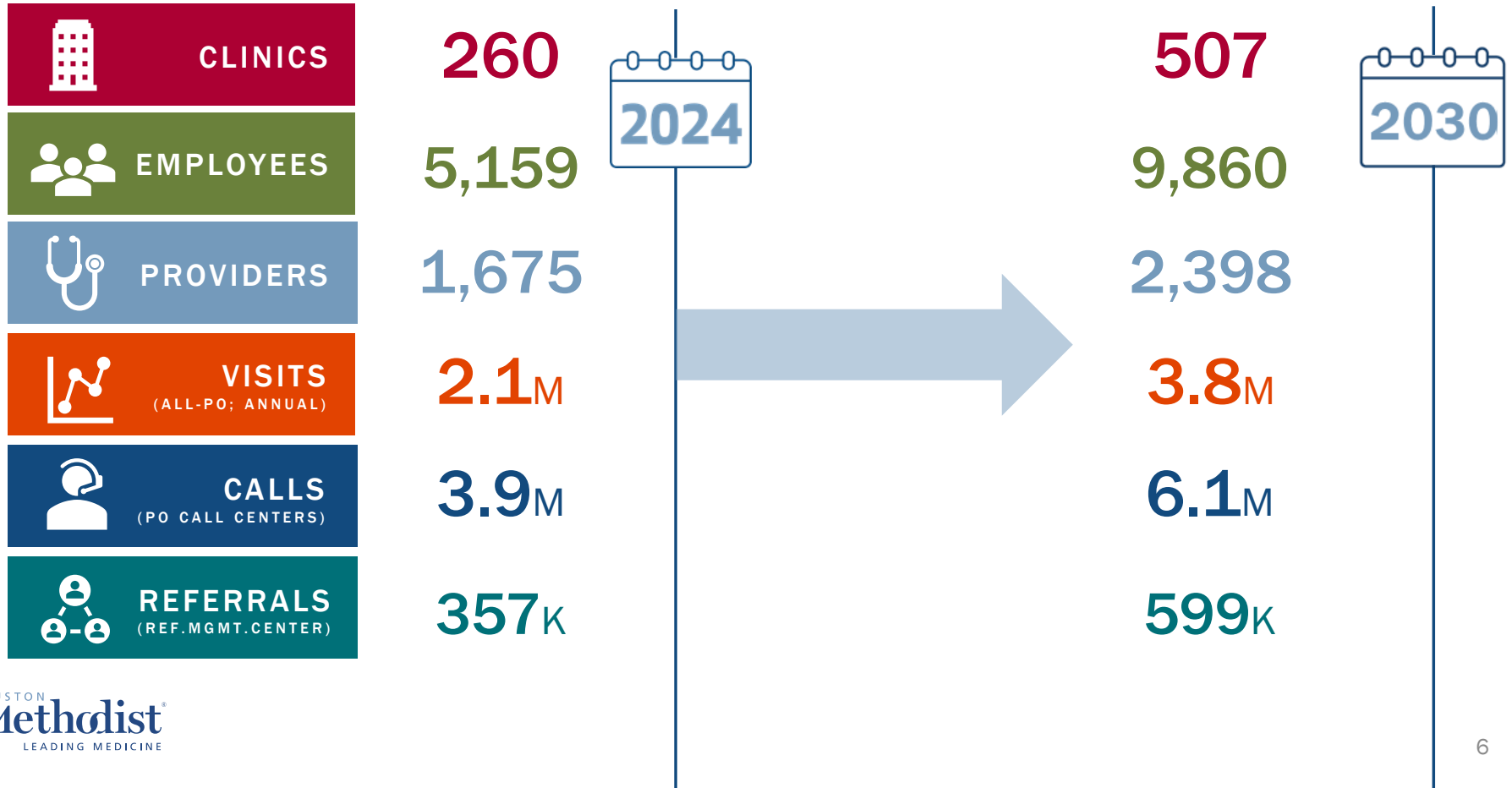- Houston Methodist Clear Lake Hospital

8 Full-Service Hospitals

11 Emergency Care Centers

9 Same Day Clinics

9 Orthopedic Injury Clinics

49 Primary Care Group Clinic Locations

200 Specialty Physician Group Clinic Locations

5 Comprehensive Care Centers (CCCs)

PLANNED REAL ESTATE GROWTH

2024
- **SPG:** 40 Construction Projects
- **PCG:** 6 Construction Projects
- **Same-Day:** 7 Construction Projects
- **ASC:** 1 Construction Project

