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# **CASE STUDY- VALUE OF A PHYSICIAN REVENUE INTEGRITY TEAM**

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# Middle Revenue Cycle Definition

RSM Revenue Cycle Service Offerings						
Front		Middle			Back	
Patient Access	Denial Management	Charge Capture & Pricing	HIM Clinical Documentation	Coding & 3 <sup>rd</sup> Party Reimbursement	Claims Processing & Denial Management	Cash Collection & AR Management
Scheduling Processes	Denial Quantification	Managed Care Pricing/Contracting	Clinical Documentation	ICDC-9 & ICD-10 Coding	Late Charge Analysis	Cash/GL Reconciliation
Pre-registration Processes	Denial Tracking	Charge Capture/ Reconciliation	Outpatient Documentation	HCPCS Coding	EDI Editing & Billing	Receivables Strategy & Work Tools
Registration Processes	Denial Mgt. Program	Late Charges	Medical Records Assembly Process	Cost Report Optimization	Denials & Appeals Tracking	Bad Debt Mgmt, Incl. Medicare
Point-of-Service Collections	Insurance Verification	Resource-based Pricing		<ul style="list-style-type: none"> <li>DSH</li> <li>IME/GME</li> <li>Medicare Bad Debt</li> <li>Excluded Units</li> <li>Wage Index</li> <li>Transfer DRG</li> </ul>	Staffing Model	Denial Management
Bad Debt Flags	Pre-certification/ Authorization	CDM Standardization/Consolidation		Physician Coding Observation Status Review	Billing System Backlog (DNFB Reduction)	Self-Pay Collections Mgmt
Financial Counseling/Prior Balance Adjudication		Pricing Strategic/Rational		340B	Electronic Billing Validation	Payer Appeal/ Dispute Resolution
Staffing Training and Education		IP/OP Revenue Integrity			Unit Billing	Mg'd Care Prompt Pay Penalties & Under-Payment Recoveries
					DNFB Reduction	Cash Acceleration
						Third Party Followup
						Electronic Remittance/ Payment Postings

# Why is Middle Rev Cycle Relevant?

## Typical Comments by “C Suite” Executives

- “Are we capturing all of our charges?”
- “Do we have solid charge reconciliation procedures?”
- “Are our physicians documenting and coding properly?”
- “Would documentation improvement appropriately enhance revenue?”
- “Are we charging appropriately for supplies?”
- “Are we missing charges from our charge master?”
- “Are we missing ancillary charges?”



Indicators of Revenue Leakage

*Middle Revenue Cycle Improvement = Margin Improvement \$*

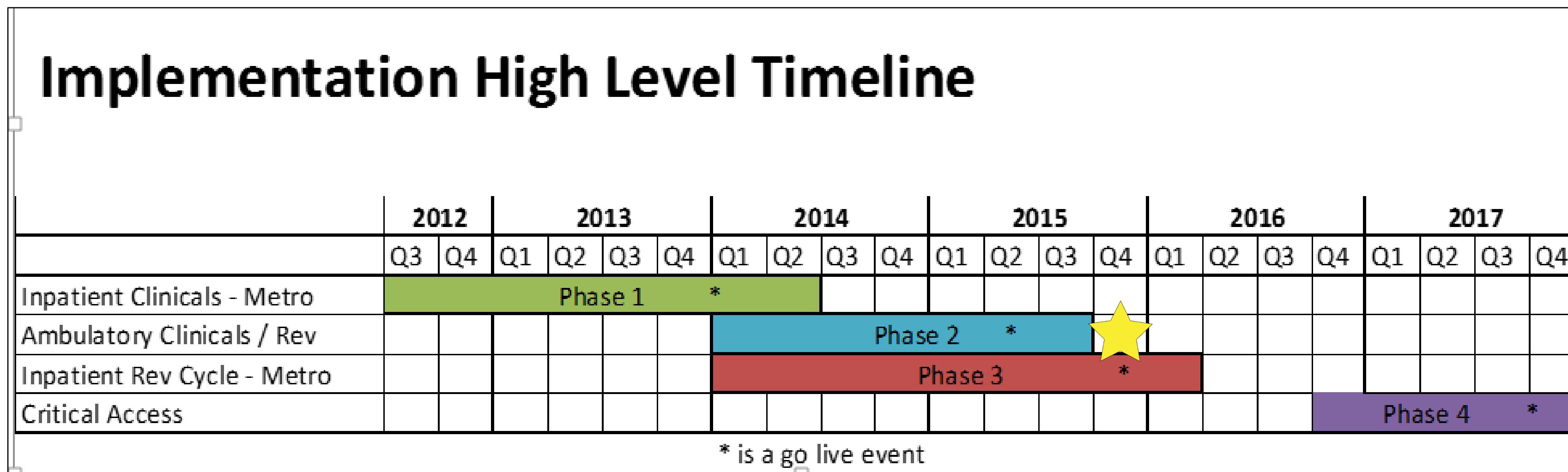
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# CASE STUDY: HEALTH SYSTEM PHYSICIAN REVENUE INTEGRITY

