Conducting revenue cycle with clinical advisors effectively improves the denial rate

William Huang, Chia-Huei Chiu, ChingChe J. Chiu, Wen-Ta Chiu, Matthew Lin, Jonathan Wu
AHMC HealthSystem • Taipei Medical University

Introduction
From uncertainty around the future of the Affordable Care Act to dwindling reimbursement, hospitals and health systems across the nation are facing a myriad of challenges. The most pressing challenges are 1. Hospitals across all credit rating categories are feeling financial pressure; 2. Hospitals are faced with uncertainty around the future of health reform; 3. Health system mergers can create new challenges; and 4. Healthcare organizations need to simultaneously boost revenue and cut costs through innovation of administrative process. All of these make revenue cycle management a critical issue improving hospital finance as hospitals look for ways to drive efficiency and improve quality of care.

Objectives
To improve revenue cycle performance, we focused on the right priorities and tracked the appropriate metrics to navigate the revenue cycle improvement process.

Material and Method
To improve the communication with physicians, M.D. clinical advisor was invited in revenue cycle management task force, which is organized by chief officers, M.D. clinical advisors, case manager, nursing department, health informatics management, and finance department.

From April 2016 to February 2017, utilization clinical advisor and administrative clinical advisor were both contributed in routine clinical care process and meetings with hospital staffs. Utilization meeting was carried out in daily bases for proper medical record documentation and monitoring clinical acuity to meet inpatient criteria, while revenue cycle was conducted in monthly bases to integrate internal process of admitting, bed side caring, discharge

Result
Among all important key performance indicators to track, hospital denial rate was high which deserved closely monitor and intervention at front end through revenue cycle management. Total denial was presented on accrued dollar amounts while denial rate was calculated as the percentage of accrued denials over monthly net patient revenue during the period. A low denial rate indicated effective reduction in denials with the increase in monthly net revenue.

Discussion
Focusing on building well communication internally between administrative and clinical staffs is important to successfully lowering the denial rate. Recruiting M.D. background clinical advisors is the key to facilitate the utilization process while maintain good quality of care. The down trending denial rate was the crucial result of the effective internal communication between hospital operation officers and revenue cycle management task force, and of the continuously monitoring of various key performance indicators.

Future work includes the upgrade of information technology. The claims submission processes are continuously evolving and the dynamics of the workforce is changing. Automation to maximize reimbursement may be one of the upcoming strategies to maintain revenue generating efficiency. Artificial intelligence will automate many aspects of the billing process, leading to a leaner billing department. Thus, billing team will see their responsibilities change from collecting and submitting claims to vendor management and technology management. While transition to AI, multiyear training pathway for the billing team is the next challenge for hospital management.