2025
- **SPG:** 21 Construction Projects
- **PCG:** 5 Construction Projects
- **Same-Day:** 2 Construction Projects
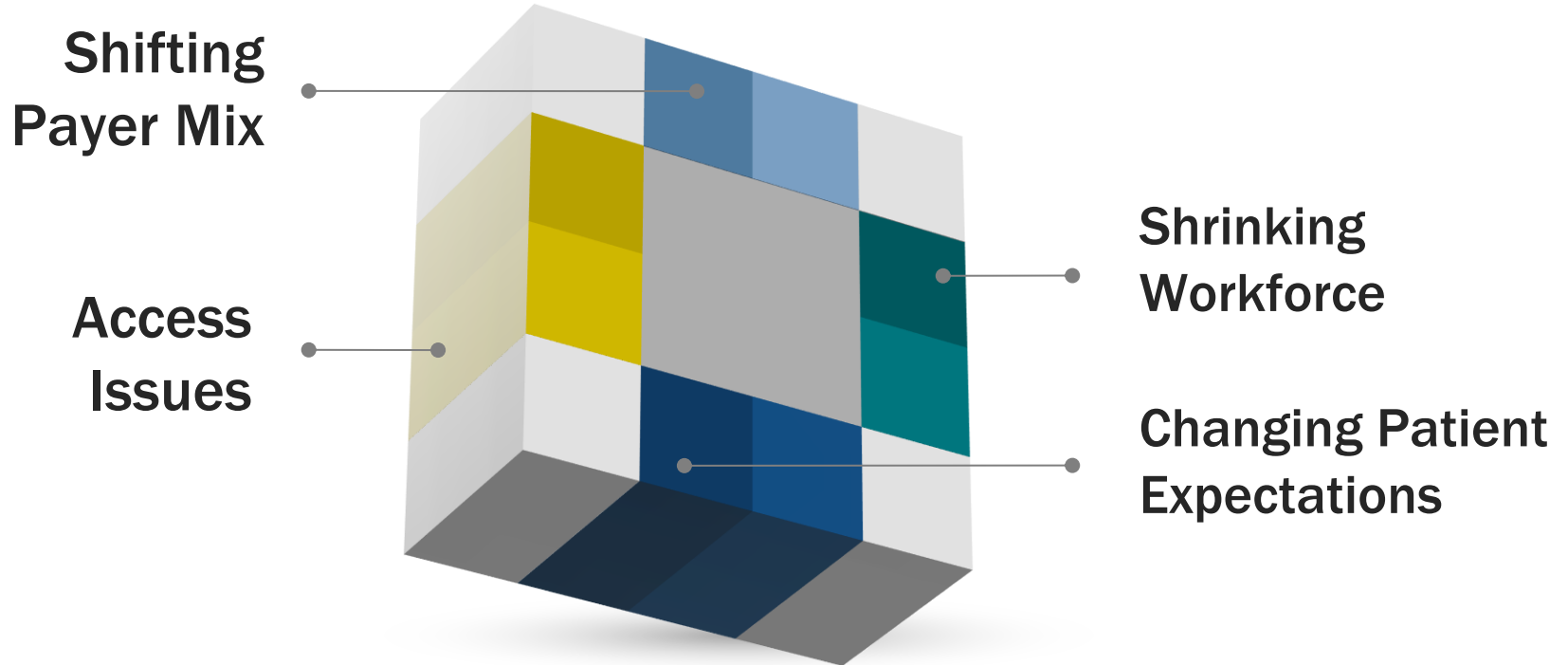- **CCC/mCC:** 3 Construction Projects*

*Mega CCC (mCCC) sites scheduled for go-live in 2026

HMPO Organizational Impact – Anticipated Growth

	2024	2030
CLINICS	260	507
EMPLOYEES	5,159	9,860
PROVIDERS	1,675	2,398
VISITS (ALL-PO; ANNUAL)	2.1M	3.8M
CALLS (PO CALL CENTERS)	3.9M	6.1M
REFERRALS (REF.MGMT.CENTER)	357K	599K

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Forces of Change

Healthcare is Changing...
We Have Our Burning Platforms

Shifting Payer Mix

Access Issues

Shrinking Workforce

Changing Patient Expectations

What is the Clinic of the Future?