# Setting the Stage

A large system, comprised of ten hospitals and several primary care and specialty practices, followed the go-live schedule below and requested a revenue cycle assessment after Phase 2 :

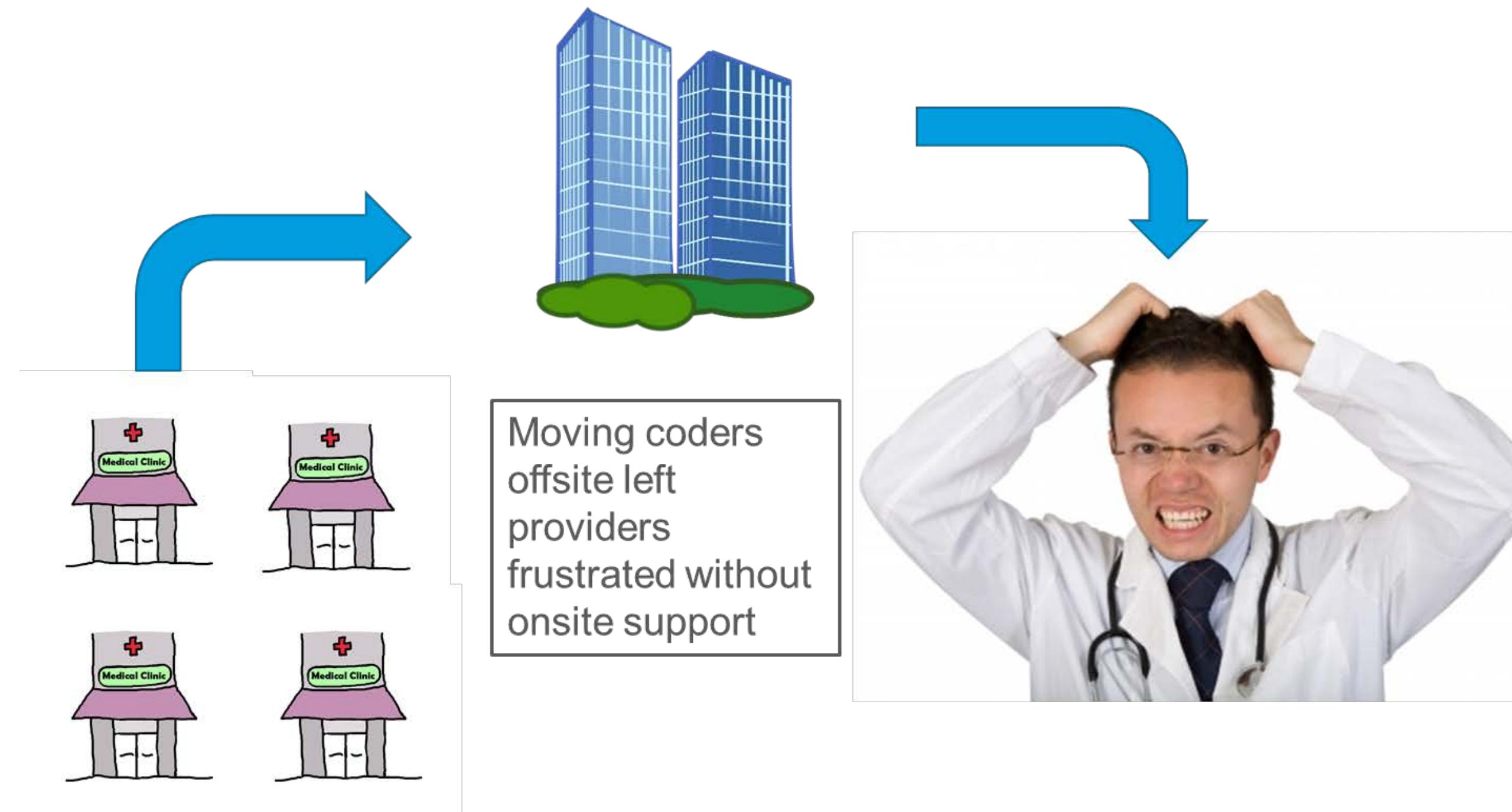


# Fiscal Year End Assessment

The Health System engaged RSM US (RSM) support to determine the impact to gross and net revenue and work relative value units (WRVU), following charges through payments, since the Epic Ambulatory and Professional billing go-live on August 1, 2015.

Objective	<ul style="list-style-type: none"><li>Analyze key data and operational elements to identify root causes of material change to revenue and RVUs after the Epic Ambulatory implementation</li></ul>
Scope	<ul style="list-style-type: none"><li>Analyze charging and payments trends pre and post Epic by specialty/physician</li><li>Interview key stakeholders and understand workflows associated with charge capture and reconciliation</li></ul>
Deliverable	<ul style="list-style-type: none"><li>Review data analysis</li><li>Prioritized recommendations included in second phase of work outlining implementation plan</li></ul>

