

# Top Performing PFS

## Sustaining Revenue Cycle Excellence

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# Outline

- Why this topic
- Define Sustained Excellence
- The research
- Process common threads
- Technology common threads
- People and culture common threads
- What do I do with this on Monday
- Questions?



# Why so few super bowl repeats

- Free agents – turnover
- Competition
- Rule changes
- Complacency



# Why this topic

- Poor billing can taint a great care episode
- Sustaining success is the hardest thing to do
- Generate ideas to push innovation and improvement
- Learn from others success is the easiest innovation



“In business, words are words, explanations are explanations, promises are promises, but *only performance is reality.*”

Harold S. Geneen

Former President and CEO of ITT

# What is sustained excellence?

- **Sustained**

1. To keep in existence; maintain.
2. To supply with necessities or nourishment; provide for.
3. To support the spirits, vitality, or resolution of; encourage.
4. To bear up under; withstand: can't sustain the blistering heat.
5. To keep up, competently

- **Excellence**

1. The state, quality, or condition of excelling; superiority.
2. Something in which one excels.

# Qualifying organizations

- AR days at 50 or better
- Aging at 90 days below 20%
- Credit balance = 1 day or less
- Turnover rate of less than 10%
- No poor scores on patient surveys re: billing
- 5 years minimum of this performance
- No “significant” unexplainable performance decrease
- Where we got our subjects:
  - Clients – current and former
  - Network of contacts through HFMA
  - New subjects from articles and presentations



# Breaking it Down

\* study size is 12

- Hospital Size

- ❖ 2 CAH (25 bed)
- ❖ 4 under 100 beds
- ❖ 4 over 200 beds
- ❖ 2 Large CBO organizations

- Location

- ❖ 6 West Coast
- ❖ 2 Mountain
- ❖ 2 Midwest
- ❖ 2 East Coast

- Hospital Type

- ❖ 3 For Profit
- ❖ 9 Non-profit
- ❖ 4 Religious affiliation
- ❖ 4 are HRG clients

- Who they are not

- ❖ MAP award winners
- ❖ Non-USA facilities
- ❖ One PFS /EDI system

- Not included (yet)

- ❖ Case Management
- ❖ Charge Capture/CDI
- ❖ CDM
- ❖ HIM





# Process at patient access

- Always confirm patient Identity and financial information
- Use financial counseling in patient access
- Check patient's other account balances
- All have eligibility tool – strong insurance verification
- Many have implemented patient out of pocket estimators (more recent)
- Process to copies of cards (Ins/ID) and other financial documents
- Strong up front payment processes (policies, training, tracking)



# Process at billing

- Manage billing edits constantly
- Dedicated team or individual for billing
- Bill daily – don't tolerate backlogs
- Measure billers performance
- Track clean claim rate
- Focus on automation



# Process at cash posting

- Focus on automation
- All used lockbox service
- Dedicated cashiering team or person
- Refunds are never put aside for other priorities
- Process to find underpayments
- All payments are reconciled daily
- All partial payments and zero pays are posted and set to work



# Processes at follow-up

- Stratified account follow-up (dedicated high balance team)
- Priority work queue process
- Use of web based payer sites
- Denials are tracked and denial appeals are tracked – done timely
- Some type of reminder system is used for accounts
- Teams are empowered for adjustments to dollar thresholds
- Closely monitored for accounts nearing untimely
- Outsourcing is norm



# Processes at self-pay customer service

- Dedicated team or individual
- Outsource or have predictive dialer phone system with tracking
- Call monitoring system
- Placement of early-out and bad debt with separate vendors
- 120 day collection period standard
- Web based payment system and after hour phone payments
- Voicemail and email capabilities
- Self-pay policies on payment plans and discounts and stay in guidelines

# Standards – everyone measures

- Days in revenue outstanding
- Gross to net revenue ratio
- Discharged not final billed
- Days in credit balances
- Denial %
- Accounts receivable % over 90 days
- Bad debt
  
- **What's wrong with these measures?**

# Common measures in group

- Everyone had a Dashboard – like Snapshot
- Point of service collections
- Added registration error reporting - details
- Timelines between stages
  - ❖ Discharge to billed
  - ❖ Billed to adjudicated
  - ❖ Paid to posted
  - ❖ Work the gaps
- Measure of exceptions – the 80/20 rule
- Cash projections – timely look into cash shortfalls

