703. Positioning Back Office Infrastructure to Prepare for Growth

FINANCIAL MANAGEMENT CONFERENCE & EXPO

Positioning Back Office Infrastructure to Prepare for Growth

Continuing Education

The planners and presenters of this activity disclose **no relevant relationships** with any commercial entity **pertaining to the content.**

- Nurse attendees may earn a maximum of **15.5 contact hours**
- Accountant attendees can earn up to **18.9 CPEs**

Accreditation Statement

NAHC is accredited as a provider of continuing nursing education by the American Nurses Credentialing Center's Commission on Accreditation.

NAHC is [also] approved by the California Board of Registered Nursing, provider #10810.

Commercial Support provided by Brightree, Excel Health Group, Healthcare Provider Solutions, and Simione Healthcare Consultants.

Session Overview

- Organizations, both new and established, are now facing severe reimbursement and regulatory changes; federal money shrinkage; consolidation; and staffing shortages, to name just a few. This session will focus on
    - 1) unlocking performance that will help manage cost in a more strategic way;
    - 2) practical solutions that allow organizations to focus on growth and operations; and
    - 3) overcoming financial challenges faced throughout an agency's life cycle.
- This course will help you identify opportunities to focus on business office initiatives that provide the greatest return on investment and provide you better insight into the financial performance of the agency.

Learning Objectives

- Describe business office best practices
- Evaluate outsourcing vs. insourcing business office functions;
- Identify current and future business office staffing models; and
- Define: Corporate office vs. field office responsibilities.

Preparing for Growth

- Assess budget, volumes, trends
- Determine “tipping point”
- Internal evaluation of operations:
  - Is the growth sustainable with our current staffing?
  - Can technology streamline process?
  - Will centralizing the function allow for efficiencies?
  - Do we have the right skill sets from staff?
  - Can part or all of it be outsourced to reallocate staff?

Defining the Drivers

- Define “key drivers” behind the growth
  - Mergers and acquisitions
  - Joint ventures
  - New provider number
  - Competing in the continuum of care
  - New care offering
- Define “key drivers” to centralize or outsource
  - Regulatory changes
  - Staffing Shortages
  - Leadership Changes
  - Increasing Costs/Expense

Identifying the Tools

- Measuring productivity
- Benchmarking performance and monitoring KPI
- Leveraging technology to streamline process
- Calculate ROI under current and future state plans
- Ensuing the organization has the correct skill sets and culture

Cost Benefit Analysis

Cost

- Salary + Benefits
- Overhead expense
- Training/Education
- Technology costs
- Productivity per FTE

Benefit Outsource

- Industry Expert
- Streamlined Process
- Economies of Scale
- Robust Systems/Reporting
- Reduced Overhead Cost
- Repurpose Management/Staff

Benefit Centralize

- Standardization
- Subject Matter Experts
- Economies of Scale
- Reduced Managerial Oversight
- Reduces Fragmentation of duties
- Cross training/Coverage

Intake & Referral Management

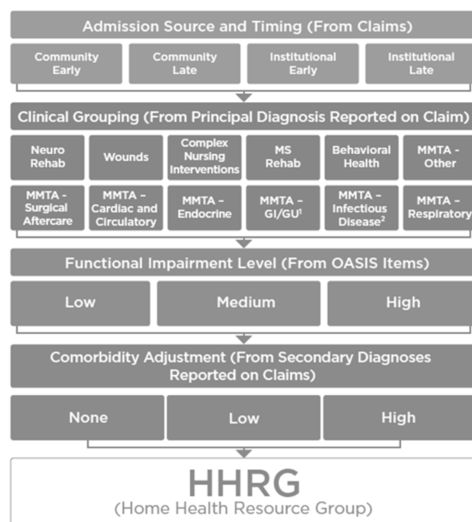
- Intake Centralization vs. Field/Branch Office
  - Consistency
  - Agency acceptance criteria
  - Utilization of agencies continuum of care
  - Timeliness of acceptance
  - Insurance verification and authorization
  - Improved rapport with referral sources

Intake & Referral Management – Best Practice

- Conversion Rate
- Timeliness of SOC
- Leverage technology to streamline referrals and patient info
- Staffing target & Skillset

Intake & Referral Management

- PDGM



Intake & Referral Management

- Managing Referral Relationships
  - Understanding the landscape
  - Comparing to your peers
  - Everyone in the organization is a salesperson
  - Selling, Marketing, vs Relationship

PDGM Considerations

- Increased time to complete referral
- More follow up with referral sources to obtain information

