

aIPAM



**Transforming the Patient Financial Experience
through Effective Benchmarking
Thursday March 10th, 2016**

Suzanne Lestina, FHFMA, CPC
VP, Revenue Cycle Innovation
Avadyne Health



***“The goal is to turn data into
information, and information into
insight.”***



**- Carly Fiorina, Former CEO of
Hewlett-Packard**



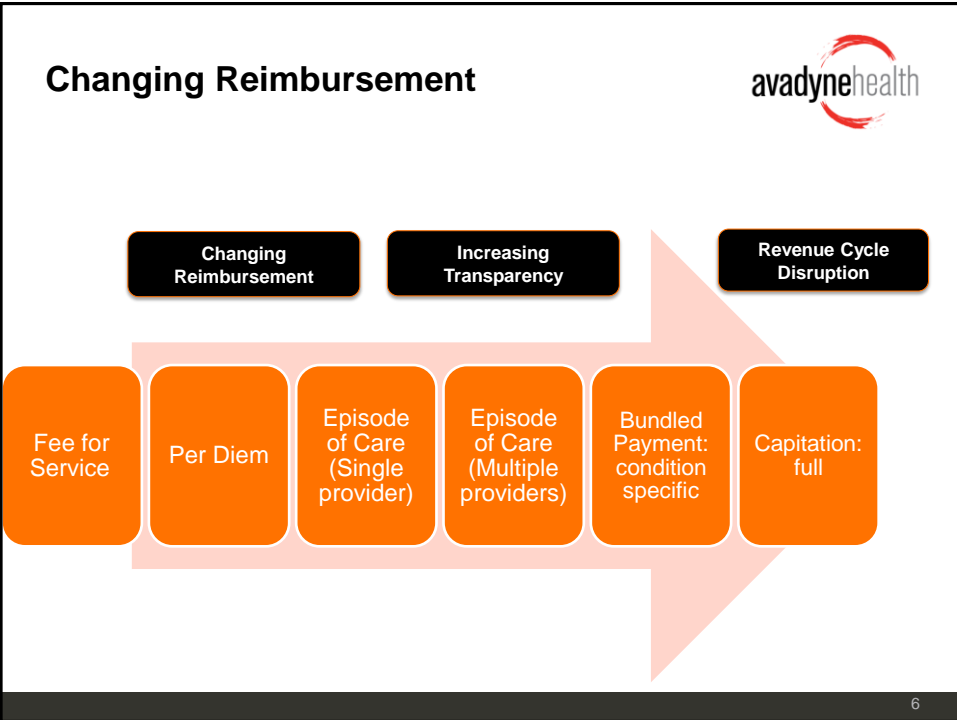
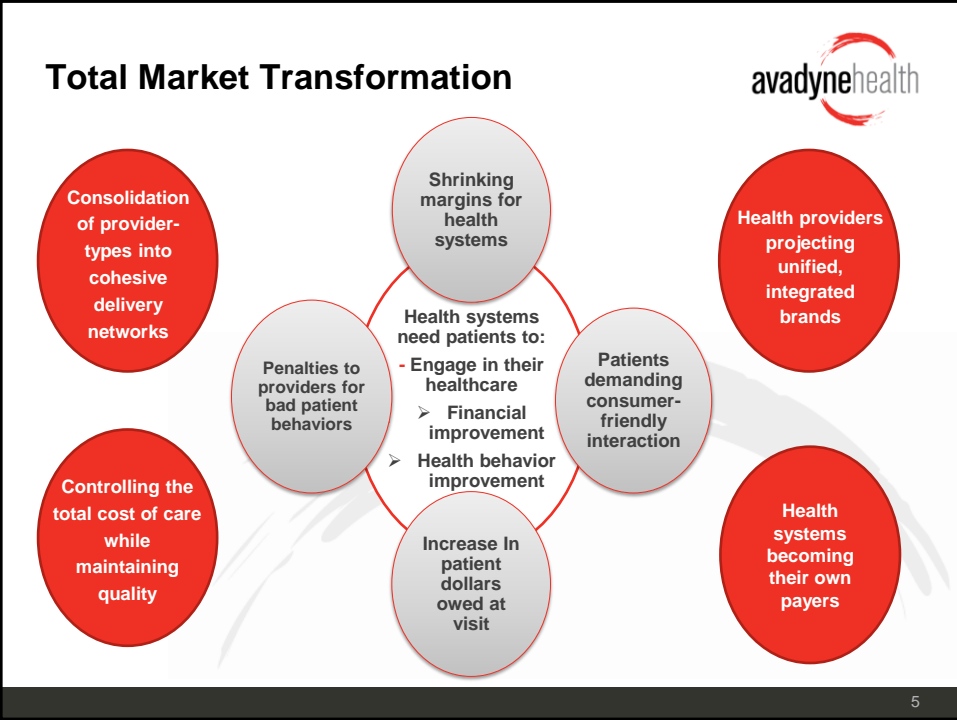
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<https://www.google.com/search?q=Dilbert+cartoons+about+data&rls=com>