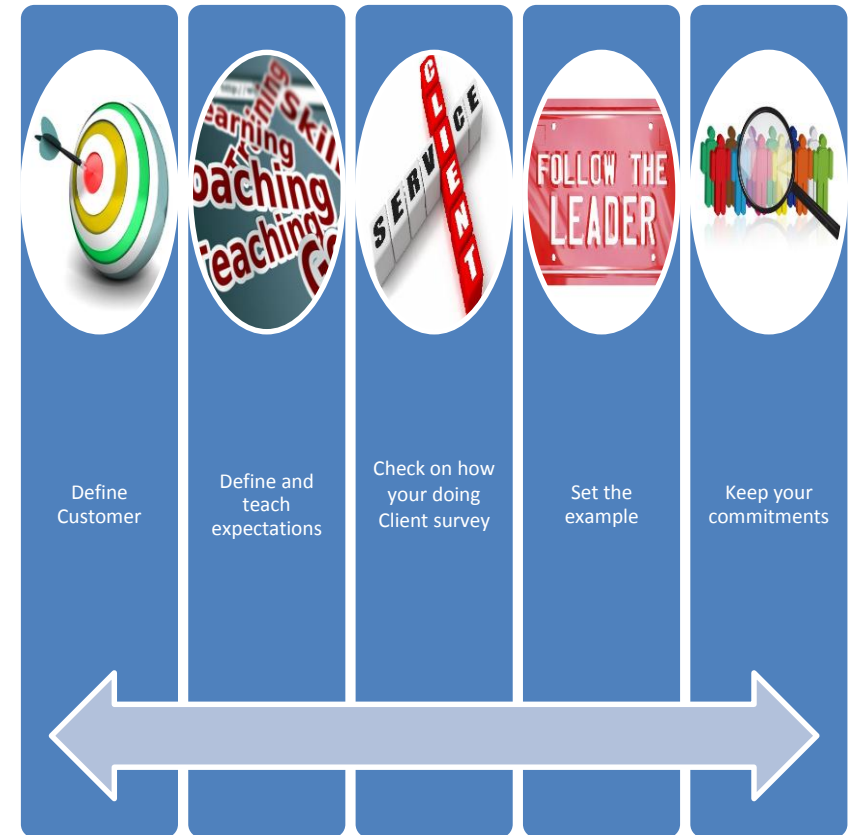
# Common technology

- All had EHR with good physician acceptance
- Online document imaging
- Eligibility software/tool
- Patient estimator \*
- Electronic billing
- Electronic cash posting (65%)
- Most have underpayment system or tool
- Work prioritization tool (stratify accounts)



# Culture

- Patient service is top focus of entire organization
- Focused training on the patient experience
- Administration has made revenue cycle departments part of the patient experience
- Setting of standards for service was the norm
- High accountability for service



## Culture and partners

- Partnered with payers
  - Collaborative approach
  - Shared innovation
  - Open sharing of data
- Vendors were treated as partners
- Community partners

