



MedicalManagement

turning good practices into great businesses

Revenue Cycle Management: What Matters Now

Why RCM Performance Is More Important Than Ever



Guest

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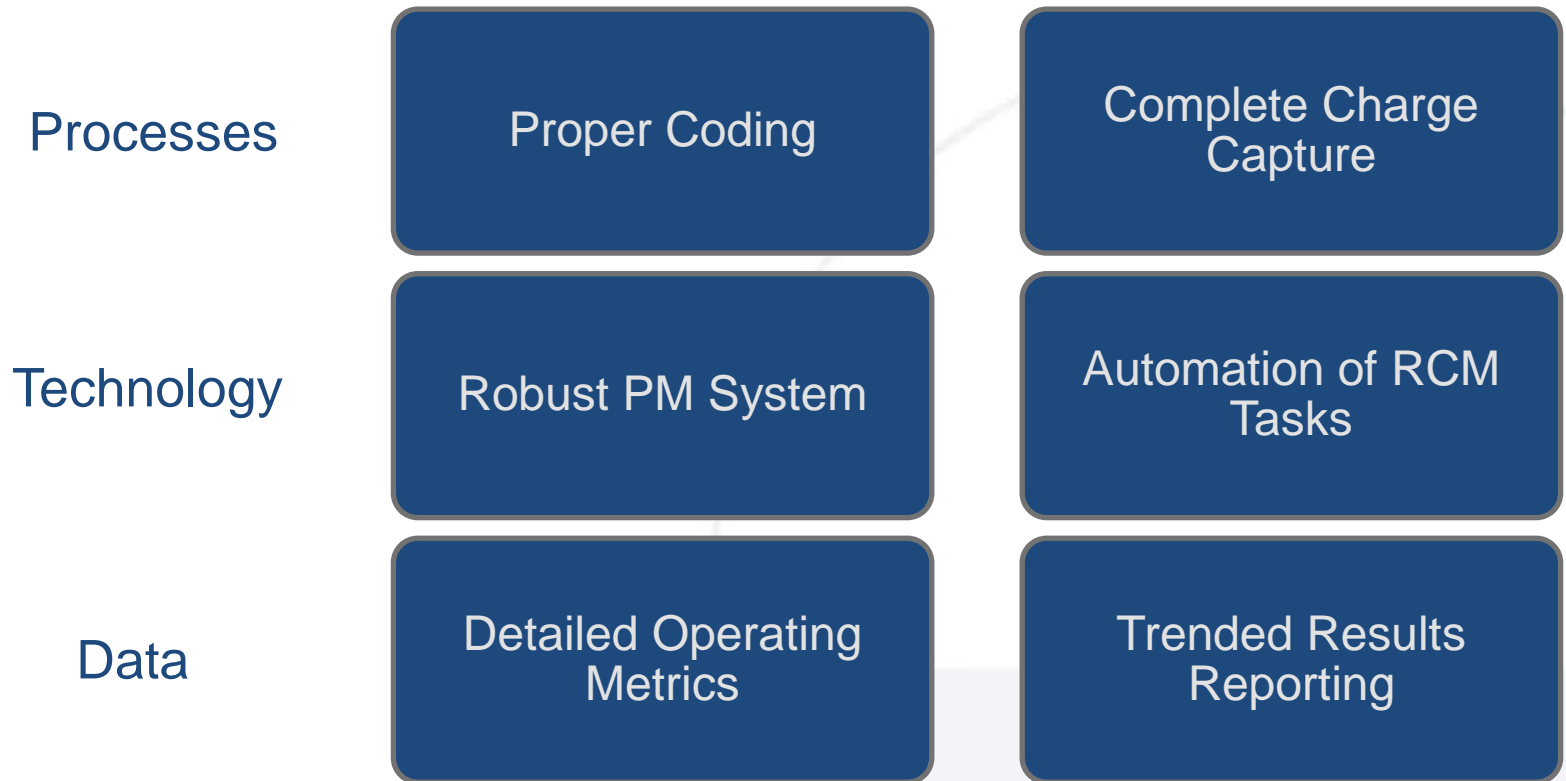
Host