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Clinic of the Future Vision

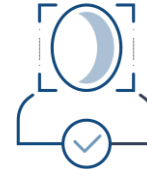**AMBIENT INTELLIGENCE - SMART ROOMS**

WEARABLE TECHNOLOGY

CONTINOUS REMOTE MONITORING

DIGITAL ASSISTANCE IN SCHEDULING - ALEXA

ENHANCED COMMUNICATION

FACIAL RECOGNITION

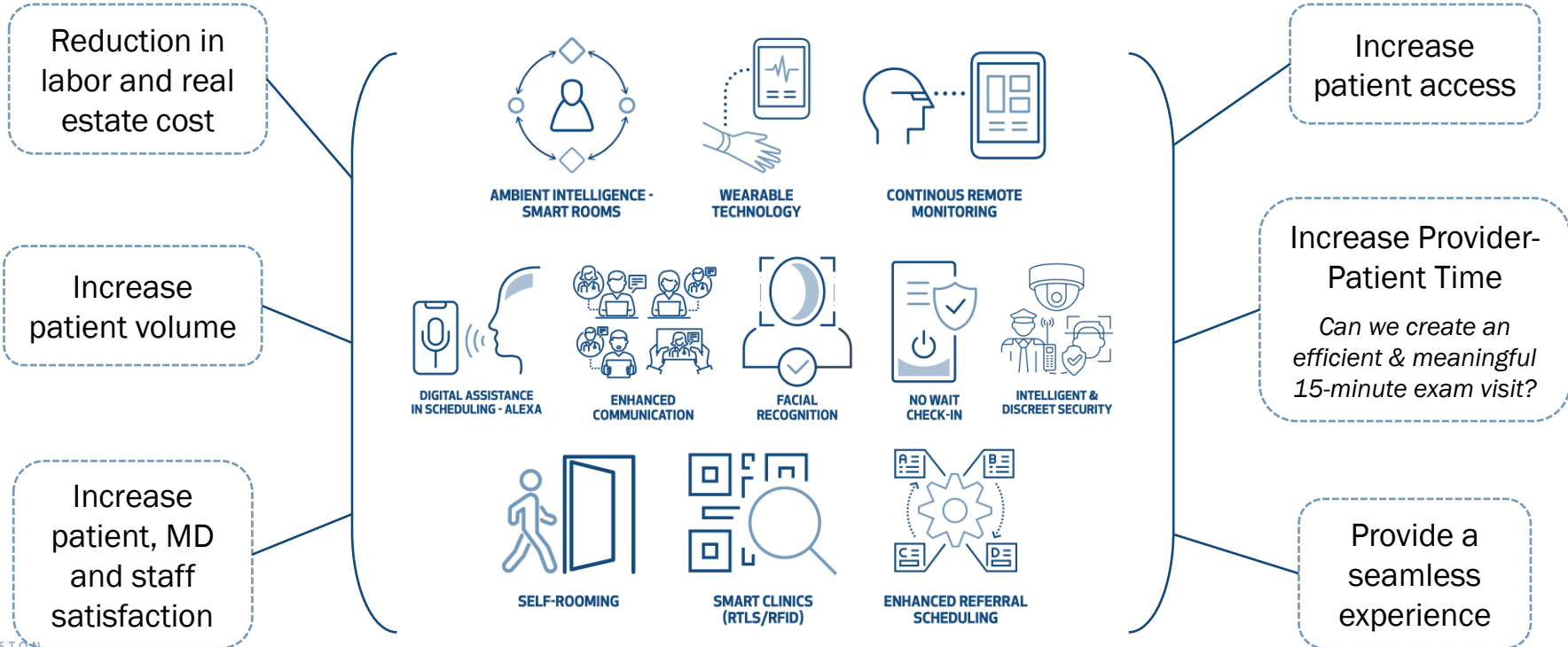**NO WAIT CHECK-IN**

SELF-ROOMING

SMART CLINICS (RTLS/RFID)

ENHANCED REFERRAL SCHEDULING

INTELLIGENT & DISCREET SECURITY

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Clinic of the Future... Why?