# Decentralized to Centralized Coding Model

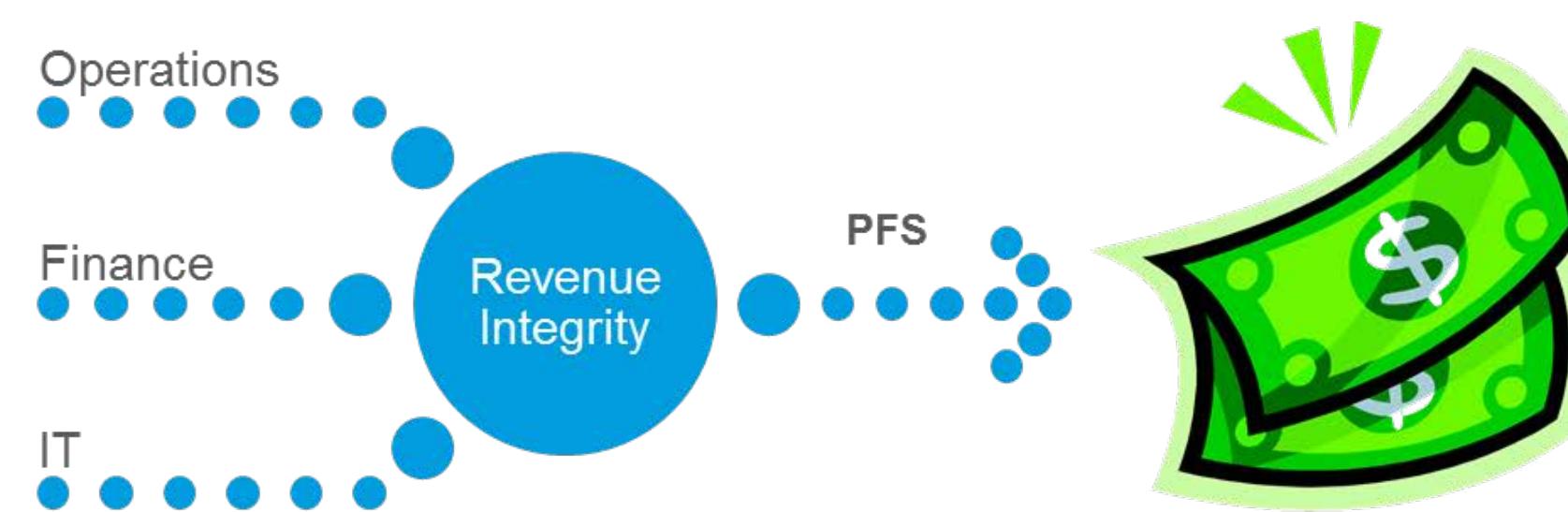


# Process Improvement Recommendations

Prioritized task	Detailed next steps
<b>1. Report Optimization</b>	<ul style="list-style-type: none"><li>• Assess outstanding report requests</li><li>• Determine if reports are currently available or if custom build is required</li><li>• Determine overlap in requests if custom build is required</li><li>• Prioritize needs and train department on efficient use of report</li></ul>
<b>2. Formalize Revenue Integrity Role</b>	<ul style="list-style-type: none"><li>• Assess current and future state staffing needs and create governance structure</li><li>• Pilot a clinical department</li><li>• Create communication tool to trend changes made to provider coding</li><li>• Train clinical departments on charge reconciliation tools</li><li>• Train providers on WRVU reports – clarifying impact of voids versus adjustments</li><li>• Formalize coding audit process by provider, create scorecard and provide education</li><li>• Support ABN implementation and provider education</li><li>• Provide denial management and prevention education to clinicians and front end staff</li><li>• Support operations leadership in providing departmental education on regulatory updates that impact coding and coding changes</li><li>• Own the WRVU upload and EAP request and maintenance processes and monitor for discrepancies</li><li>• Analyze modifier assignment pre and post implementation and provide education</li><li>• Create standardized policies and procedures</li></ul>
<b>3. Improve Cash / GL Reconciliation Process</b>	<ul style="list-style-type: none"><li>• Process map legacy and current state workflows to understand change creating current inefficiency</li><li>• Assess supporting reports used in reconciliation process and what is available in the new system</li><li>• Design efficient reconciliation process</li></ul>

