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The value of an IT background

an interview with Trish Manna

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See page 16

> Helping employees understand how to avoid violations, mitigate risk, and create an optimal working environment is a task my team and I take to heart.

See page 17

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by Annette Sullivan, RHIA

Surviving value-based healthcare with revenue integrity

» The impact of revenue integrity on value-based healthcare is often overlooked.
» Revenue integrity must be a formal, centralized process that is constant and inclusive of all departments and individuals that affect the revenue cycle.
» The integrity of your data in 2017 will determine the payments you receive and the penalties you incur in 2019.
» Track and trend issues, determine the root causes, and implement solutions to improve efficiencies.
» Develop an audit plan to reduce days in AR and mitigate risks of claims denials.

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As healthcare moves from a volume-based to a value-based system, revenue integrity is paramount to success. It is generally recognized that coded data generates much of the information that is used to determine performance and outcomes.


Sullivan

Most healthcare entities do a good job establishing coding compliance programs that monitor and ensure coding accuracy and compliance. Revenue integrity, however, is often overlooked. Low coding and billing denial rates lull many organizations into a false sense of security. Limited resources, high volumes, and continual pressure to code and bill quickly leave little time to delve into assessing the integrity of revenue.

Hospitals and physician practices alike must be astute in improving processes to optimize outcomes and control costs to achieve and sustain positive financial results in the world of value-based purchasing. Outcomes and costs are rooted in clinical information quality, coding accuracy, appropriate charge capture, and timely compliant billing. Such monumental tasks require consistent root cause analysis on issues that impede the revenue cycle. Revenue integrity must be a formal, centralized process that is constant and inclusive of all departments and individuals who affect the revenue cycle.

Revenue integrity team

Data from 2017 will be used by CMS to determine payments or penalties in 2019. There is still time to ensure that the data used to assess performance is accurate and favorable by establishing a Revenue Integrity department or designating a revenue integrity leader with knowledge of clinical documentation improvement, coding (ICD-10, CPT, and HCPCS) and the correlation of charge capture, and revenue.

It will also be necessary for revenue integrity analysts to carry out the procedures to identify trends and issues that negatively impact revenue. A revenue integrity core team should be formed that includes representatives from Patient Access, Coding, Billing/Finance, the Charge Description Master, Compliance,

HIM, and case management. Representatives from Radiology, Respiratory Therapy, Surgery, Endoscopy, Nursing, Lab, Pharmacy, Cardiac Cath, Wound Healing, the Emergency Department, Physician Practices, and Rehabilitation department should be appointed as ad hoc members that attend meetings, as necessary.

Revenue integrity functions

Whether revenue integrity functions are integral to a formal team or department or part of impromptu process improvement efforts, the gains realized from the following performance improvement activities will go a long way in solidifying the revenue cycle.

Effective revenue integrity analysis should begin with mapping/charting revenue cycle workflow. This function is necessary to identify procedures, responsibilities, redundancies, and bottlenecks. Often, the actual current state does not match the perception of how processes occur.

Monitor unbilled days and aging accounts receivables (AR) closely. Exceedingly high unbilled days and aging accounts are the first clues that revenue integrity is compromised. Examine AR regularly to identify issues and trends, and implement solutions quickly to improve days in AR and increase revenue.

- Ensure the team members in the appropriate areas (e.g., HIM/Coding, Billing/Finance) are correctly monitoring productivity and accuracy.
- Establish a policy to ensure timely charge capture and prevent excessive late charges.
- Track and trend the number of claims (including total charges) that encounter internal edits that prevent prompt billing.
- Perform root cause analysis of the issue and collaborate with affected areas to determine an appropriate solution.
- Communicate trends and total charges by location to core team and appropriate ad hoc team members, and implement process improvements to ensure that problems are resolved and do not unnecessarily recur.
- Consolidate denials management and validate denials.
- Identify root causes (e.g., competencies, education needs, system issues) and collaborate with appropriate areas to minimize recurrence or increased denials.
- Communicate top denials with all team members and provide training accordingly.
- Develop innovative policies and procedures that cultivate proactive resolutions at the point of care, and minimize manual revenue cycle interventions as much as possible.

Maintaining revenue integrity

Achieve and maintain revenue integrity with a solid internal audit plan that includes regular review of clinical documentation to ensure that the level of care, charges, and codes assigned are supported. Results should be communicated with the appropriate revenue integrity team members to determine education and improvement plans.

Summary

The integrity of the data your healthcare organization is using now—in 2017—will determine the payments you receive and the penalties you incur in 2019. Thus, for your organization to survive in the value-based environment, you will be wise to establish a process for validating the data. Revenue integrity must be a formal, centralized process that is ongoing and inclusive of all departments and individuals that affect the revenue cycle. In addition to supporting your claims, engaging in the effective management of revenue integrity will decrease days in AR and provide an accurate depiction of performance, cost, resource utilization, and quality of care, which will assist with the transition from volume to value.