Reduction in labor and real estate cost

Increase patient volume

Increase patient, MD and staff satisfaction

Increase patient access

Increase Provider-Patient Time
Can we create an efficient & meaningful 15-minute exam visit?

Provide a seamless experience

AMBIENT INTELLIGENCE - SMART ROOMS

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Welcome to
Houston Methodist

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What needs to change?

&

How do we go about making it happen?

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- Develop guiding principles
- Review operating model design
- Identify existing workflows that need to change
- Staffing models
- Staff learning approach

Framework for Transformation

Key Phases and Activities

Assess & Design		Implementation & Stabilization		Expand & Mature
CURRENT STATE CONFIRMATION	**FUTURE STATE DESIGN**	**PRE - IMPLEMENTATION**	**IMPLEMENTATION**	**POST- IMPLEMENTATION**
• Initiation & objectives • Quantitative and qualitative information gathering & analysis • Assessment of operations & financial opportunity • KPI benchmarking & analytics • Staffing analysis • Business case for change	• Operations survey & staff learning requirements • Foundational elements of governance, change readiness and timeline • Functional system (Epic) use & readiness review • Implementation roadmap	• Detailed workflow and technology design • Capacity and resource transition planning • Resource training • Define success measures • Updated roadmap & business case	• Priority scope groups implementation • Epic optimization • Establish performance reporting and Service Level Agreement (SLA) • Operational metric improvement	• Post-Implementation activities collaboratively designed • Updated roadmap for future growth and efficiencies

CHANGE MANAGEMENT · BUSINESS PROCESS TRANSFORMATION · SERVICE DELIVERY IMPROVEMENT · DATA AND ANALYTICS

Develop Design Evaluation Criteria

Aligned with Strategic Priorities

Solution must be complimentary to the 2030 Strategic Revenue Cycle Vision, Access Transformation project, hospital priorities and comprehensive IT strategy.

Scalable

As Houston Methodist PO pursues aggressive growth goals by 2030, the right front end revenue cycle operating model must support rapid and sustainable growth.

Control of Financial Outcomes (Revenue Recovery & Cash Acceleration)

Governance and accountability structure with ability to enforce performance expectations and outcomes.

Cost Effective

Ensure increased yield does not come at the cost of ballooning expenses. Maximize value of current investments and fixed costs.

Consistent Patient Experience

Establish clear patient expectations through standard processes and policies, with consistently high performance in access, financial care, and customer service.

Identify five key outcomes that must be met by a future-state operating model. Solidify these guiding principles across the organization through the entire project.
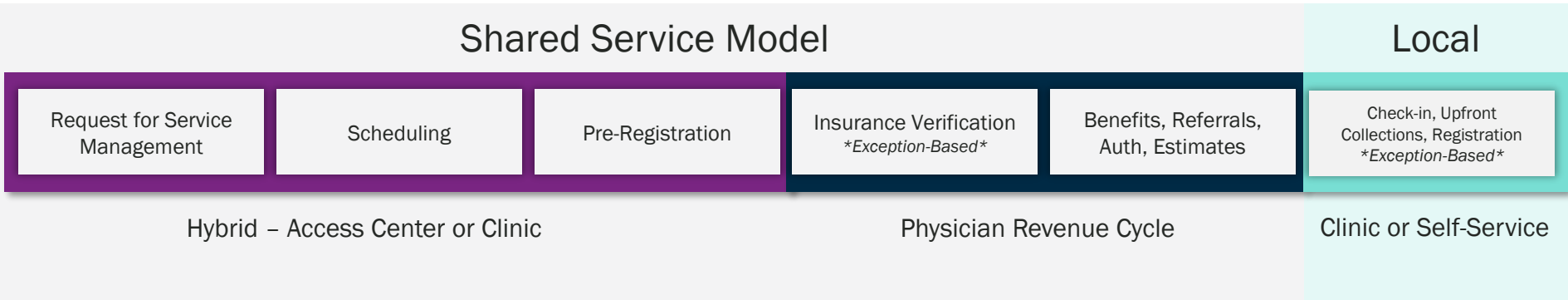
Assess the Organizational Structure

To address all five design evaluation criteria, it was determined that a centralized front end revenue cycle model should be implemented.