Today's Session



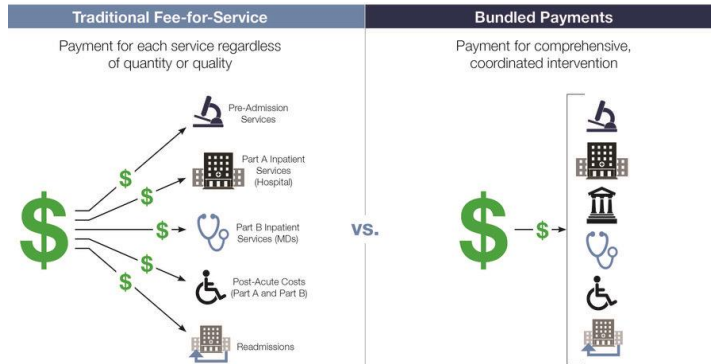
- Drivers of Change
- Implications to the Revenue Cycle
- NAHAM Tools
- Data and PFX



Bundled Payments



- A single prospective price for all services needed by the patient over an episode of care
- Defined on parameters of time and services



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“We’re getting much better at fixing our mistakes but we’re still fixing our mistakes...”

**Luke I. Meert, FHFMA
Revenue Cycle Director, Botsford, Farmington MI**

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DATA, DATA AND MORE DATA



<http://v1shal.com/content/25-cartoons-give-current-big-data-hype-perspective/>

Data Overload



Access to metrics has grown and can be overwhelming and often meaningless

Every metric should be challenged:

- Does it support organizational goals?
- Does valid data exist to measure the metric?
- Does it lead to action?
- Does it have milestone based targets?

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Where's Your Focus



With so many competing priorities, assessing needs is critical:

Where do you focus?

How do you set priorities?

How do you measure progress?

How do you quantify success?

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Using the Right Data



Step One: Identify the metrics most important to your revenue cycle to effectively:

- Identify challenges and opportunities
- Prioritize improvement opportunities
 - Create efficiencies and improve work flow processes
 - Improve cash
 - Reduce cost
 - Improve patient satisfaction

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The Value of Data



Step Two: Leverage data to create an environment of change:

- Set goals and objectives
- Create ownership of processes
- Create efficiencies and improve work flow processes
- Trigger corrective action

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Identifying Strategies



Step 3: Let the data point the way:

- Quick wins – impact is seen within 2 – 3 weeks of change
 - Reduce unbilled claims on hold
- Short term strategies – under 90 days to implement and/or see impact
 - Cash acceleration project – aged A/R over 90 days
- Long term strategies – 90 days or longer to fully implement and/or see impact
 - Implement comprehensive front end financial communications

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NAHAM TOOLS

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NAHAM's Industry Standards Committee Initiatives:



- Registration Time and FTE Calculator
- Pre-Registration Tasks and Tiers
- 22 KPI's (the AccessKeys)
- Benchmarks (good/better/best)
- UsersGuide
- How to get Started Guide

Registration Time and FTE Calculator



Patient Access Time Calculator

Use this NAHAM-sponsored tool to estimate the time expected to pre-register or register a patient given two primary variables:
 1. The components required to complete a registration for the location you have in mind.
 2. The speed at which your staff typically performs each component (good/better/best).
 Note the good/better/best times are based on a Fall 2012 poll of NAHAM members and ARE EDITABLE.

