Slide Presentation:

Building a Revenue Integrity Department from Scratch: One Hospital's Story

From Live Webinar on March 26, 2013
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Legal Disclaimer

The information contained in this presentation is not intended to be legal advice and may not be used as legal advice. Legal advice must be tailored to the specific circumstances of each case. Every effort has been made to assure this information is up-to-date. It is not intended to be a full and exhaustive explanation of the law in any area, however, nor should it be used to replace the advice of your own legal counsel.
Presenters

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What is Revenue Integrity?

Simply put, revenue integrity is about improving your patient revenue while ensuring integrity and compliance.

It can be further summarized as properly capturing charges, correctly billing for services performed, and ensuring prompt, accurate payment.
About UMC Health System

Located in Lubbock, Texas

Operating Units

• 413-bed hospital that serves as teaching hospital for Texas Tech University Health Sciences Center, with trauma center, burn center, cancer center, and children’s hospital
• UMC Foundation, the fundraising arm and home of Children’s Miracle Network
• Physician’s Network Service, with 40 different clinics, labs, and other facilities
About UMC Health System

Relevant Case Study Solutions
• Craneware Chargemaster Toolkit®
• Craneware Bill Analyzer

Back Office IT Landscape
• Cerner electronic medical record
• IDX(GE) – Patient financial services system
• SSI – Electronic billing system
• Lawson / Kronos – financial

Business Intelligence Solutions
• Microsoft (MS) Enterprise Organization,
  using MS BI and Cognos BI
UMC Payer Mix Snapshot

Based on Gross Revenue

- Medicare 36.3%
- Commercial 24.9%
- Medicaid 20%
- Self-Pay/Charity 14.3%
- Government 4.5%
UMC Before Revenue Integrity

The Beginning

- Proposed to start in the Emergency Center in 2008
- Not charging for all services provided
- Estimated revenue lost each year in the millions of dollars
UMC Created its Revenue Integrity Department in January 2009 with following objectives

- Improving net revenue
- Breaking up silos to get people communicating

Increasing accuracy and completeness of charge capture was the key
Change Management

- Seek to change behavior of clinical staff
- By charging more completely, UMC could realize up to 100 percent more revenue
- Important to incentivize staff to change – FTE’s, new/better equipment, merit raises and bonuses
- “Help us charge for the great care you provide”
RAC Audits Spawn Full Revenue Integrity

UMC needed a department to manage growing RAC audits and documentation requests

The right tools for the right job: Craneware Chargemaster Toolkit®

- Automated CDM management process
- Managed chargemaster, Medicare coding compliance, and CDM auditing
- Enabled chargemaster audit functionality
- Automated error correction
Benefits to UMC of Craneware Chargemaster Toolkit®

Benefits

• Decrease incidents of miss-keys
• Decrease incidents of non-compliant billing
• Immediate identification of associated items missing from CDM
• Shift balance of edits in provider’s favor
• Maintain a centralized, easily accessible audit trail
Tools: Only as Good as the People Who Use Them

- Engage all departments
- Establish periodic reviews
- Focus on areas of high risk
- Use reports to form the basis of ongoing improvement plans
- Don’t make reviews “one and done”
### Exponential Revenue Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Gross Revenue</th>
<th>Total Net Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$15M</td>
<td>$1.2M</td>
</tr>
<tr>
<td>2010</td>
<td>$30M</td>
<td>$2.4M</td>
</tr>
<tr>
<td>2011</td>
<td>$29M</td>
<td>$2.8M</td>
</tr>
<tr>
<td>2012</td>
<td>$24M</td>
<td>$2.4M</td>
</tr>
</tbody>
</table>
Related Innovations

Scrubbing bills with Craneware Bill Analyzer®

- Performs a charge capture audit on bills
- Calculates how much revenue may be leaking

Once an issue is detected, determine if it is systematic

Must be used proactively and consistently
The Future of Revenue Integrity at UMC

- Implement denials management software
- Establish a more proactive approach to internal audits
- Add the role of Clinical Charge Analyst
- Continue to improve on innovative processes in place today
Main Takeaways

• Inclusion with accountability is KEY
• Continual training of staff on charge processes
• Cost initiatives aren't enough; harder to get the money... so go after it
• Must be goal-oriented and monitor performance
• This stuff is HARD! Seek technical help
• Be innovative and creative
• Comprehensive (and compliant) charge capture needed to survive
• THE TRUTH IS IN THE DATA... it’s yours so use it
• Have fun in the process
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