Evaluation Criteria	Decentralized Increased indirect control over partner practice ops, practices own day to day work and employ all staff	Center of Excellence / Regionalized Revenue Cycle provides standards, recommends vendors, and provides support without formal	Centralized All functions are centralized under Revenue Cycle leadership
Aligned with Strategic Priorities	◯	◑	●
Scalable	◯	◑	●
Control of Financial Outcomes Revenue Recovery	◯	◑	●
Cost Effective	◯	◑	●
Consistent Patient Experience	◯	◯	●

Foundational Operating Model Redesign

To operationalize its strategic priorities, HMPO is extending its shared service model to patient access and pre-service revenue cycle functions.

Shared Service Model					Local
Request for Service Management	Scheduling	Pre-Registration	Insurance Verification *Exception-Based*	Benefits, Referrals, Auth, Estimates	Check-in, Upfront Collections, Registration *Exception-Based*
Hybrid – Access Center or Clinic			Physician Revenue Cycle		Clinic or Self-Service

Clinic of the Future will include facility design, artificial intelligence (AI), and self-service technology to reduce the staffing footprint needed locally to serve our patients.

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Align Administrative Support Staffing Model

A survey was completed by 25 PO administrators and corporate leaders to validate the list provided by Human Resources with ~850 non-clinical staff and their direct supervisor or manager. With a 100% response rate, results informed opportunities for internal staffing realignment.

Step 1: Staff Validation

Employee Selection
Select the department and employee

Department *
HMH DOM

HMH DOM
Includes staff with the following titles:
1. Patient Service Representative
2. Clinic Coordinator
3. Sr. Patient Service Representative
4. Sr. Scheduler
5. Sr. Insurance Verifier

Other Employee Name(s)
If an employee was not provided above, add their name to the textbox below. Please press return after each additional employee.

Step 2: Effort Allocation

Time Allocation
Use the descriptions on the left hand side (under "Roles & Responsibilities") to determine the percentage allocated to the employee's workload.

Employee Status *
Full-time = 1.0
Part-time = 0.5
Temporary = 0.2
Full or Part Time Non-Active = 0.0

Full-Time (FTE)