NOTE: Fractions of a minute should be entered as decimals, not seconds.
 For example:

Time	Value
15 Seconds	.25
30 Seconds	.50
45 Seconds	.75
60 Seconds	1.00

Pre-Access Tiers	Access or Pre-Access Components	Include	Average Expected Minutes to Complete			Selected Total
			Good (Manual Process, Adequate Speed)	Better (Semi-automated Process or Faster Manual Process)	Best (Fully-automated Process or Fastest Manual Process)	
TIER ONE: Basic Registration	1 Review Scheduled Visits (PR Only)	<input type="checkbox"/>	5.00	3.00	1.00	0.00
	2 Verify Physician Orders	<input type="checkbox"/>	3.00	1.17	1.74	0.00
	3 Check-in Patient	<input type="checkbox"/>	3.38	2.16	0.95	0.00
	4 Create Account or Quick-Reg	<input type="checkbox"/>	3.13	2.21	1.45	0.00
	5 MRN Assignment	<input type="checkbox"/>	1.70	1.29	0.89	0.00
	6 Collect Demographics	<input type="checkbox"/>	5.69	4.42	1.16	0.00
	7 Verify Addresses	<input type="checkbox"/>	5.00	3.00	1.00	0.00
	8 Verify Employment/Retirement	<input type="checkbox"/>	3.50	2.46	1.22	0.00
	9 Determine Financial Responsibility	<input type="checkbox"/>	5.38	4.42	3.22	0.00

NAHAM's Pre-Registration Tasks and Tiers



Process Tiers	Tasks	Pre-Access Component
TIER ONE: Basic Pre-Reg	1	Review Scheduled Visits
	2	Verify Physician Orders
	3	Create Accounts in HIS/ADT
	4	Assign Medical Record Number
	5	Collect Demographics
	6	Verify Addresses
	7	Verify Employment/Retirement
	8	Determine Financial Responsibility
	9	Collect Insurance Information
	10	Contact Patient
	11	Quality Review
TIER TWO: Insurance Clearance	12	Insurance and Benefits Verification
	13	Medicare Secondary Payer/COB
	14	Medical Necessity Screening & ABN
TIER THREE: Collection	15	Authorization Screening & Obtainment
	16	Estimate Patient Liability
TIER FOUR: Conversion	17	Collect Patient Liability
	18	Screen for Financial Assistance
	19	Arrange Payment Plan
	20	Refer to Financial Resources
	21	Qualify and Enroll for New Benefits

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AccessKeys®: NAHAM's Key Performance Indicators



Equip your team to significantly impact the patient experience and revenue cycle at your facility.

NAHAM is now defining performance standards with the AccessKeys®, key performance indicators covering:

- POS Collections
- Private-Pay Conversions
- Patient Experience
- Process Failures
- Productivity
- Quality

Share with your supervisors: your data can make a difference!



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NAHAM's AccessKeys



	Patient Access Domains	NAHAM AccessKeys:	Modified MapKeys*	Adopted MapKeys*
1	Collections	5	1	
2	Conversions	1	1	
3	Patient Experience	2		
4	Process Failure/Resolution	5	1	
5	Productivity	7	1	1
6	Quality	2		
Total Number of KPI's:		22	4	1

*HFMA Initiative
see www.hfma.org

ISC Guiding Principles:

- 1 Simplicity
- 2 Vision Forward
- 3 Relevancy for Patient Access Managers
- 4 Scalability to all types of facilities regardless of size or sophistication
- 5 Measure Outcomes vs Activity
- 6 Diagnostic vs Strategic

