HIMSS20

Spotlight

OPTIMIZING THE REVENUE CYCLE

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Optimizing the revenue cycle:

5 strategies for healthcare organizations

The global revenue cycle management market is expected to grow at an annual rate of 12.1%, hitting $55 billion by 2024, according to a report from Market Research Engine.[1] Investing in technologies, however, is just the beginning for many healthcare organizations seeking to make improvements to their revenue cycle management operations. Shedding light on key strategies that could be leveraged to ensure healthcare organizations optimize revenue cycles are perspectives gleaned from Hamilton Todd, senior revenue analyst — revenue cycle at Mayo Clinic; recently published Healthcare IT News articles; and speakers slated to present at HIMSS20.

1. Engaging patients in all things financial

The importance of empowering patients to become involved in their care has been a hallmark of the Mayo Clinic experience for quite some time. "Mayo has always been of the opinion that the needs of patients come first and that patients should be involved in all aspects of their care — including financial matters," said Todd, a healthcare revenue cycle management professional with 27 years of experience.

In an era when patients themselves are increasingly responsible for a larger share of their healthcare bill, the desire to get patients involved in financial matters is becoming a top priority for many healthcare organizations. To facilitate such involvement, for example, the U.S. Department of Veterans Affairs launched an online patient portal that provides service veterans with digital access to patient statements.

"VA is committed to leveraging technology to help veterans access their patient information quickly and conveniently," said VA Secretary Robert Wilkie, in a statement. "We believe these advancements will help veterans manage their healthcare in more efficient ways."[2]

Similarly, INTEGRIS Health, Oklahoma's largest health system, implemented a self-serve portal that enables patients to manage their healthcare finances, said Mike Weed, the INTEGRIS senior vice president of financial operations. "We wanted patients to feel that they were heard, and that their perspectives could change how, when, and where we interacted with them. We wanted to modernize and create a self-service experience just as good as what patients received and expected as consumers in their everyday lives."

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> **Mike Weed**
> Senior VP of Financial Operations
> INTEGRIS Health

Just three months after launch, 8,000 patients were registered to use the portal, and the platform accounted for 28% of patient collections. Most importantly, though, the experience is resonating with patients. "Patient surveys have noted measurable rises in patients' perception of the financial experience, including setting up payment plans, making payments, registering for self-service, and signing up for text alerts," Weed said.[3]

Patient engagement is slated to be addressed during HIMSS20, as well. Chris Johnson, vice president of revenue cycle management at Atrium Health, said he will focus on "the need for a highly transparent and highly effective patient financial services approach" during *Patients are the New Payers* (from 10:45-11:15 a.m. on Monday, March 9, in Rosen Centre Junior Ballroom F).

Patrice Taleff, system vice president of revenue cycle at UPMC Pinnacle, will discuss how her organization is collecting patient self-pays, maintaining financial benchmarks, and retaining patients during *Loyal Patients and Impressive Financials* (from 11:30 a.m.-noon, on Monday, March 9, in the Rosen Centre Junior Ballroom F). Both sessions will be presented during the HIMSS20 Revenue Cycle Optimization Forum.

2. Enabling your organization to provide easy access to pricing

Of course, as patients become increasingly responsible for their own healthcare expenses, they also are becoming more cost-conscious and are looking to assess pricing upfront. In support of this demand for pricing transparency, the Trump Administration issued an executive order on improving price and quality transparency in American healthcare. The order mandates that hospitals post online the prices for "shoppable" healthcare services. In line with this executive order, the Centers for Medicare and Medicaid Services also has issued two rules that support pricing transparency.[4]

With these edicts in place, healthcare organizations now are scrambling to provide patients with more transparent pricing.

"Basically, price transparency is a challenge that hospitals everywhere face: how to give patients fast, accurate estimates prior to scheduling services," said George Ann Phillips, administrative director for revenue cycle at University Health Care System. "This has historically been a complicated endeavor because prices vary according to the patients' unique insurance coverage and also the acuity of their medical conditions."

