Improving Front-End Revenue Cycle Processes

Leading practices needed now more than ever in a challenging financial climate.

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—Rick Childs
Vice President, Revenue Cycle Management
Floyd Medical Center
Rome, Ga.

For patients and providers alike, accurate price estimations and knowing patient eligibility are of great importance. In light of the COVID-19 crisis and its devastating financial toll on consumers and healthcare organizations, these and other front-end revenue cycle best practices are even more critical. It is estimated that as a result of wide-scale job losses, the number of uninsured Americans could increase to nearly 40 million this year, according to research by Healthcare Management Associates. With more patients potentially responsible for the total cost of their care, it's even more important today to assist patients during the financial chapter of their journey through the healthcare system. Organizations that implement leading front-end revenue cycle practices are best positioned to help.

Supporting Patients When They Need It Most

Floyd Medical Center, Rome, Ga., a 304-bed acute care hospital and regional referral center covering more than 40 medical specialties, looks at everything from the patient's perspective to continuously improve revenue cycle processes. Having thorough, efficient processes in place helps create a positive patient experience.

"If you're not addressing these issues, you're doing a disservice to patients," says Rick Childs, vice president, Revenue Cycle Management, Floyd Medical Center. "You really want the payment process to go as smoothly as possible, and you want to be upfront with patients. If you get it wrong, and they get stuck with a bigger bill, that's just not a good situation for the patient or the organization."

A more supportive patient experience and improved access to needed care can help reduce some of the stress and friction patients are already experiencing from today's outside forces and stressors, says Jill Sutton, vice president, Patient Access Solutions, Change Healthcare.

"This means moving from a one-sided, provider-led experience to a supportive, interactive experience between patient and provider that enables patients to make decisions and feel more in control," Sutton says. "It's important to create a seamless experience between patient and provider, making it easier for patients to do business with the hospital, which in turn helps boost loyalty."

Leveraging Technology and Data

Cutting-edge technologies are key to creating seamless, consumer-focused patient experiences. For Floyd Medical Center, technology is a driving force behind its efforts to improve revenue cycle processes. According to Childs, automating authorizations and validating medical necessity with technology, such as Change Healthcare's Clearance Patient Access Suite, have helped the organization streamline its scheduling, pre-registration and registration areas, and reduce human error in work processes. The medical center implemented the customizable Change Healthcare Ahi QA solution, which allows registrars to receive real-time payer information when registering patients. This vital piece of technology helps Floyd Medical Center avoid costly rework and claims denials.

"We can build our rules right down to a particular plan code—not just a payer but the actual plan code—to assist the registrars as they're doing a registration or pre-registration," Childs says. "Staff receive feedback as they work. If they enter something incorrectly, a message prompts them, so

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they can fix it immediately versus after a claim has been submitted and comes back with errors or has been denied. Backtracking is expensive, so when you can catch errors on the front end, it makes a huge difference."

That solution and another, Change Healthcare's Acuity Revenue Cycle Analytics™, have allowed Floyd Medical Center to reduce costly claims denials significantly. Acuity helps providers identify trends to understand where in the revenue cycle denials may be occurring. Childs and his colleagues used the tool to identify a problem area related to its ED that was causing numerous denials.

"We discovered that patients who came in through the ED and needed to go into surgery right away, and who didn't stay overnight but, rather, were discharged, were missing prior authorization for that surgery because of a lack of communication," Childs says. "We changed processes, and now, anytime someone is going into surgery from the ED, we get notification in our pre-authorization area, and staff gets on the phone and makes that pre-authorization right away. We have saved over $1 million in lost revenue in the past 12 months from that one improved process alone."

The ability to analyze and trend denials information has proven incredibly valuable in identifying root causes of claims denials, including processes within the revenue cycle—or throughout the organization as a whole—that can be fixed to prevent errors. A team at Floyd Medical Center, made up of denials management staff, the billing assistant director and the coding director, meets together regularly to review information Acuity identifies.

"Our team goes through the items they discover, pieces like things together and looks for reasons why we might be getting certain errors," Childs says.

When a problem is identified, the team educates other staff members involved and strategizes about how they can identify and prevent the problem going forward. "Providing that education reduces problems on the back end—the rework and the denials," Childs says.

Being able to provide accurate price estimates to patients is another essential area of focus for the healthcare revenue cycle today, especially in the age of healthcare consumerism and patient experience. "Providers want to make sure that the price estimate is accurate and that when the price estimate is given to the patient, the provider doesn't come back later and say, 'We're sorry but you actually owe more money,'" Sutton says. "That is a horrible patient experience."

The Clearance Estimator tool uses client-specific encounter data, payer-negotiated contracts, charge description master data and real-time patient-specific eligibility and benefits information to help providers give patients more accurate cost estimates. "This ultimately allows providers to secure more payment up front and, ideally, leaves patients satisfied with the experience of a zero-dollar responsibility after their care is provided," Sutton says.

Going forward, as patients and healthcare organizations continue to face financial uncertainty in the wake of the evolving COVID-19 situation, instituting and maintaining these types of proven front-end revenue cycle processes will be even more important.

"It's a devastating situation," Childs says. "In times like this, we're all dealing with major cutbacks. Today, everything counts, so you want to make sure you're getting it right for your patients."

For more information, please call Ryan Heede, Ryan Durante or Chris Bernard at 844-217-1199.

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