Heightening Accuracy of Charge Capture

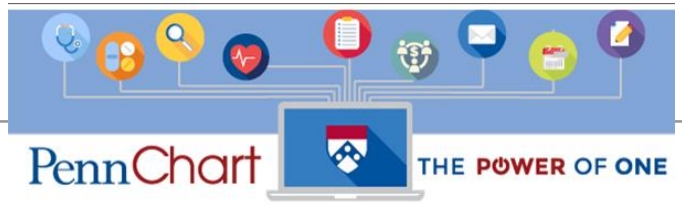
Penn Medicine

Introduction

Background

- **Penn Medicine Overview**

Timeline



Practices

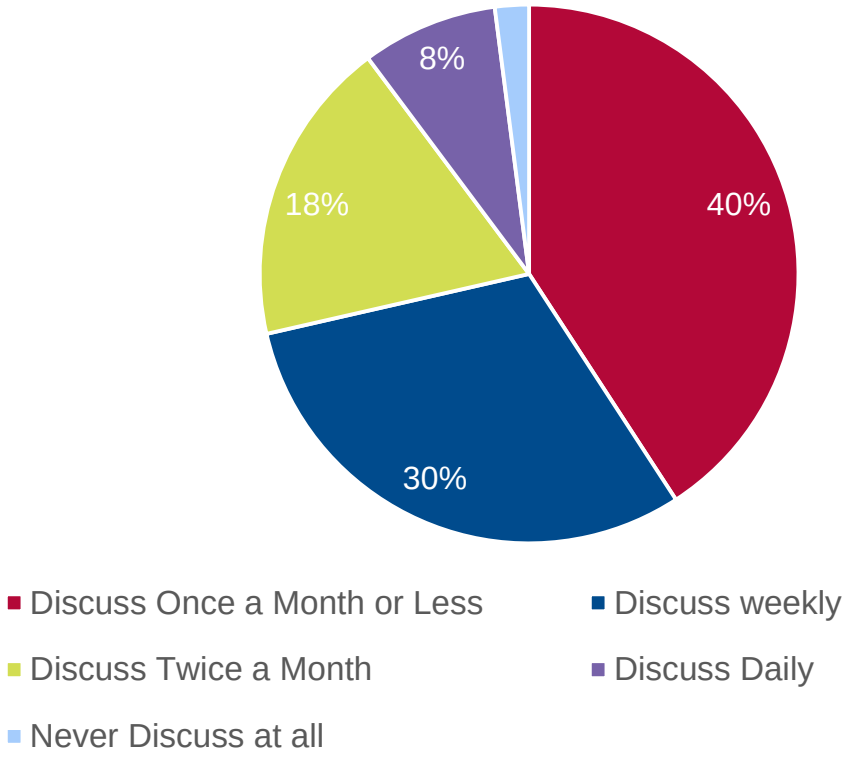
- **2011** – Clinical Practices of University of Pennsylvania Practices went live on Professional Billing and Registration

Hospitals

- **October 2016 –** Pennsylvania Hospital and Chester County Hospital
- **March 2017 –** Hospital of University of Pennsylvania and Presbyterian Medical Center
- **June 2018 –** Princeton Medical Center
- *Continuous implementations including Cupid for Cardiology and Hall Mercer Behavioral Health*

Challenges

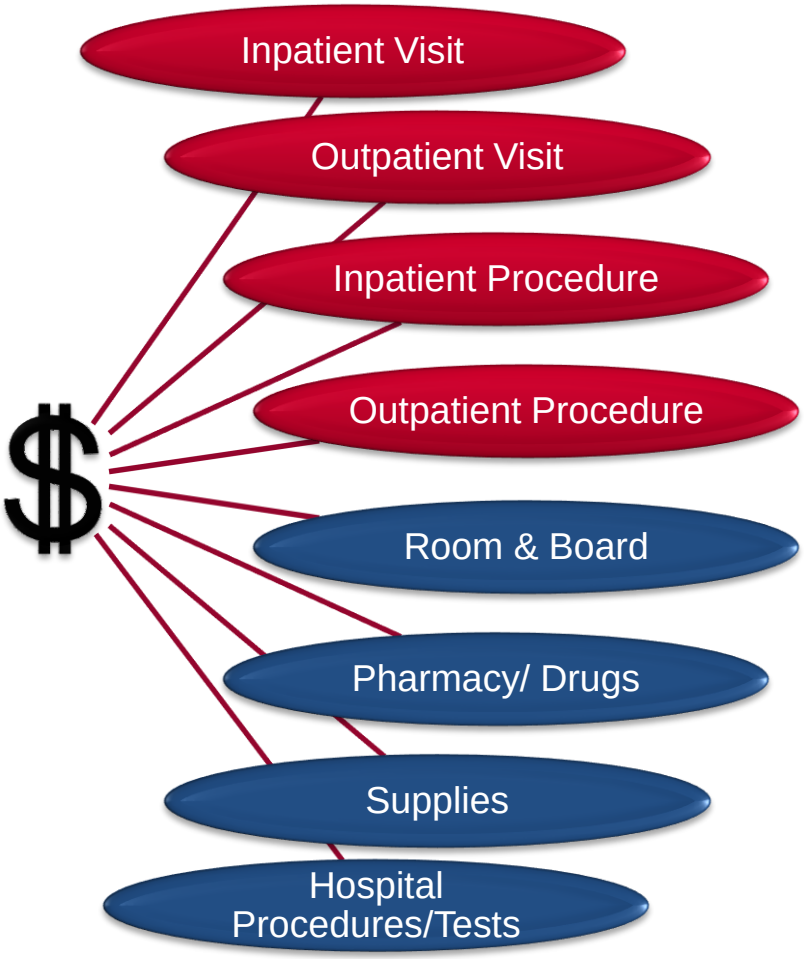
- “ Most healthcare executives say charge capture is essential, yet many do not have a revenue integrity routine - ”