Pre-Registration *
20%

Insurance Verification *
30%

Authorization *
10%

Referral *
10%

Check-in & Registration *
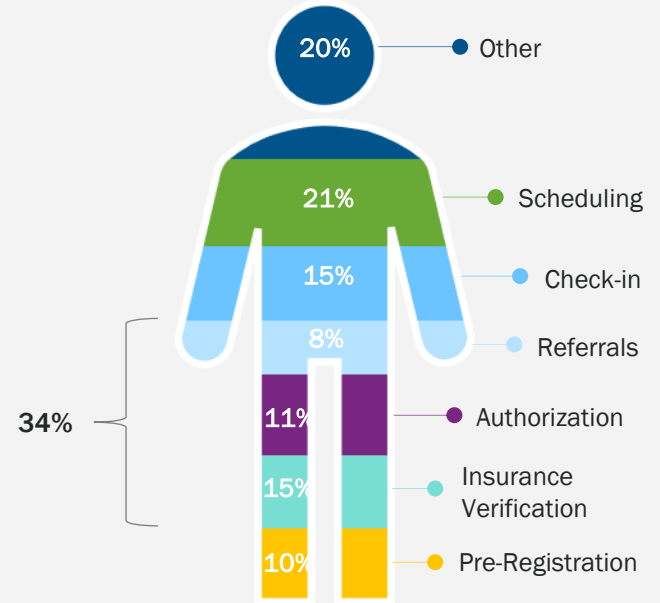20%

Scheduling *
0%
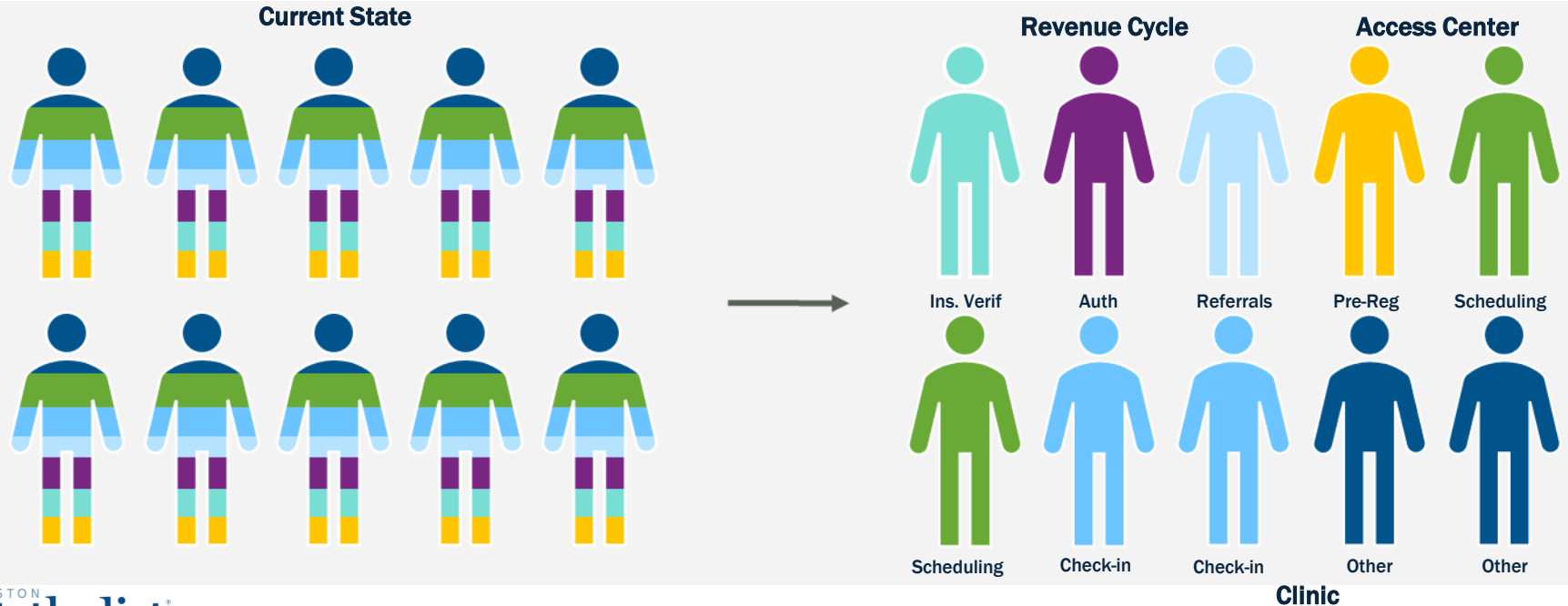
Other Responsibilities *
10%

Step 3: Validate & Summarize

- 20% — Other
- 21% — Scheduling
- 15% — Check-in
- 8% — Referrals
- 11% — Authorization
- 15% — Insurance Verification
- 10% — Pre-Registration

34%

Organizational Structure

In the current state, clinic administrative support staff support multiple functions. Clear role definition, centralization of access + revenue cycle functions, and corresponding realignment resources will support scale, contain costs, and enable the Clinic of the Future.

Current State

Future State Realignment

Revenue Cycle

Access Center

Ins. Verif   Auth   Referrals   Pre-Reg   Scheduling

Scheduling   Check-in   Check-in   Other   Other

Clinic

Workflow Redesign Approach

Houston Methodist PO implemented a cross-disciplinary design team of 30+ contributors, including end users. A comprehensive, eight-week workflow design itinerary was developed and executed with 2x weekly meetings.