To offer insight into prices, University Health has implemented a self-service, online price estimator, which is embedded in the organization's website. Here's how it works: Patients input a few pieces of demographic data, the procedure code, and their insurance policy number, which produce in under a minute an accurate estimate of their out-of-pocket costs. The price calculator technology so far has replaced creating manual estimates with a digital solution, allowing staff hours to transition from performing out-of-pocket calculations to assisting patients in understanding their out-of-pocket costs and scheduling patients for their needed healthcare services.[5]

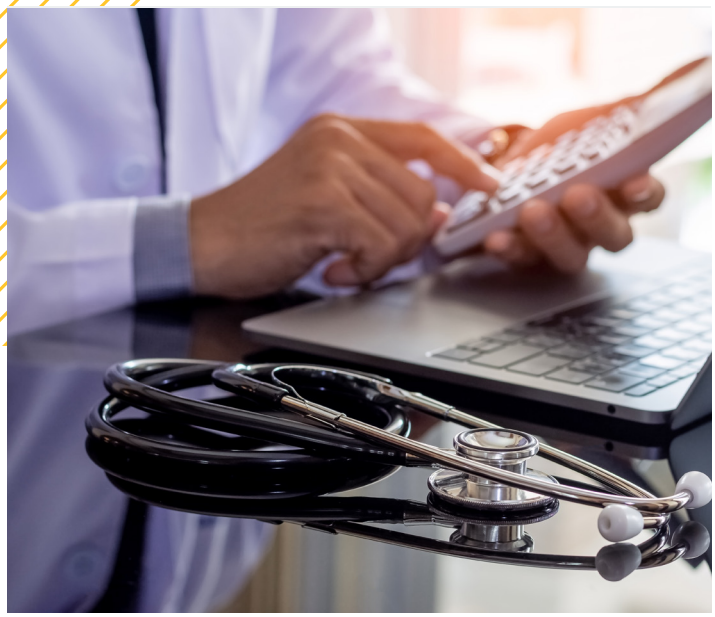
Such pricing transparency will be part of the discussion when Jill Cuckler, director of the chargemaster and managed care decision support, and Jacqueline Nelms, director of central patient financial services — both for BayCare Health System — present their HIMSS20 session titled *Real-Time Patient Estimates for True Out-of-Pocket Costs* (from 2:30-3:30 p.m. on Wednesday, March 11, at the Orange County Convention Center, Room W207C). Cuckler and Nelms will describe BayCare's ever-evolving approach to consumer

pricing transparency and estimation of out-of-pockets costs for services. They will specifically address the development of their organization's central pricing office and the rollout of a real-time online estimator tool.

3. Implementing a clinically integrated RCM system across the network

With value-based care becoming the dominant healthcare delivery model, provider organizations are increasingly reimbursed based on the quality of care delivered and the clinical outcomes achieved. As such, healthcare organizations are finding that they need to integrate clinical and financial information.

To accomplish this, Mayo adopted a clinically integrated revenue management solution across the health system, replacing an array of disparate clinical and revenue systems that were formerly in place, said Hamilton Todd, the Mayo revenue cycle management expert. "All our clinics — the one here in Rochester, the one in Florida, and the clinic in Arizona — are now on a single, integrated clinical and revenue cycle management system. Previously,



we were on customized systems, each individually maintained by internal resources. Each of our sites was using different vendors for their revenue cycles and their clinical systems."

This implementation of a systemwide, clinically integrated RCM process is bringing many efficiencies to the health system. "We used to have buildings full of IT people who supported these systems, and we have been able to repurpose them into other areas," he said. "Now, we can take changes from the vendor and not have to figure out what will work and what won't."

Using one clinically integrated system across the enterprise also creates efficiencies for RCM staff. "When everyone is on the same system, you can maximize the use of internal resources such as diagnostic coders," Todd said. "Now, we can have a coder sitting in Jacksonville who can log into accounts in Rochester or Arizona and perform the coding for those facilities. So, if we have a site that's behind in coding, other sites can pitch in and help to eliminate the backlog."

4. Automating the prior authorization process

Prior authorization — the approval a provider needs from an insurance provider before delivering treatment or prescribing certain medications — is an obstacle for many healthcare organizations seeking to streamline revenue cycle processes.

"Prior authorization, as practiced today, is operating in an analog manner in a digital world," said Scott Weingarten, MD, MPH, consultant to the CEO and professor of medicine at Cedars-Sinai Health System. "This is just plain wrong. It is like having to go to a bank with a paper bank book to withdraw money when ATM technology exists. The current process is bad for patients, providers, and health plans."

During *Driving Value: Automating Prior Authorization at the Point of Care* (from 8:30-9:30 a.m. on Wednesday, March 11, at the Orange County Convention Center, Room W204A), Weingarten will describe how his organization is deploying an automated prior-authorization solution at the point of care to enhance effectiveness and efficiency. The preauthorization solution supports real-time authorization of imaging procedures, which improves efficiency of the overall PA process for providers and health plans, while also enhancing the member experience and maintaining clinical integrity.

