



CLEAN CLAIMS CREATE A
SMOOTH RCM JOURNEY

FINE-TUNE YOUR RCM JOURNEY

Change. It's the hurricane blowing in healthcare, and provider organizations are at the heart of the storm. Communities and physician practices are scrambling to collect and report Merit-based Incentive Payment System (MIPS) data and dealing with new survey requirements. They're seeking to get and keep a seat at the table in Accountable Care Organizations (ACOs) and Alternate Payment Models (APMs). At the same time, census in skilled nursing and post-acute care is down and pressure is increasing to reduce lengths of stay and prevent avoidable readmissions.



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The good news: As the “silver tsunami” begins, the Centers for Medicare & Medicaid Services (CMS) is seeking ways to ease regulatory and other burdens on providers and practitioners, while promoting health information technology, and better communication and interoperability among care settings.

Now is the time to look for opportunities for better systems and processes, and one of the ripest areas for improvement is revenue cycle management (RCM).

PATIENT-CENTERED RCM

The revenue cycle is a journey. It covers the patient account from the time it is created until it is paid in full.

The revenue cycle impacts every aspect of clinical and financial operations, so you need a reliable process to administer all functions associated with patient service revenue successfully.

Cutting-edge computer systems and tools designed to maximize RCM in the healthcare setting can ensure that the journey is smooth and productive, without unnecessary detours, barriers or bumps in the road.

Like every aspect of healthcare, RCM begins and ends with the patient. **A good system enables the provider to move step by step with the patient as they move through their care and treatment.** A strong RCM program can help both healthcare facilities and physicians achieve the triple aim of improving the health of patient populations, creating a positive care experience for patients and reducing costs.



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Traditionally, the billing staff would send off the claims, cross their fingers, watch the mail for follow-up communications and hope for the best.

Some gaps and delays were considered inevitable, even in the best of circumstances. However, the growing financial pressure on healthcare organizations and narrowing profit margins – especially in post-acute and long-term care – make accurate, timely RCM essential. The RCM market is more than \$30 billion per year, so no organization or practitioner can afford costly errors or gaps. With value-based reimbursement and alternate payment models moving to the forefront and traditional fee-for-service becoming a thing of the past, proactive management of the entire revenue cycle is essential for providers and their partners to survive and ultimately thrive.



Value-based reimbursement and alternate payer models are moving to the forefront.

A woman with dark hair, wearing an orange blouse, stands next to a man with grey hair, wearing a grey polo shirt. They are both looking at a computer monitor. The man is resting his chin on his hand, appearing thoughtful. The background is a blurred office environment with a desk and another monitor.

MAPPING YOUR RCM STRATEGY

There are several strategies to help improve your RCM so you can focus your attention on quality care and address changes in the industry proactively.

INTEGRATE FRONT-END AND BACK-END FUNCTIONS

Traditionally, RCM has been separated into front-end and back-end functions. The front end involves patient-facing functionality, staff collecting information from patients, confirming insurance coverage/eligibility and registering new patients. At the back end are claims and denials management, medical billing, and the calculation and collection of funds that are the patient/family financial responsibility.

By breaking down the wall between the front- and back-end functions, organizations can optimize revenue, ensure seamless flow of information and achieve more accurate reimbursement.

Optimize revenue, ensure seamless flow of information and achieve more accurate reimbursement



TRACK KEY PERFORMANCE INDICATORS

When siloes between clinical and financial data come down, organizations can develop and stay on top of key performance indicators to enable them to define standards and monitor trends.

This data can help motivate both clinical and non-clinical staff to improve efficiency, manage spending and conquer regional and national benchmarking. At the same time, some software applications will show the average reimbursement for each payer, enabling your organization to make new projections or adjust existing ones based on fluctuations.

To ensure top performance, track five revenue cycle performance indicators:

- Net days in accounts receivable
- Cash collection/percentage of net patient services revenue
- Claim denial rate
- Denial write-off
- Cost to collect

MAXIMIZE FIRST-PASS ACCEPTANCES

A claim acceptance rate of 98 percent or better is achievable if you use an application with a rules engine that pings payers frequently for updates. Make sure you have an application that allows organization-specific rules customized for your needs.



First-pass acceptance rate



GO ALL IN

Organizations that use a mixed bag of electronic systems and paper-based processes are losing valuable time and face a high risk of errors. Optimum workflow comes from reducing clutter and paperwork, **consolidating your work and integrating activities into your current workflow**. At the same time, it's key that your claims processes work in harmony with your electronic health record and billing software.

Yes, online or electronic claims can improve the process and eliminate some problems. However, not all electronic claims processes are created equal. **The quality of the information can vary greatly based on the software or portal used to submit claims**. Consider using a complete claims submission and management software application that has some flexibility. Make sure it is easy to use and provides an efficient way for your team to enter, import and manage claims.



PRIORITIZE PATIENTS

On its face, RCM doesn't seem like something that directly involves the patient. However, late or incorrect billing can contribute to poor patient/family satisfaction. More than ever, patients care about the cost of their care. The concept of "financial toxicity," the negative impact the cost of care has on patients and families, is gaining more significance. **Increasingly, front-office staff are being expected to educate patients and family members** about various treatments and interventions, including how much a care service will cost and how much patients and families will pay out of pocket.

Applications that enable you to send clean claims will save time and speed reimbursement. This shows patients and families that you are on their side and working for them. **It also prevents unexpected billing surprises that can cause complaints, appeals and dissatisfaction.**



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MATCH SERVICE CAPACITY WITH STAFF EXPERTISE

With today's staffing shortages and high turnover, technology is key to increasing RCM efficiency without adding staff. Make sure that the applications you choose can handle the volume of claims you submit without interrupting staff workflow or adding steps.

Consistent staff training is necessary. While the bulk of training involves the use of the technology for daily workflow tasks, it is important that staffers understand the big picture. They should appreciate how their work impacts the quality of care and how they support residents or patients in accessing your organization's services. Include them in celebrations about successes such as strong patient satisfaction surveys and good claims statistics. If your entire staff feels like part of the team, it can improve job satisfaction and reduce turnover.

RCM technology that enables you to structure content and work efficiently is essential for success in the world of value-driven payment. The result is not only effective RCM, but patients and payers who understand the value of the systems and services you deliver.



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To better understand how ABILITY can help you with the right application for your specific needs,

view our revenue cycle wheel for a snapshot of how ABILITY helps!

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