National Association of Healthcare Access Management www.naham.org

AccessKeys Sample



NAHAM AccessKeys 2.0

#	DOMAIN	AccessKey (KPI)	EQUATION	GOOD Benchmark	BETTER Benchmark	BEST Benchmark
				Early Implementation Phase or Manual Process	Middle Implementation Phase or Semi-Auto Process	Mature Implementation Phase or Auto Process
1	Collections	POS Collections to Revenue	$\frac{\text{POS Collections}}{\text{Net Patient Service Revenue}}$	1.0%	1.5%	2.0%
2	Collections	POS Collections to Total Patient Collections (MapKey modified)	$\frac{\text{POS Collections}}{\text{Total Patient Collections}}$	30%	40%	50%
3	Collections	POS Collection Opportunity Rate	$\frac{\text{POS Collections}}{\text{POS Estimations}}$	30%	45%	60%
4	Collections	Total POS Dollars Collected	$\frac{\text{Total Dollars Collected}}{\text{(<= Discharge Date)}}$	N/A	N/A	N/A
5	Collections	POS Collected Accounts Rate	$\frac{\text{Accounts Collected}}{\text{Total Registrations}^*}$	20%	40%	60%
6	Conversions	Conversion Rate of Uninsured Patients (MapKey modified)	$\frac{\text{Uninsured Patients Converted}}{\text{Total Uninsured Patients}}$	30%	60%	90%
7	Patient Experience	Average Wait Time	$\frac{\text{Total Minutes Spent Waiting}}{\text{Total Registrations}}$	15 mins	10 mins	5 mins
8	Patient Experience	Patient Access Satisfaction Rate	$\frac{\text{Total Survey Scores}}{\text{Surveys Completed}}$	3.5 to 3.9	4 to 4.5	>4.5



CONSUMERISM AND THE PATIENT *FINANCIAL* EXPERIENCE

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The Healthcare Consumer




- Patient Experience is increasingly driving allocation of healthcare dollars
- The newly active healthcare consumer is moving from awareness to adoption
 - Greater access to better information online
 - Tools to shop for and evaluate healthcare plans
 - Increasing desire to be more active in the management of their own healthcare
 - Preference for the ability to customize products and services
- **Financial aspect of the Patient Experience has been insufficiently considered and addressed by the marketplace**

Source: Kelly Calabria, SVP, Account Director, Healthcare, Capstrat

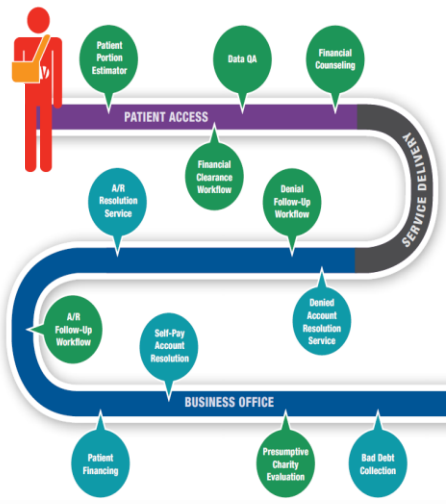
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The Patient Financial Experience (PFX) avadynehealth



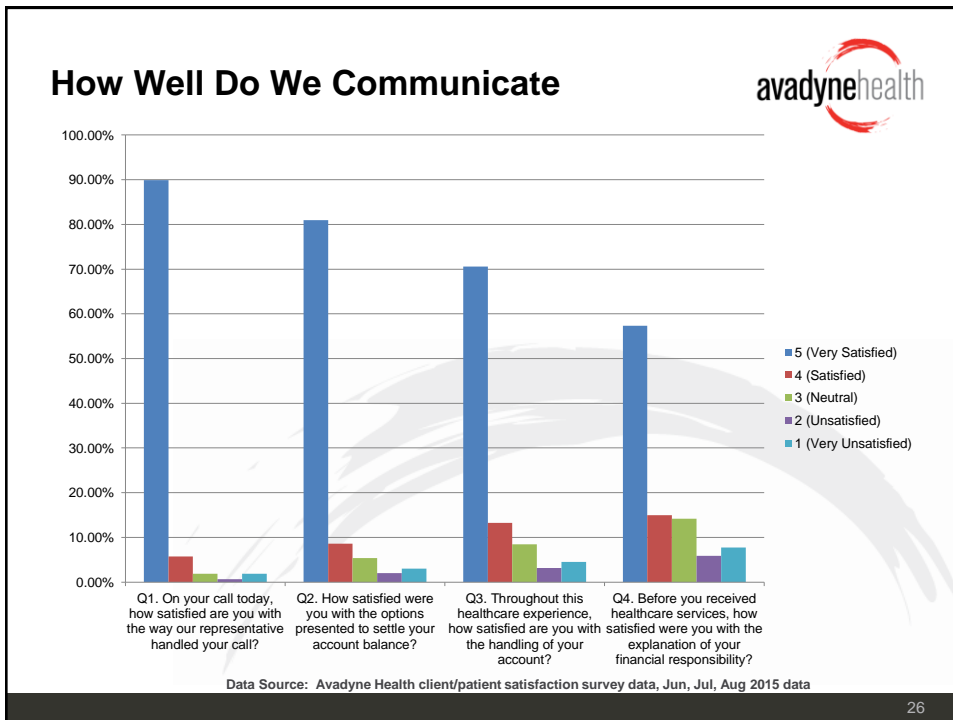
Patient Financial Experience
from avadynehealth