This automation "will make the process significantly more efficient by using information in the EHR to determine whether medical-necessity criteria have been met or not," Weingarten said.

5: Taking a purposeful approach to quality assurance

While it is important to innovate, organizations must also keep quality in mind at every stage of the revenue cycle process — a topic that Lynn Ansley, senior director of revenue cycle management at Moffitt Cancer Center, will address during *Developing a Quality Review Process* (from 2:35-3:10 p.m. on Monday, March 9, in Rosen Centre Junior Ballroom F).

"Timely and accurate quality reviews are one of the key controls for a revenue cycle department," Ansley said. "Without quality reviews in place, no formal accountability exists to ensure our teams are complying with the operational standards that have been implemented. Quality reviews help leaders stay in tune with the details of the transactions their teams are working on."

By adopting these strategies and others, healthcare leaders can ensure that they are not just adopting new technologies, but are also making the most of their investments.

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Q&A

Beto Casellas

Executive Vice President & CEO, CareCredit

Beto Casellas shares his perspective on the financial challenges for many Americans paying healthcare costs, the impact on patients and health systems, and how providers can help reduce financial barriers to care.

Reducing financial barriers to care

What impact are you seeing from today's high out-of-pocket costs?

Casellas: When cost is a concern, patients may delay care, decline it outright, or scale back on treatment — or do something less effective. A 2019 Federal Reserve study found that 24% of Americans surveyed declined needed medical care in 2018 due to cost.[1] Even when patients can get care, out-of-pocket costs can be problematic. A recent CareCredit study found that the vast majority of patients surveyed (73%-83%) said they aren't looking for information on healthcare costs and payments at various points in their medical journey (from learning they need care through receiving a post-care bill),[2] suggesting that many may still expect insurance to cover all or most of the cost, that they are not anticipating or budgeting for significant medical bills, or both.

Many providers are having to collect more from more of their patients.[3] Making this shift from relying on third-party reimbursement often means spending more time and effort on billing and collections, while waiting longer to collect less. Seven in 10 providers we surveyed estimate that up to 20% of their billings go uncollected, and 71% of primary care providers we surveyed have concerns about the time taken to collect payments.[4]

How can providers engage with patients differently knowing their patients are shouldering more of the costs?

Casellas: I think an important start is recognizing that financial aspects of care can play a crucial, integral role in the overall patient experience. Our research found that the stress patients experience when receiving a bill after treatment is second only to that of first realizing they need care, before they can get help.[5] Thus, providers need to prioritize improving the patient financial experience and help patients better understand, prepare for, and fulfill their out-of-pocket obligations. Many people are uncomfortable talking about money, but patients need providers to do so. This is an important shift in how we need to engage with patients today.

What advice can you give for organizations concerned about the required changes to meet the needs of patients and succeed in the current environment?

Casellas: Don't do everything at once, and don't go at it alone. Start by engaging outside partners such as technology companies or financing providers. This can make it easier to address the evolving needs of patients as "healthcare consumers," who expect things like price transparency, online product and provider information, easy comparison shopping, a personalized shopping experience, good value for their investment, and appealing payment and financing options. Patients want and need clear information on pricing and payment options. Leveraging third-party solutions or platforms can help healthcare organizations make vital financial information more accessible, often via multiple channels and at various points in the customer journey.

Similarly, third-party financing providers, like CareCredit, can help patients manage the costs of their care that works for their budgets and families. Rather than covering the full cost of care immediately — and potentially tying up funding sources like bank accounts and general-purpose credit cards they need for other expenses — patients can access a line of credit dedicated to health and wellness, and make monthly payments over time.

When providers help patients feel informed and empowered regarding their healthcare purchases, they can deliver a high-quality, end-to-end financial experience — which will likely help their bottom line and allow more patients to receive the care they want and need. Ultimately, it sets everyone on a successful path.

A pioneer in healthcare financing for more than 30 years, the CareCredit health, wellness, and personal care credit card gives patients a way to pay for out-of-pocket healthcare costs while fitting payments into their monthly budget.* Providers receive payment within two business days, with no liability if the cardholder delays payment or defaults.** Today, more than 11 million CareCredit cardholders can use their card to pay for care at 230,000 U.S. locations. For more information, visit carecredit.com/himss.

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