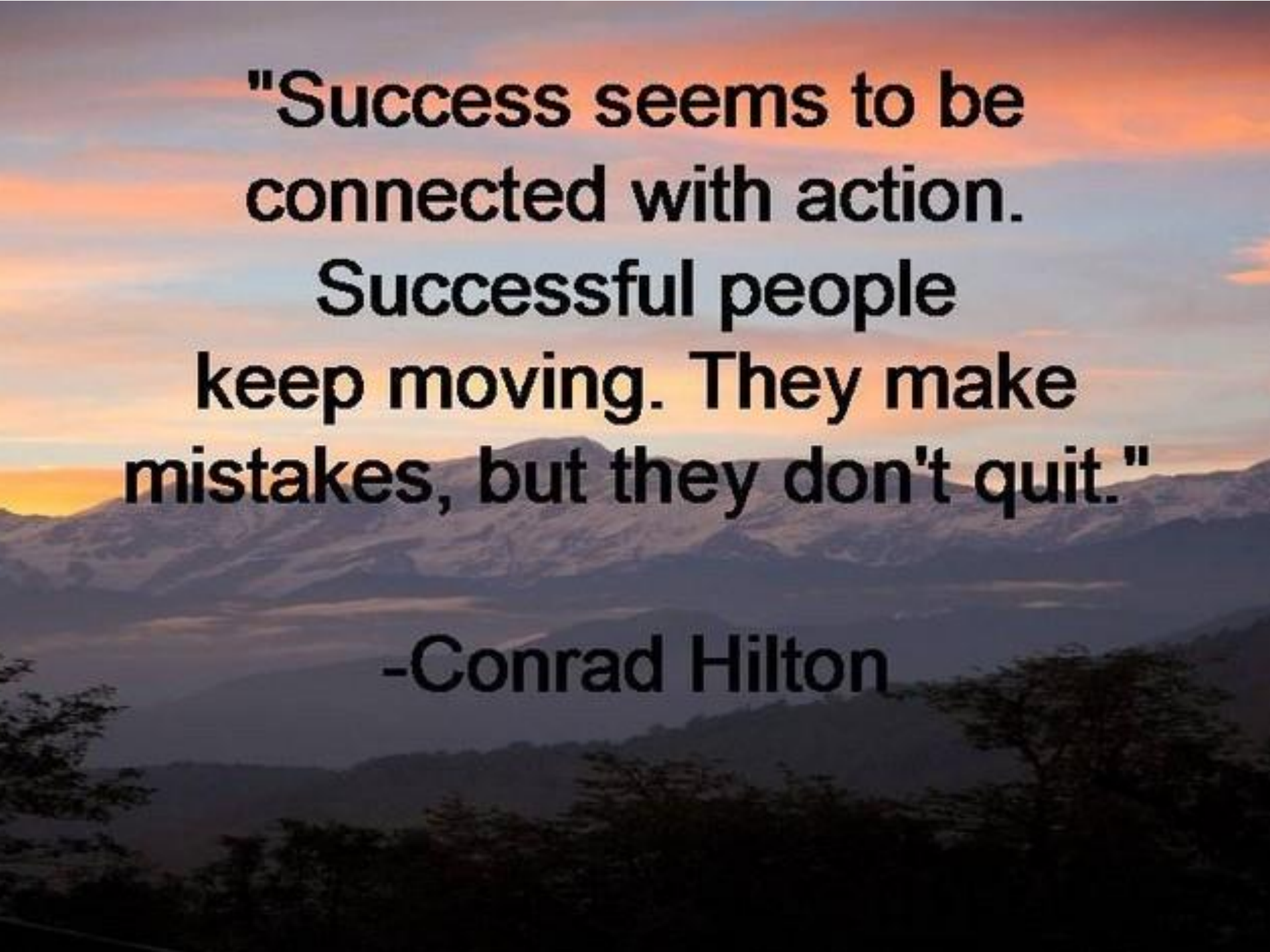


# Culture and employees

- Strong hiring process
  - Team interviews/trained interviewing to leaders
  - Background and reference checks
- Strong training program from first day
- Sense of purpose – mission
- Feedback loop on performance
- Turnover was low
- Rewards were often/recognition was evident

# Culture and employees

- Employees were engaged
- Teams met and helped create plan
- Employees were encouraged to stretch
- Interpersonal skills and maturity was evident
- Several had social committees/others not but friendships were evident
- All did employee surveys and acted on them



**"Success seems to be  
connected with action.  
Successful people  
keep moving. They make  
mistakes, but they don't quit."**

**-Conrad Hilton**

# Leadership

- Revenue cycle was lead by one person
- Weekly leadership meetings was norm
- No one type of leader in head role
- Average tenure of the leader was 7 years
- Not a standard education level





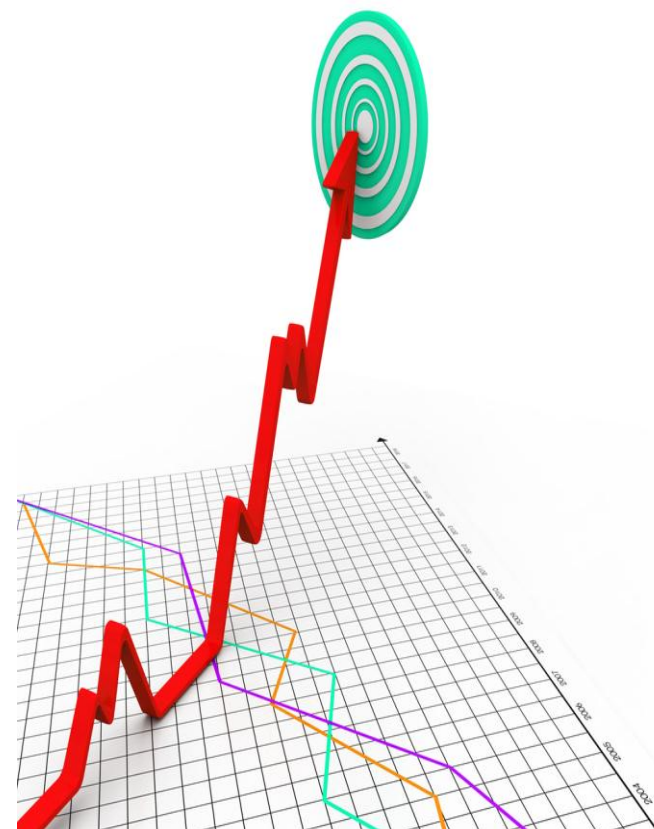
# Common comments about the Leaders

- Passion for the job
- Walk the walk
- Care for the people
- Fair
- Communicate
- Strategic Thinkers – conversion examples



# Leader remarks were good reminders

- Training and QA
  - Peer review of accounts as a team
  - You get what you expect
  - Accountability is paramount
- Stay in touch
  - Sit with your team
  - Invite and reward innovation
  - Empowerment is consistent culture
- Calm process
  - Schedules of tasks
  - Consistent expectations





# Personal lessons

- Never stop learning
- Allow yourself time for strategy
- Take time for your priorities besides work
- Think about sustaining success
- Acknowledge your accomplishments
- Have fun
- Be passionate about you work



# What do I do with this on Monday