# What is Revenue Integrity?

- Revenue Integrity is the governance structure for cross functional work streams to effectively identify, improve and sustain charge capture and prevent revenue leakage
  - A Revenue Integrity Analyst functions as the liaison between cross functional work streams, including Operations, Finance, Business Services and IT
  - Typically assigned by specialty, a Revenue Integrity Analyst is the “go to” for all things charge related, including appropriate documentation and regulatory compliance
- A dedicated focus on Revenue Integrity improves accuracy of capturing all charges for services rendered



# Need for Revenue Integrity Team

Department	Driving Factor	Implication	Revenue Integrity Solution
Revenue Cycle	Centralized coding	Decreased education and availability created concern from providers	RIAs assigned by department will provide consistent support and education
Clinical Operations	Lack of charge reconciliation	Opportunity for improved charge capture of all services rendered	Train and educate clinical areas on reconciliation tools and charge editing
	Variety of services provided outside home department - outreach	Unable to charge without correct linking to departments	Support Operations Leader to work with IT for provider outreach and correct setup
IT	Need for optimized electronic documentation and charge capture tools	Inefficient workflows for charge capture and documentation for providers and potential to create denials	With IT, create preference lists, templates, order panels, smart sets or other tools to create efficiencies in charge capture and documentation
Finance /Accounting	Changes in charge capture methodology or pricing changes	Unexplained variances in gross and net revenues and potential errors in fee changes	Train and educate clinical areas on charge capture, coding or significant price changes and potential affect on budget