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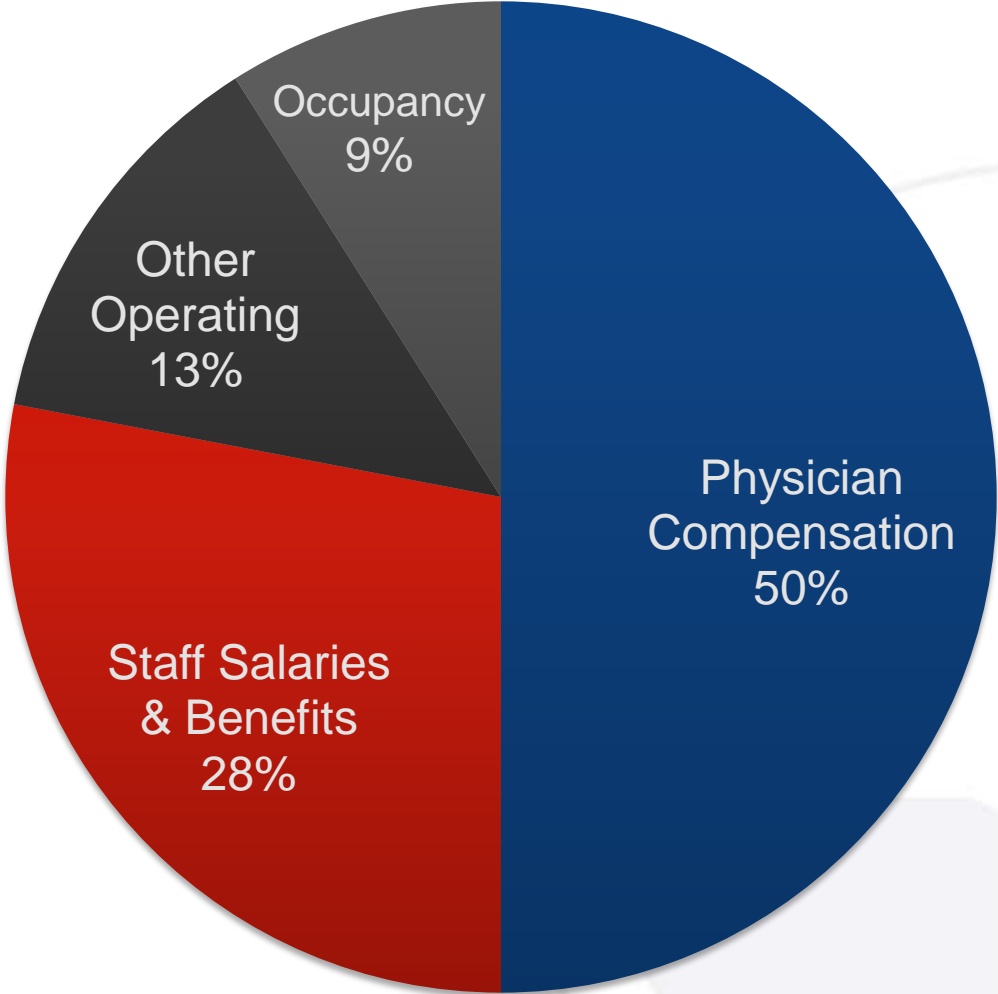
Downward Spiral



Drivers Of Cash Flow



Practice Cost Allocation



Revenue Cycle Management Support

Pre-Visit

- Scheduling
- Registration

Visit

- Patient Check-in
- Co-pay and Deductible Collection
- Encounter Documentation
- Ad hoc reporting/analysis
- Coding and Charge Capture

Claim Submission

- Charge Entry
- Claim Editing
- Claim Submission
- EDI Management

Inbound Processing

- Mail Processing
- Bank Deposits
- Payment/ Denials Posting
- Revenue Allocation

Accounts Receivable Management

Payer

- Claim Statusing
- Denials Analysis
- Appeals Processing

Patient

- Patient Correspondence
- Collection Calls
- Conveyance, Small Balance Write-Off
- Transition to Collections

Performance Management

- Month-end Reporting
- Performance Metrics Tracking
- Ad Hoc Reporting/ Analysis
- Coding/ Chart Auditing

Practice Management System

EDI Clearinghouse

Electronic Medical Record

Insurance Card Scanner

Claim Scrubber

Electronic Remittance Advice

Payer Websites

Electronic Statements

Eligibility Verification

Card on File/ Payment Plan Manager

Electronic Funds Transfer

Patient Portal

Automated Appointment Reminders

Automated Payment Balance Reminder

Data Warehouse/ Reporting Generator



Reimbursement Issues

Practice

- Sub-standard coding
- EDI leakage (high rejects, lost claims, no claim scrubbing)

Payer

- Unknown allowed charges
- High denied claims rate
- Lack of follow-up on non-response claims

Patient

- Incorrect, missing demographic information
- Failure to collect co-pays, deductibles, and balance due at the time of service



Keys to Maximum Reimbursement

1. Improve coding and reduce denials
2. Fix the EDI process
3. Increase time of service collections
4. Shorten the cycle on appeals
5. Leverage all RCM technologies
6. Manage with data and metrics



Key Performance Indicators

Net Days in Accounts Receivable (A/R)	Shown by trending overall A/R performance
Aged A/R as a Percentage of Billed A/R	Shown by trending receivable collectability
Point-of-Service Cash Collection	Shown by trending point-of-service collecting efforts
Cost to Collect	Shown by trending operational performance
Cash Collection as a Percentage of Adjusted Net Patient Services Revenue	Shown by trending the revenue cycle to convert net patient services revenue to cash
Bad Debt	Shown by trending the effectiveness of self-pay collection efforts and financial counseling
Charity Care	Shown by trending the local ability to pay
Days in Total Discharged Not Final Billed	Shown by trending the claims generation process.



RCM: What Matters Now