1	2	3	4	5	6	7
Propose Design	**Share Proposed Design**	**Review, Provide Feedback**	**Interactive Review & Discussion**	**Document Design Decisions**	**Sign-off on Design**	**Translate Design – Specs & Training**
Huron develops baseline workflows and outlines key design decisions in a matrix.	**Huron** distributes workflows & associated design decisions to **HM workgroup** three business days in advance of interactive session.	**HM workgroup** reviews the workflows, key design decisions, and documents feedback or questions.	**Huron** facilitates virtual (primary) or in person design sessions in 2x weekly design sessions.	**Huron** records & distributes key design decisions, updates workflows (as necessary) and documents next steps following workgroup session.	Once design is finalized for a given workflow or topic, comprehensive design will be advanced to **HM Sponsor** sign-off.	**Huron** will partner with **HM Epic IT** to translate workflow design into tech specs. **HM PO Training Team** will develop training content.*

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*Note – some tech spec and training work will begin while design is still in flight. Offline working sessions will be held with key points of contact.

Key Success Factors

1 Change Management Approach

2 Communication Plan

3 Defined Vision

4 Bring in Help

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Key Success Factors

1

Change
Management
Approach

Successfully Managing Change

Understand the human factors of change

Develop a compelling vision for a change

Build trust & engagement

Provide training & support

Monitor progress & make adjustments as needed

Celebrate Successes

Be a role model for change

Key Success Factors

2

Communication
Plan

Communication Plan

Audience
Physicians
Administrators
Clinical team support
Other Stakeholders

Message Type
Face-to-Face
Letter/memo
Project update

Delivery Method
Electronic (e-mail)
Large group meetings

Schedule
Daily/Weekly/**Monthly**
As needed

Message Source
Executive Leadership
Director
Project Manager
External Consultant(s)
Communication Team

Key Success Factors

3

Defined Vision

MISSION STATEMENT

The Houston Methodist PO CBO is committed to providing exceptional revenue cycle management services that support financial stability for the organization, our healthcare providers, and consumers. By ongoing collaboration with our clinical partners, the HMPO CBO strives to create an innovative revenue cycle work environment that enhances cash collections while allowing our healthcare providers to focus on patient care.

VISION STATEMENT

The HMPO CBO is committed to embody healthcare's premier centralized revenue cycle model in professional billing and be the place of choice to work and grow. The HM PO CBO will continuously strive to achieve superior financial and operating goals while providing unparalleled service and adhering to our ICARE values.

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Key Success Factors

Key Success Factors

Scalability – speed to implementation

Degree of detail and size/impact of the change

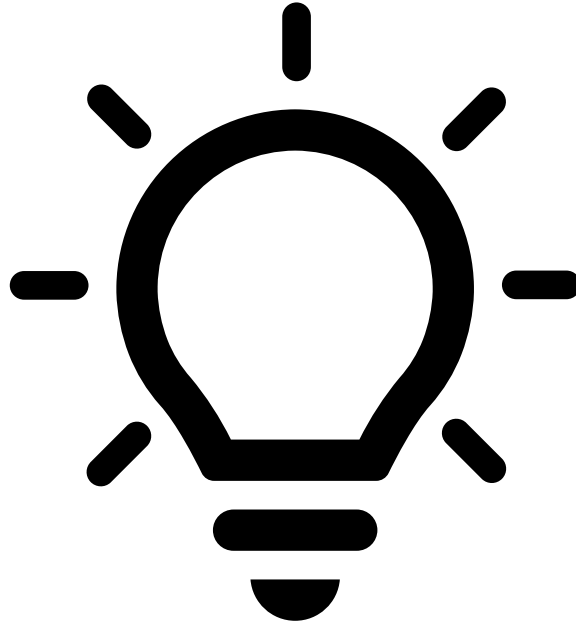Capacity to take on the work/project

Lessons Learned

Assess Individual Staff Training Needs

Deployed a more phased approach to rolling out a central Insurance Verification team