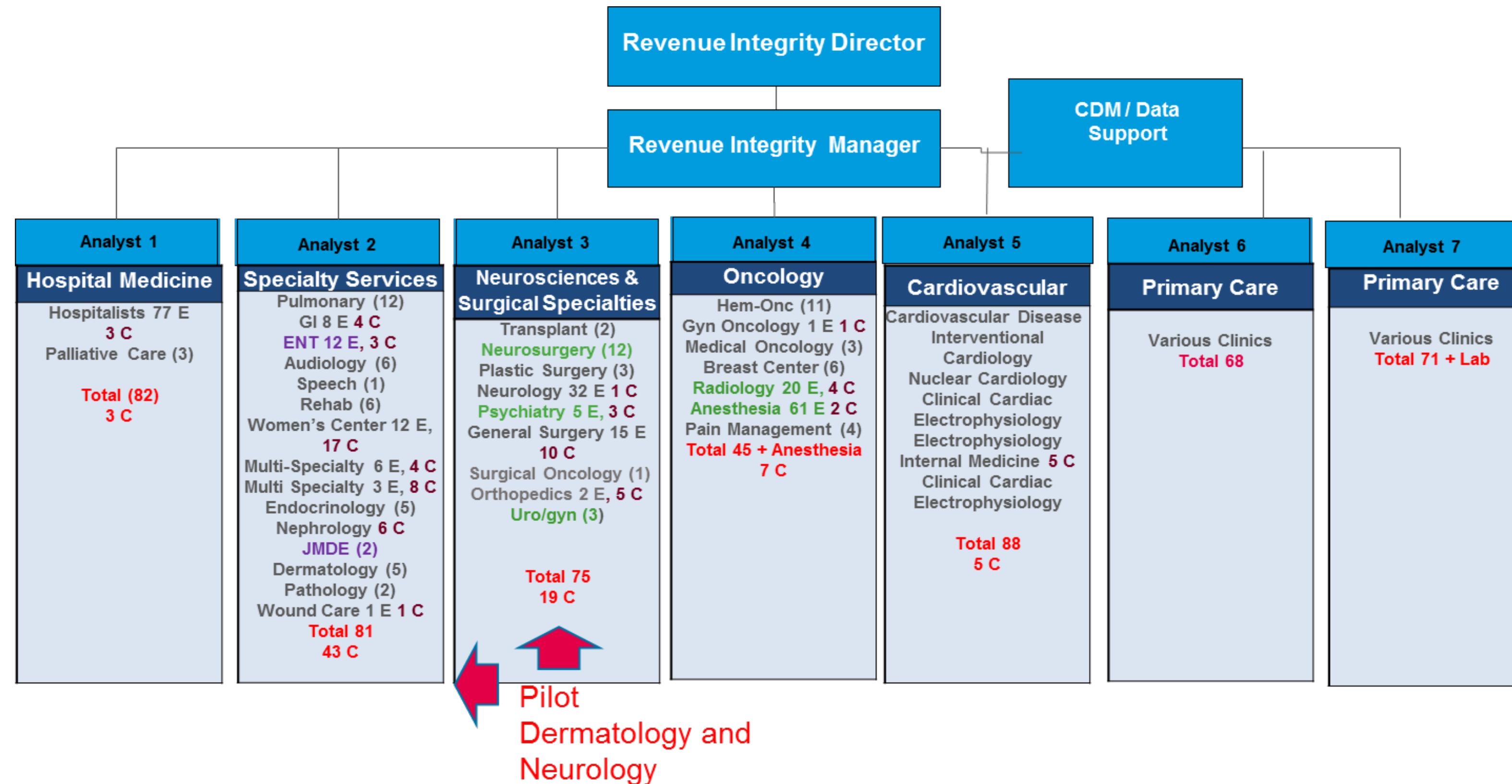
# RIA Roles and Responsibilities

- Serves as liaison between revenue cycle, operations, IT and Finance as it relates to charge capture, documentation and reconciliation
- Conduct regularly scheduled chart reviews and education for providers
- Research and communicate regulatory requirements that impact charging and reimbursement
- Trend revenues, RVUs and denials by specialty to provide education to operational leaders and providers
- Train clinical departments on charge reconciliation
- Educate annual CPT coding updates and drive necessary CDM revisions
- Support operational leaders on efforts and initiatives related to charge capture, documentation, and reimbursement items
- Collaborate with coding department to research and provide timely education to providers