Scheduling / Clinical Staff Scheduling

- Staffing
  - Consistency
  - Patient assignment or staffing model vs scheduling model
  - Electronic health record capabilities
  - Removes the need for micromanagement
  - Utilization influence of control with clinician
  - Oversight through the episode management process
  - Reduces risk for non-compliance and potential billing processes at end of the episode
  - Utilization of staff and patient attributes to drive “match”
  - Leverage technology and “smart scheduling”
  - Centralized, de-centralized, or team

PDGM Considerations

- Awareness of 30-day periods
- Delays could result in moving visit to 2nd 30-day period

Revenue Cycle Operations

- Revenue Cycle
  - Includes Insurance Verification, Authorization, Billing, Collections and Cash Posting
  - Centralize functions to create teams surrounding groups of payors
  - Shift from agency/branch focus to payor focus
  - Creation of subject matter experts surrounding assigned payor(s)
  - Leverage use of technology to automate processes and trend data

Revenue Cycle Operations

- Determine if volume is temporary or permanent?
- Does your EMR drive tasks and workflows to responsible staff?
- Is your EMR fully integrated to send and receive information?
  - Insurance verification, auth requests, claim submission, status, payment, etc.
- Evaluate staffing and ability to hire in your market
- Understand your payor mix
- Complete assessment of process and time study

Revenue Cycle Operations

- Create economies of scale through cross-training billing staff
- Leverage “focused” payor assignments to increase productivity
- Explore payor relations and contracts to streamline process
- Act on trended write off data to determine root cause of issues and reduce bad debt

Revenue Cycle – Best Practice

- By insurance determine and target the following:
  - Turnaround time initial and ongoing auth
  - Days to bill RAP/Days to bill Final
  - Clean claim submission rate
  - % unbilled by insurance
  - % AR over 90 days
  - % of bad debt write offs by reason

Revenue Cycle Operations – Best Practice

Position	Staffing Level
Insurance Verification/Authorization	100 to 300 patient census
Non-Medicare Biller	600 to 1000 aged claims over 30 days
Medicare Biller	$35-$45M in annualized revenue

PDGM Considerations

- PDGM will impact revenue cycle operations in the following areas:
  - Increase frequency of Medicare eligibility checks
  - Potential for double the number of RAPs and Finals
  - More adjustments to research and resolve
  - What if Managed Care adopts PDGM?

Order and F2F

- Order and F2F Management
  - Timely initial communication of plan of care
  - Targeted follow up by grouping physicians and/or facilities together under one staff member
  - Develop relationships and rapport with office staff and physicians by reducing number of staff members contacting office
  - Leverage technology to automate the sending and receiving of documents

Order and F2F

- Is your EMR fully integrated (or with supplemental software) to send and receive information?
- Determine physician/facility mix
- Evaluate staffing and ability to hire in your market
- Complete assessment of process and complete time study

Order and F2F – Best Practice

- Monitor turnaround time to send/receive documents
  - Target 7 days
  - Obtain F2F at time of referral or within 7 days
- Track unbilled by the following (# of documents and $):
  - Type of document outstanding
  - Top Facilities
  - Top Physicians
  - Roll up to responsible staff
- Leverage technology for auto-fax, e-signature and integration of signed documents back into EMR

PDGM Considerations

- PDGM will impact orders and F2F operations in the following areas:
  - Focus on getting the F2F at time of referral
  - Urgency of sending POC to physician timely
  - Timeliness of initial send
  - Effective follow up on receipt of compliant documents
  - Delays in receipt will increase unbilled and decrease cash flow

Other Areas to Consider

- OASIS and Coding
  - Identify training needs agency-wide by question or clinician
  - Identify inconsistencies across locations
  - Emphasis on documentation → accuracy and specificity
    - Crucial in PDGM and VBP
  - Dedicated resource to complete timely “lock”
- Clinical Compliance / Quality Assurance
  - Focus on strengthening clinical documentation
  - Pre-bill review to evaluate compliance with Medicare regulations
  - Internal probe and education to mitigate risk from ADR/ZPIC/RAC
  - Identify trends in documentation by clinician or by risk area
  - Mock Survey to evaluate readiness for state, JCAHO, CAHPS

Other Areas to Consider

- Human Resources
  - Benefits
  - Recruitment
- Information Technology/Support
  - Evaluate - EMR supports organization needs
  - Total cost of ownership (TCO)
  - Helpdesk
  - Technology management – Support
- Purchasing
- Finance
  - Accounts Payable/Receivable
  - Payroll
  - Month-end reporting, ADA, KPI management, cost reports, etc

Thank You

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