Your patient's perception of all financial touchpoints within your organization.



The diagram shows a patient (red figure) interacting with various touchpoints across three main areas: **PATIENT ACCESS**, **HEALTHY DEBT SERVICE**, and **BUSINESS OFFICE**. Touchpoints include Patient Portion Estimator, Data QA, Financial Counseling, A/R Resolution Service, Financial Clearance Workflow, Denial Follow-Up Workflow, A/R Follow-Up Workflow, Self-Pay Account Resolution, Denied Account Resolution Service, Patient Financing, Presumptive Charity Evaluation, and Bad Debt Collection.

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Patient Financial Communication and Satisfaction



msg966817.wav

In regards to question 4...



msg976952.wav

Disillusioned

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Today's Financial Experience



- Poor financial communication results in:
 - Confusion
- Consumer confusions results in:
 - Dissatisfaction
- Consumer dissatisfaction results in:
 - Delayed collections
 - Failed collections (bad debt)
 - Low patient satisfaction scores

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The Ideal Patient Financial Experience



The Patient Financial Experience focuses on:

- Patient's right to know
- Reducing patient's anxiety or fear through education:
- Access to key data – charge and payment information

Knowledgeable compassionate staff

Advocacy:

- Options for account resolution – willingness to work with patients

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YOUR TRANSFORMATIONAL OPPORTUNITIES

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Strategies to Create the Ideal PFX



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1. Identify Opportunities to Improve



Choose your focus

- Create efficiencies and improve work flow processes
- Improve cash
- Reduce cost
- Improve patient satisfaction

Analyze data

- Identify areas of performance improvement
 - Dollars
 - Volume
 - Impact
- Conduct root cause/gap analysis

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Metric – Number of Successful Patient Contacts



Total Volume In Scope	234
Accounts not prepped for patient contact	109
Qualified for Ready to Call pool*	125
Reached/Demographics Completed	78
Could not Reach, exhausted	4
Attempted/Demographics In process	6
Not called yet	37
% Patient Communication Rate	62%

*Account reviewed, insurance verified, price estimate completed, patient portion calculated, prior history screened

Improve Work Flow Processes



Example: Data shows only connecting with 62% of schedule services (in scope)

Goal: Increase pre-service financial communication

Outcomes:

- Increase patient contacts
- Increase patient dollars collected pre-service
- Improve data Q/A
- Improve patient satisfaction

Opportunities to Improve



Increase number of patients contacted – gap analysis shows:

- Increase scheduling window
 - Gain additional time for processing
- Decrease gap between scheduling and pre-registration/insurance verification processing
 - Allow more time to contact patient and resolve account
- Integrate physician documentation with revenue cycle workflow
 - Clinical data for accurate price estimate
- Define urgent exceptions
- Restructure number of hours/attempts
- Initiate contact with patient earlier in processing cycle

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2. Set Effective Performance Targets



Set KPI based goals

- Identify the right performance targets
- Use targets for performance context
- Leverage peer comparison data

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Access KPI #12 Quality Resolution Rate



		GOOD Benchmark Early Implementation Phase	BETTER Benchmark Moderate implementation Phase	BEST Benchmark Mature Implementati on Phase
Total Registrations	2847			
Total Volume of errors	1751			
Q/A failure rate	61%	80%	85%	90%
Corrected errors	1016			
Suppressed errors	80			
Total corrected errors	1096			
Correction rate	63%	50%	70%	90%

