

Creating Revenue Integrity Strategies for the Future

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Creating a Revenue Integrity Strategy for the Future

- **Definition of Revenue Integrity**
- **Revenue Integrity from a CFO's perspective**
- **Benefits of a Revenue Integrity Program**
- **Pitfalls of not having a Revenue Integrity Program**
- **Key steps to building a program for your organization**

A solid Revenue Integrity program must include a strong compliance, financial and audit function

Learning Objectives

After this presentation you will be able to:

- Define key roles of a Revenue Integrity Program
- Identify pitfalls in your organization related to the absence of a RI Program
- Understand benefits to implementing an RI program
- Develop a framework for creating a successful revenue integrity department that is specific to your organization's unique needs
- Identify the key steps you must take to ensure your organization's revenue is reviewed and monitored for accuracy and compliance
- Identify key business office metrics that will measure the success of a RI program

A focus on Revenue Integrity, is it a program?

A diligent and organized approach to identify issues that may cause claim delays, rejections and denials, which ultimately slow down cash flow and/or reduce net revenue. This encompasses all areas of the revenue cycle and includes processes to prevent revenue loss or delay.

Revenue Integrity as a program, yes

A program to accomplish the following:

- Management of accounts pending for billing edits, provider and payer
- Department charge capture auditing, of revenue and compliance
- Denial tracking of clinical issues, such as lack of medical necessity

Revenue Integrity to a CFO in healthcare

A Clean Claim generates revenue efficiently

Monitor current pre-bill and billing error/edits

Identify top reoccurring issues

Implement automation when possible



A Complete Claim ensures all possible revenue is captured

Monitor outpatient department charging with audits

Ensure all charges are captured

Educate Department Management

A Compliant Claim eliminates the risk for denials and take backs

*Monitor pre-bill and billing errors and **edits for possible charge master updates***

Monitor pre-bill, billing and payor edits for medical necessity issues

Revenue Integrity Benefits

- Increase the Clean Claim Rate by count and dollar
- Eliminate hand-off from billing to clinical review
- Implement upfront process and technical solutions
- Assurance of complete outpatient department revenue capture
- Decrease risk of reimbursement take backs
- Trend medical necessity issues, charge master issues and charging issues, identify root cause and implement resolutions

RI Mission Statement:

Provide outstanding customer service and ensure the integrity of the revenue by providing timely compliant billing, auditing and education to provide consistent feedback to executive leadership and staff responsible for charging practices, billing practices and management of the revenue cycle as a whole.

Using RI to manage and decrease AR

RI tasks that decrease risk in AR

- Compliant use of modifiers
- Audits validate claim to medical record documentation
- Repetitive issues identified through trends are resolved
- Ongoing education ensures quality claims

Managing AR- it's all about trends

- Decrease unbilled days by reducing claim handoff for resolution
- Manage unbilled dollars by prioritizing high dollar claims
- Decrease unbilled days by implementing processes to reduce manual intervention

Trends

- Monitor/trend top billing edits
- Monitor/trend top RTP (return to provider)
- Monitor/trend department audits

Denials-Incorporate if not separate department

- Track/Trend medical necessity denials
- Track/Trend level of care denials
- Track/Trend by provider
- Track/Trend Outpatient denials

A Revenue Integrity Audit Process

Audits

- Use internal method or external vendor method to identify risk areas
- Maintain a standard minimum audit schedule
- Utilize standard audit types with standard reporting categories:
 - Department Charge Capture audits
 - Compliance Audits
 - Line Item Procedure-Services
 - Insurance Defense audits
 - Stop-loss audits
- Ensure audit results are communicated, education provided to department head and follow up audits for compliance or result tracking



Revenue Integrity Education Process

Revenue Integrity staff are liaisons between clinical and business office management and can provide education and follow up

- RI can develop and provide formal and informal education on appropriate charging practices to facility staff
- RI often can identify charge master items in need of review and escalate for action
- RI staff can follow up on trended issues and ensure action plans are developed so that issues are resolved, eliminating delayed and denied claims
- All RI staff in addition to the SMEs participate in required training
- RI staff can participate in external seminars and bring information back to facility staff for charge accuracy and compliance with federal and state regulations
- Education on annual CPT changes is conducted in collaboration with charge master departments and department management

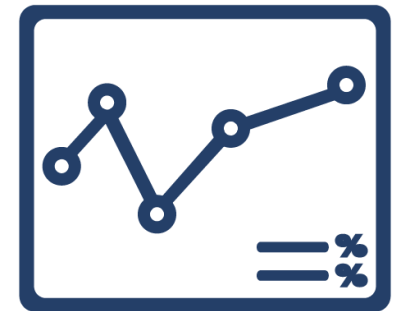
Compliance and Revenue Integrity

- Staff with appropriate credentials and experience to manage the issues
- Defined workflow process
- Quality review audits to support written workflow
- Monitoring of regulatory changes that affect facility service lines



Pitfalls of an organization without a focused Revenue Integrity Unit

- Increased unbilled account aging, waiting on resolution to a billing error/edit
- Billing of claims with warnings that will result in a denied claim and/or denied claim line item
- Issues are not trended and resolved the problem just keeps occurring and delays reimbursement
- Outpatient denied revenue is not trended or resolved
- Uncertainly if all revenue is captured for services rendered
- No liaison between business office and clinical departments



Key Steps in Developing a Revenue Integrity program

- Define your organization's needs
- Create a framework / scope of work
- Determine the type of staff and credentials the staff will need for success
- Identify reporting metrics



Having a focus on Revenue Integrity, can decrease unbilled days, lowers AR risk and produces opportunity for solutions.

Key metrics to a Revenue Integrity Program

Metrics should be used to monitor your Revenue Integrity Success

- Monitor aging on days of accounts pended in billing waiting on resolution
- Monitor clean claim rate by volume and dollars
- Trend audit results
- Monitor inpatient and outpatient denials related to medical necessity

Case Study

- Post client assessment, findings revealed aging AR related to complex(required hand off to Clinical area and HIM) billing edits
- Recommendation to create a Revenue Integrity department, to focus on complex billing edits, department charge capture audits and denial trending
- At initial build out of department basic metrics captured to track productivity and return on investment

Top 2 billing edits were aging approximately 6 million dollars annually at 285 days

Case Study

- Using Clean Claim Reports to identify top billing edits, wrote procedure(s) on resolving billing edits
- Using internal talent, team was built
- 6 months post project implementation results
 - Team of 3 has moved over 10 million dollars from an average age of 285 days to 5 days
 - Trended multiple internal processes resulting in revenue loss and implemented process improvement to capture lost net revenue
 - Created and established a multidisciplinary team to focus, track, trend and resolve facility issues

Next Steps

01



Invest time to understand current Revenue Integrity focus

02



Implement a focused Revenue Integrity Program outside the traditional business office departments

03



Don't forget to trend and track the decrease in Unbilled days and AR outcomes

04



Be forward thinking about maintaining RI Staff compliance, expectations and education

05



Grow towards ancillary department charge capture, auditing and education

Questions