Surface and Challenge Assumptions

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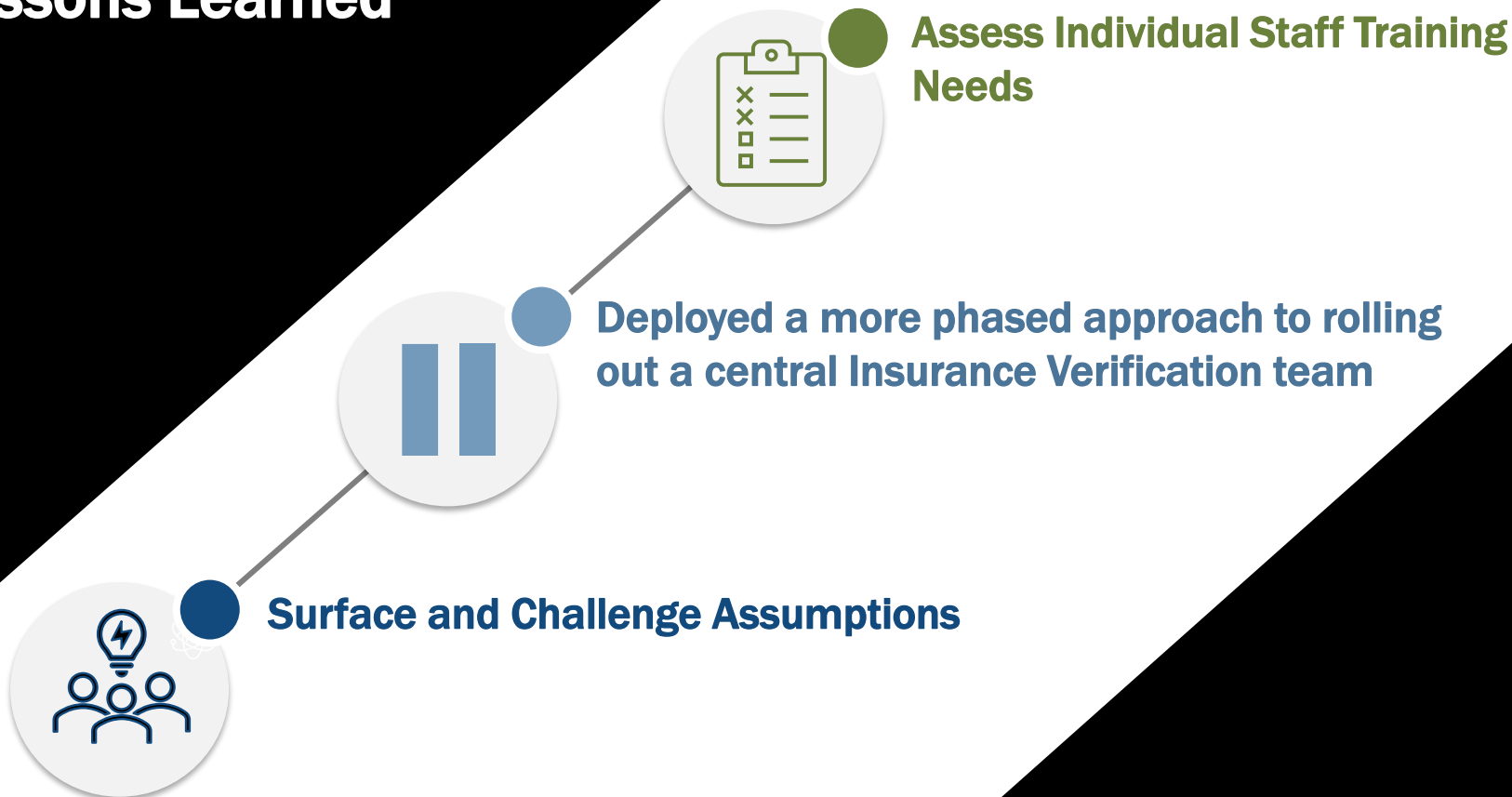
What's Next?

Continue to foster ideas for change

What should we focus on centralizing next?

How can we continue to leverage our technology to create efficiencies?

- Coding AI
- Prior Auth
- Denial Management

We are leaving behind old processes, tools, and mindsets that no longer serve us and get in the way of providing the best possible patient experience.

We are reimaging a system that fits into our modern world.

This is Care Redesign.