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Access KPI #3 POS Collection Opportunity Rate



					GOOD Benchmark Early Implementation Phase or Manual Process	BETTER Benchmark Moderate implementation Phase or Semi- Automated Process	BEST Benchmark Mature Implementation Phase or Fully- Automated Process
Activity Type	Total #	Total \$	Expected \$				
Collected Payments	6	\$3,288.56	\$3,288.56	100%			
Promised Payments	76	\$22,297.40	\$66,645.59	33%			
Payment Plan	15	\$2,568.60	\$22,876.94	11%			
Total	97	\$28,154.56	\$92,811.09	30%	30%	45%	60%
Transactions posted							
Number Payments	PreService	% PreService	POS	% POS	Total		
25	\$7,961.61	85.39%	\$1,362.68	14.61%	\$9,324.29		

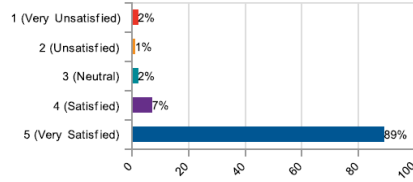
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Access KPI #8 Patient Satisfaction Rate



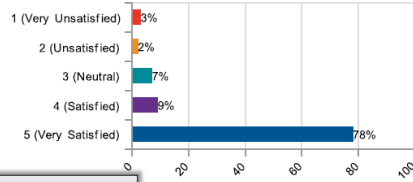
Q1. On your call today, how satisfied are you with the way our representative handled your call?

1 (Very Unsatisfied)	28
2 (Unsatisfied)	9
3 (Neutral)	29
4 (Satisfied)	101
5 (Very Satisfied)	1,312



Q2. How satisfied were you with the options presented to settle your account balance?

1 (Very Unsatisfied)	48
2 (Unsatisfied)	33
3 (Neutral)	98
4 (Satisfied)	127
5 (Very Satisfied)	1,116



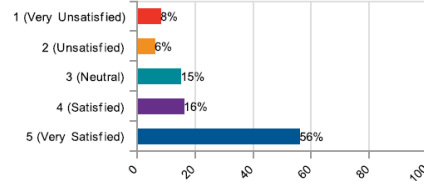
GOOD Benchmark Early Implementation Phase or Manual Process	BETTER Benchmark Moderate implementation Phase or Semi-Automated Process	BEST Benchmark Mature Implementation Phase or Fully-Automated Process
3.5 to 3.9	4 to 4.5	>4.5

Access KPI #8 Patient Satisfaction Rate



Q4. Before you received healthcare services, how satisfied were you with the explanation of your financial responsibility?

1 (Very Unsatisfied)	103
2 (Unsatisfied)	77
3 (Neutral)	197
4 (Satisfied)	217
5 (Very Satisfied)	749



GOOD Benchmark Early Implementation Phase or Manual Process	BETTER Benchmark Moderate implementation Phase or Semi-Automated Process	BEST Benchmark Mature Implementation Phase or Fully-Automated Process
3.5 to 3.9	4 to 4.5	>4.5

3. Implement Process Improvement



Develop a solid team

- Ensure cross department participation

Establish working sessions

- Meet regularly

Communicate target measures

Develop action steps

- Task list
- Specific assignments
- Identify timeline

Implement action steps

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Identify Key Stakeholders



Skills – Knowledge – Culture

- Decision makers
- SME
- Innovative thinkers

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Task – Restructure Number of Hours/Attempts



Productivity Time Study	Actual	Proposed
Account Prep* (minutes)	9	5
Patient communication (minutes)	13.3	10
Total Prep/Call time	22.3	15
Work minutes available	420 (7 hours)	420
# of accounts worked per day	19 accounts	28

*Account reviewed, insurance verified, price estimate completed, patient portion calculated, prior history screened