# Crosswalk to Current State

Current State	Future State Revenue Integrity Analyst
<ul style="list-style-type: none"><li><b><u>Coding and Compliance</u></b></li></ul> <p>3) Conduct regularly scheduled chart reviews and education for providers, including defined onboarding process for new providers 6) Educate annual CPT coding updates 8) Collaborate with coding department to research and provide timely education to providers 9) Coordinates special focus reviews and follow-up with Internal Audit</p>	<ol style="list-style-type: none"><li>1. Serves as liaison between revenue cycle, operations, IT and finance as it relates to charge capture, documentation and reconciliation</li><li>2. Oversees and maintains departmental charging processes including the CDM, charge linkages to the CDM, and charging processes</li><li>3. Conduct regularly scheduled chart reviews and education for providers, including defined onboarding process for new providers</li><li>4. Analyzes and distributes monthly coding and documentation denial and revenue trending reports</li><li>5. Train clinical departments on charge reconciliation</li><li>6. Educate annual CPT coding updates and drive necessary CDM revisions</li><li>7. Support operational leaders on efforts and initiatives related to charge capture, documentation, and reimbursement items</li><li>8. Collaborate with coding department to research and provide timely education to providers</li><li>9. Coordinates special focus reviews and follow-up with Internal Audit</li></ol>
<ul style="list-style-type: none"><li><b><u>Central Charging Office</u></b></li></ul> <p>2) Oversees and maintains departmental charging processes including the CDM, charge linkages to the CDM, and charging processes</p>	
<ul style="list-style-type: none"><li><b><u>3 Staff Members</u></b></li></ul> <p>7) Support operational leaders on efforts and initiatives related to charge capture, documentation, and reimbursement items</p>	
<ul style="list-style-type: none"><li><b><u>Not Done Today</u></b></li></ul> <p>4) Analyzes and distributes monthly coding and documentation denial and revenue trending reports 5) Train clinical departments on charge reconciliation</p>	

# Sample Department Org Chart



# Revenue Integrity Prioritization

## Train Charge Reconciliation

- Validate Ambulatory patients have appropriate charges posted in Professional Billing
- Validate specified hospital notes have corresponding professional charges posted in Professional Billing

