



Revenue Integrity

Leading practices and benefits of a dedicated department

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Today's Speaker: Grant Messick
Founder/CEO, Atlas Revenue Cycle Consulting



Grant Messick has spent the last several years advising executive leadership on the strategic design and implementation of modern, leading practice revenue cycle infrastructure, technology, and processes. He takes pride in driving tremendous results, both quantitatively and qualitatively with partnering organizations of all sizes. Before founding Atlas, Mr. Messick served as a Partner at The Charts Group and The Advisory Board. He balances executive accountability with elbow-to-elbow expertise and hard work, achieving 93 percent "A/F/O" progress based on CEO-level QM feedback.

Prior to consulting, Mr. Messick was a Revenue Cycle Executive at Corner Corporation, focusing on both post-implementation process improvement and Corner Revenue Cycle workflow optimization. Mr. Messick started his career in revenue cycle operations as a pediatric practice manager. He has worked on over 50 different projects across clients on Corner's Midcoast and many other practices. Mr. Messick holds a Bachelor's Degree in Economics from the University of Virginia. He lives in Overland Park, Kansas, with his wife and three children. His passion is in helping healthcare organizations reach their financial goals, so that they may go on to deliver world-class care to their patients.



Previous clients include, but aren't limited to:



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What is Revenue Integrity?

Departmental variations center around two functions

Investment in Revenue Integrity is ultimately driven by two trends: 1) Margin pressure has driven health systems to be creative about maximizing revenue and minimizing revenue leakage; 2) Consumerism has created pricing pressures and transparency requirements, thus necessitating a more strategic approach to the charge master.

CHARGE CAPTURE

- Reviews and reconciles daily charges for highest-impact services
- Identifies missing charges and erroneous charges
- Validates appropriateness of clinical charging
- Rounds/floor, empowers stakeholders, communicates issues and provides staff education

CDM MANAGEMENT

- Manages the annual increases to the CDM and any strategic changes or modeling used in order to optimize revenue
- Establishes an enterprise-wide CDM strategy to account for multiple markets and facilities
- Coordinates price transparency efforts with finance and marketing leadership
- Ensures CDM is well-maintained with little to zero duplication, \$0 charges, and "noise"



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Questions?

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hfma wisconsin chapter H₂O talks
healthcare finance management in 20 minute blocks

Our vision is to serve healthcare organizations who need revenue cycle insight by offering industry-leading consulting at a palatable price.

“Atlas” has a dual meaning: **“Atlas as explorer”** from a block of maps, and **“Heavy responsibility”** from the weight of the world on one’s shoulders. We humbly strive to do that exceptional job while staying focused on the gravity and importance of each engagement.

Over \$100 Million In Improvement Identified

Mr. Messick has served over 50 hospitals, technology companies, outsourcing vendors, and numerous other organizations, identifying over \$100M in net revenue improvement opportunities, including:

- Large IDN’s and AMCs
- Rural and Community Hospitals
- Independents and Safety Nets
- Physician and Outpatient Groups

About Us

What our clients say...

“Grant is thorough and insightful. He listens, assesses individual needs, and doesn’t rely on a cookie cutter approach. His presentation skills are excellent, and his delivery is easy to follow. His clients successfully implement sustainable changes without disruption to current processes.”

—Philip Brooks, VP Revenue Cycle, Lake Health

“I was impressed with Grant’s level of knowledge of the entire revenue cycle. Coupled with that expertise was his thoughtful approach to identifying issues and collaborating with disparate groups toward a common solution. His focus on relationships was truly appreciated.”

—Reuben Marx, VP IT, Lincoln Basin Healthcare

“Grant was a pleasure to work with. As a result of our partnership, we have streamlined operational workflow and leadership infrastructure, and we’ve seen an increase in productivity as a result of EMR optimization and reporting. Grant helped us define, strategize and implement a roadmap for a successful infrastructure that continues to pay off as a successful model and foundation.”

—Cia Lantieri, VP Patient Access, Lehigh Valley



ATLAS
Astute Navigation. Heavy Responsibility.

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Appendix

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Level-setting terminology and expectations
Leadership must start by speaking the same language

As organizations incorporate revenue integrity departments, staff, and workflows into their plans and priority lists, they must first start by aligning and speaking apples-to-apples. Historically this has proven to be difficult, as Revenue Integrity has many different variations.