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4. Monitor and Sustain



Weekly monitoring of metrics

- Analyze data on target measure
- Compare with “peer” benchmark data

Obtain feedback from all customers involved

- Qualitative
- Quantitative

Report results

- Meet target
- Off target

Review, revise, move on

Celebrate successes

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External Peer Trends



2015 MAP Awards Winner Statistical Data

2015 MAP Award for High Performance in Revenue Cycle: Hospital and Health System Winners

	Net Days in A/R	Aged A/R 90 days and greater	DNFB	FBNS	DNBP	Bad Debt Write Off %	Cost to Collect	Cash Collection	POS Cash Collection	Charity Care Write Off	
Median	3745	19.6%	3.90	.49	4.40	17%	.0255	98.5%	20.5%	3.3%	
Percentile	90	30.70	13.3%	1.75	.00	1.95	0.4%	.0090	108.2%	45.7%	6.5%
	75	33.90	13.8%	2.43	.00	3.33	0.6%	.0158	101.4%	36.4%	4.4%
	50	37.45	19.6%	3.90	.49	4.40	17%	.0255	98.5%	20.5%	3.3%
	25	42.03	23.4%	5.40	1.04	5.48	2.8%	.0345	97.0%	12.7%	1.7%
	10	44.05	28.7%	6.45	1.77	7.45	4.5%	.0615	96.2%	5.6%	1.1%

2015 MAP Award for High Performance in Revenue Cycle: Physician Practice Winners

	Days in A/R	Aged A/R 90 days and greater	POS	Cash Collection	Schedule Occupied	Denial	Charge Lag
Mean	29.4	14.5%	49.5%	102.6%	84.8%	3.9%	2.7
Median	29.4	16.0%	50.9%	102.7%	86.7%	3.1%	2.5

Sample Measures



Number of patient contacts

- Base:
- Current performance:
 - outbound
 - inbound
- Value:
 - Number

Percentage of contacts resulting in:

- ✓ payment in full
- ✓ deposit payment
- ✓ payment plans
- ✓ bank loans
- ✓ charity applications
- ✓ updated insurance information
- ✓ financial screening
- ✓ Medicaid eligibility

Reporting Outcomes



January Total 662 (10 work days) 66.2 per day 22 per FTE	100%
Collected Patient Payment	6%
Mailed FA Form and Refer to Financial Counseling	4%
No Patient Liability Due	15%
Patient Promise To Pay	16%
Payment Arrangement Completed	14%
Refer to Financial Counseling	2%
Unable to Complete Patient Liability - Patient Chose to not Make Payment	22%
Unable to Complete Patient Liability - Patient Unable to Pay At This Time	9%
Unable to Complete Patient Liability - Unable to Contact Patient - Final Attempt	12%
February Total 775 (10 work days) 77.5 per day 25.8 per FTE	100%
Collected Patient Payment	9%
Mailed FA Form and Refer to Financial Counseling	6%
No Patient Liability Due	14%
Patient Promise To Pay	19%
Payment Arrangement Completed	20%
Refer to Financial Counseling	5%
Unable to Complete Patient Liability - Patient Chose to not Make Payment	6%
Unable to Complete Patient Liability - Patient Unable to Pay At This Time	10%
Unable to Complete Patient Liability - Unable to Contact Patient - Final Attempt	11%

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You can have data without information, but you cannot have information without data.

Daniel Keys Moran

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Suzanne K. Lestina, FHFMA, CPC,
Vice President, Revenue Cycle Innovation, AvadyneHealth



In this role, Suzanne executes strategies that lead the industry in next-generation revenue cycle concepts. In addition, leveraging innovative tools and technology Suzanne helps customers implement change that transform their revenue cycles and help them achieve positive outcomes.

Prior to joining AvadyneHealth, Suzanne was HFMA's director of revenue cycle MAP where she served as the technical expert and consultant for HFMA's MAP product line(s). In addition, Suzanne served in an advisory capacity regarding the technical aspects of revenue cycle performance improvement by aligning key topics, strategies, and industry best practices. Suzanne has extensive revenue cycle experience, including 10 years of revenue cycle consulting. Prior to her consulting work, Ms. Lestina held hospital revenue cycle leadership roles in the Chicago area.

Background and Affiliations

Suzanne holds a bachelor's degree in organizational management from Concordia College. She is a past president of the 1st Illinois Chapter of HFMA and speaks frequently to HFMA chapters, healthcare providers, state hospital associations, and other professional organizations.



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