## Provider Coding Education

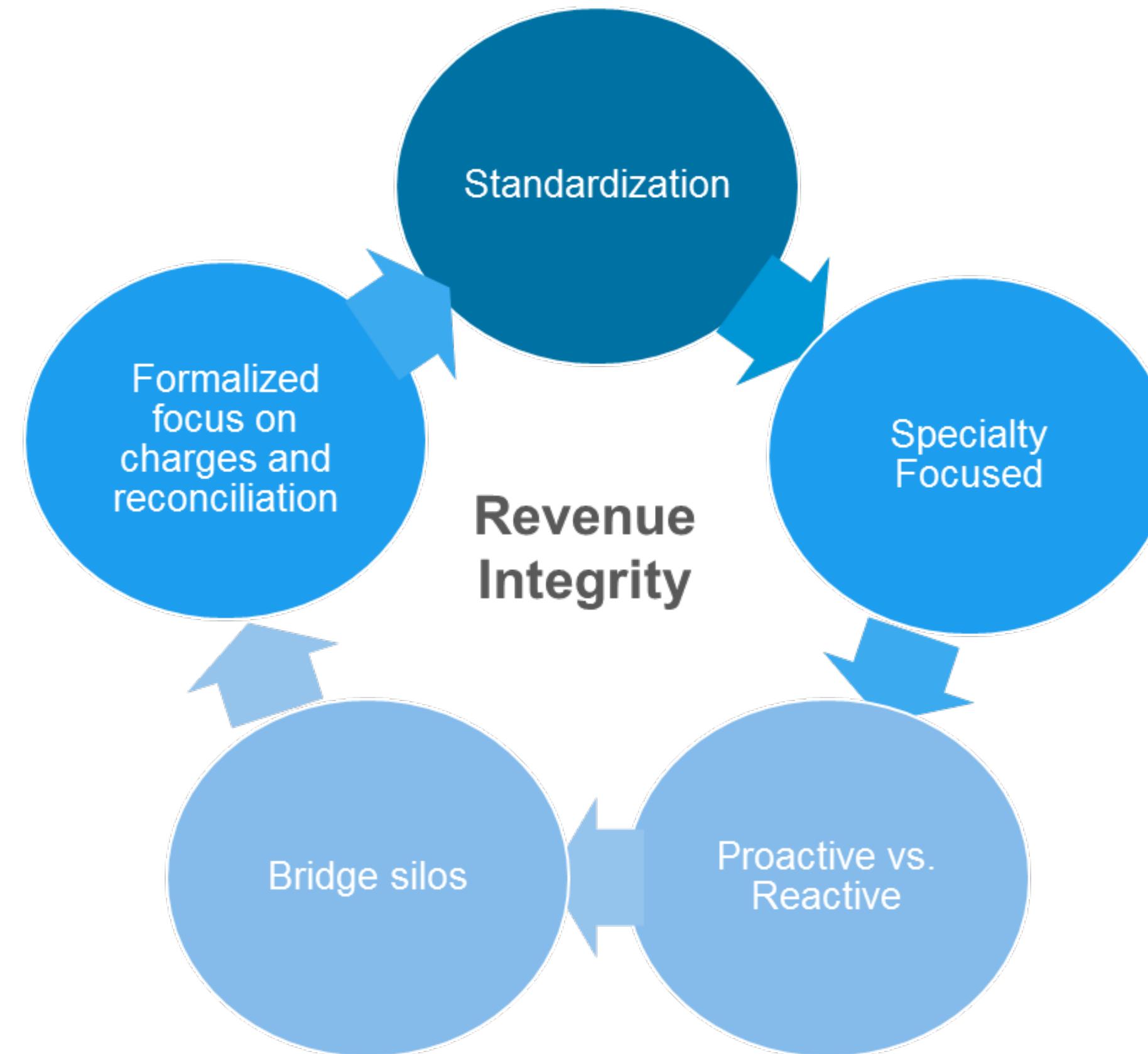
- Revenue Integrity Analysts assigned to specific specialties
- Routine provider education with scorecard driving annual, bi-annual or quarterly education

## Operations, IT and Finance Liaison

- Operational “Go To” for everything charge and documentation related
- Assist in documentation and charge capture efficiencies



# Benefits of Revenue Integrity



# Quick Gains

Department	Finding	Status
Convenient Care	APPs communicated confusion on appropriate coding	Although revenue opportunities are limited due to unique fee schedule, procedural and compliant coding will result
Neurology	APP lacked understanding of appropriate charging	RIA is researching what services are being rendered and appropriate charging, if applicable
Cardiology	Providers need education on how to bill cardioversions at the bedside	RIA confirmed the Epic work flow is appropriate and providers need education
Hospitalists	Large number of charges on Inpatient Note Reconciliation Report	RIA is researching report to validate charges missing and will repost
Dermatology and Neurology	Confusion dropping appropriate drug unit charges	RIA working with MIL and shadowing department to determine appropriate workflow and continue to educate
Psychiatry	Was not running full charge reconciliation for clinic visits	Have been trained on Epic Missing Charge report to reconcile clinic charges

# Revenue Integrity Metrics

- Quantitative

- Improved charge capture and monitoring

- Gross charges per visit

- WRVUs per visit

- Decrease in denials (coding, medical necessity, bundling, etc.)

- Efficiencies in middle revenue cycle processes (manual charge entry, WQ management)

- Subjective

- Physician satisfaction

- Improved education on procedures

- Efficiencies in documentation / charge capture

- Operations Leadership satisfaction

- Dedicated resource for coding education, charge capture and reconciliation

- Liaison for regulatory updates, charge capture, denial trending



**HEALTHCON**

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# Questions



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**THANK YOU**

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