- Comprehensive Revenue Integrity Department:** A successful revenue integrity structure is fully centralized between acute care and ambulatory settings, and focused on CDM maintenance and ad hoc error resolution.
- Governance:** Revenue Integrity requires a strong governance structure that oversees education/training of clinical departments for accurate/timely clinical charge review, posting, reconciliation, coding and billing compliance, denials, and account receivables.
- Charge Capture:** is a critical component of Revenue Integrity that includes the review of documentation, posting, and reconciliation of charges for services rendered. Financial success is directly dependent upon accuracy charging for services rendered. An effective charge capture program includes proper utilization of charge information, processes, and systems.
- Charge Description Master (CDM):** Revenue Integrity ensures that CDM management processes are integrated between operations and Epic and that maintenance is proactive rather than reactive.
- Charge Defense Audit:** Revenue Integrity requires ongoing review and validation of appropriate charging, clinical documentation and billing and coding through the use of proactive audit.
- Education/Training:** Revenue Integrity requires a thorough training program that ensures oversight leadership, and/or development specific to new hire orientation, technology implementation, and/or major process improvement and redesign.
- Monitoring:** Revenue Integrity requires operational oversight and enhanced business analytics. Reports should cross from Patient Access to Revenue Cycle and include clinical impactors to drive revenue improvement.

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Commonly used policies and procedures
Expectations must be clearly defined

Staff function most efficiently and happily when they understand what is expected from their daily performance.

Corporate Policies



Standard Procedures

- Policies should cover:** charge entry (including waste), charge threshold, bundled pricing methodology, reconciliation, metrics tracking, auditing, escalation, late charges (including process for holding cases), edit and denial routing, and Hybrid OR
- Clearly outline time frames for activities, i.e. reconciliation completed within 24 hours
 - Define roles and responsibilities for charge capture activities
 - Hybrid OR policy should define how supplies and technical fees are attributed
 - Charge threshold policy should detail calculation for dollar threshold and criteria for rules engines. Policy should emphasize that all items that can be charged for, should be charged; rules engines dictate what is chargeable versus not.
- Standard work procedures should be outlined** for regular, but complex workflows
- Implants – Create consistent communication channels and workflows across all sites and build new implants across the system rather than by individual site on an as-needed basis
 - DME – Implement use of TheaCare at Home for DME at all facilities and ensure circulating nurses are completing consent forms with patient prior to surgery or next of kin (if patient sedated)
 - Supply numbers and descriptions should be recognizable and consistent

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Commonly used metrics and benchmarks
Revenue Integrity can be measured quantitatively

Revenue Integrity, like all other departments, must have core metrics aligned with expectations and goals.

- Track Charge Errors, Edits, Rejections, and Denials**
 Charge Leads should track frequency and type of errors and feedback from coding and billing in a dashboard to easily identify trends.
- Audit and Review Late Charges Monthly**
 Charge Leads should audit at least 10 cases per month for accuracy and review a report on late charges on a regular basis.
- Report Upward**
 Managers should receive a dashboard from Charge Leads on a monthly basis and report upward. There must be transparency upward and downward through reporting.
- Educate Staff**
 Charge Leads, with the support of supervisors, should provide ongoing feedback to staff based on data trends. Department training should be provided on a quarterly basis.

Common Revenue Integrity KPI's		
	Meas.	Benchmark
Professional/Ambulatory Charges entered <1 business day		100.0%
Late charge hold period (2-4 days)		2.0 days
Charges entered for admission encounters >7 days		0.0%
Late charges as % of total charges		2.0%
Late charges as % of total charges		1.0%
Clinical Procedure Documentation entered <3 business day		100.0%
Final Clinical Procedure Documentation signed <3 business day		100.0%
Accounts/Claims w/ Charge Coding Errors (per Scrubber)		1.0%
Accounts/Claims w/ Missing Charges (per Scrubber, coder review, etc.)		1.0%

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Foundational Keys to Charge Optimization

Some service lines may increase while others decrease

Strategic pricing is not a race to the bottom. Effective CDM management includes competitive pricing in shoppable service lines, offset by defensible pricing for high-complexity service lines that are less commoditized.

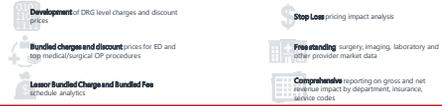
Objectives for CDM optimization

1. **Reduce** charges and maintain net revenue levels
2. **Restructure** charges to be more in line with peers
3. **Defend** pricing in a consumer sensitive market

CDM modeling helps achieve those objectives

- **Calculate** the pricing changes on gross revenue
- **Compare** impact of adjustments on contracts paying a "percent of charge"
- **Calculate** the impact of payer increase caps on charge paying net revenue

Charge Master Modeling Focus Areas



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