https://www.prnewswire.com/news-releases/78-of-healthcare-execs-say-charge-capture-is-essential-yet-40-discuss-it-once-a-month-or-less-300774051.htm

Challenges

- **Variety of different types of charges to capture/reconcile:**



Background

- **In preparation for EHR conversion in October 2016, senior leadership used conversion as catalyst to develop revenue integrity department**
  - Hired internal program director to own chargemaster consolidation
  - Additional support would be needed to achieve revenue goals

- **Engaged consultants to mitigate revenue and cash disruption risk for below areas:**
  - Charge capture
  - Pre-bill management
  - Claims integrity

- **Developed future-state revenue integrity structure and stood up revenue reconciliation committees for each hospital entity**
  - Critical to the success of the conversion
  - Revenue integrity department established support model of the clinical areas to ensure sustainability

5 Lessons Learned in Revenue Integrity

"I can't remove this charge from our electronic billing, so will you agree to have the prenatal check up?"

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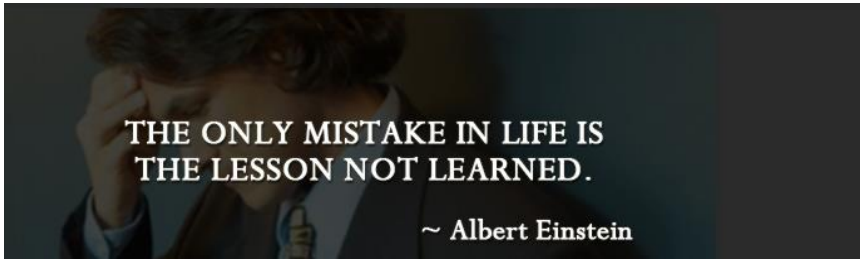
5 Lessons Learned in Revenue Integrity



Lesson 1 – SCOPE

- Understand conversion scope and ensure staff can support conversion timelines

Lesson 2 – LEADERSHIP SUPPORT

- Leverage corporate and entity leadership to message accountability and roles & expectations to department stakeholders

Lesson 3 – DEPARTMENT BUY IN

- Connect with each clinical department to socialize the roadmap and identify key partnership opportunities

Lesson 4 – TOOLS

- Define revenue integrity functions to support departments and eliminate revenue disruption

Lesson 5 – KEY CENTRALIZED ROLES

- Assess the revenue integrity staff and create specific roles based on their skills

I. Understand conversion scope and ensure staff can support conversion timelines

- **Penn Revenue Integrity had exhaustive list of conversion responsibilities**
  - Charge master consolidation and validation with operations/ finance
  - Charge capture design and education
  - Charging work-driver build (error resolution & charge entry)
  - Revenue reconciliation policy development
  - Reporting development and training
  - Metric benchmarking
- **Department had limited insight to current state and unclear scope of responsibilities**
- **Scope was limited to critical efforts to minimize revenue disruption**
- **Leveraged consultants to allow for prioritization and divide-and-conquer approach**

II. Leverage corporate and entity leadership to message accountability and roles & expectations to department stakeholders

- **Defined best practice revenue reconciliation strategy in conjunction with executive leadership, where departments would be accountable**
  - Reporting capabilities and transparency through conversion supported decision
  - Penn seized opportunity for department management to own their own revenue
- **Historically, departments were not involved in revenue reconciliation or error resolution**
  - Financial discrepancies and shortages identified by finance at month-end
  - "Gatekeepers" followed up with departments about charging errors via email
  - New technology would provide tools for daily revenue reconciliation and ability to be self-sufficient in identifying errors
- **Leveraged executive suite to communicate shift in revenue ownership**
  - Designated hospital entity revenue leads
  - Anticipated resistance to change as clinical departments were in midst of technical conversion

"They know their charges. They know their services. They know their patients. They are closest to their revenue and should be able to own it."

– Penn entity CFO

III. Connect with each clinical department to socialize the roadmap and identify key partnership opportunities

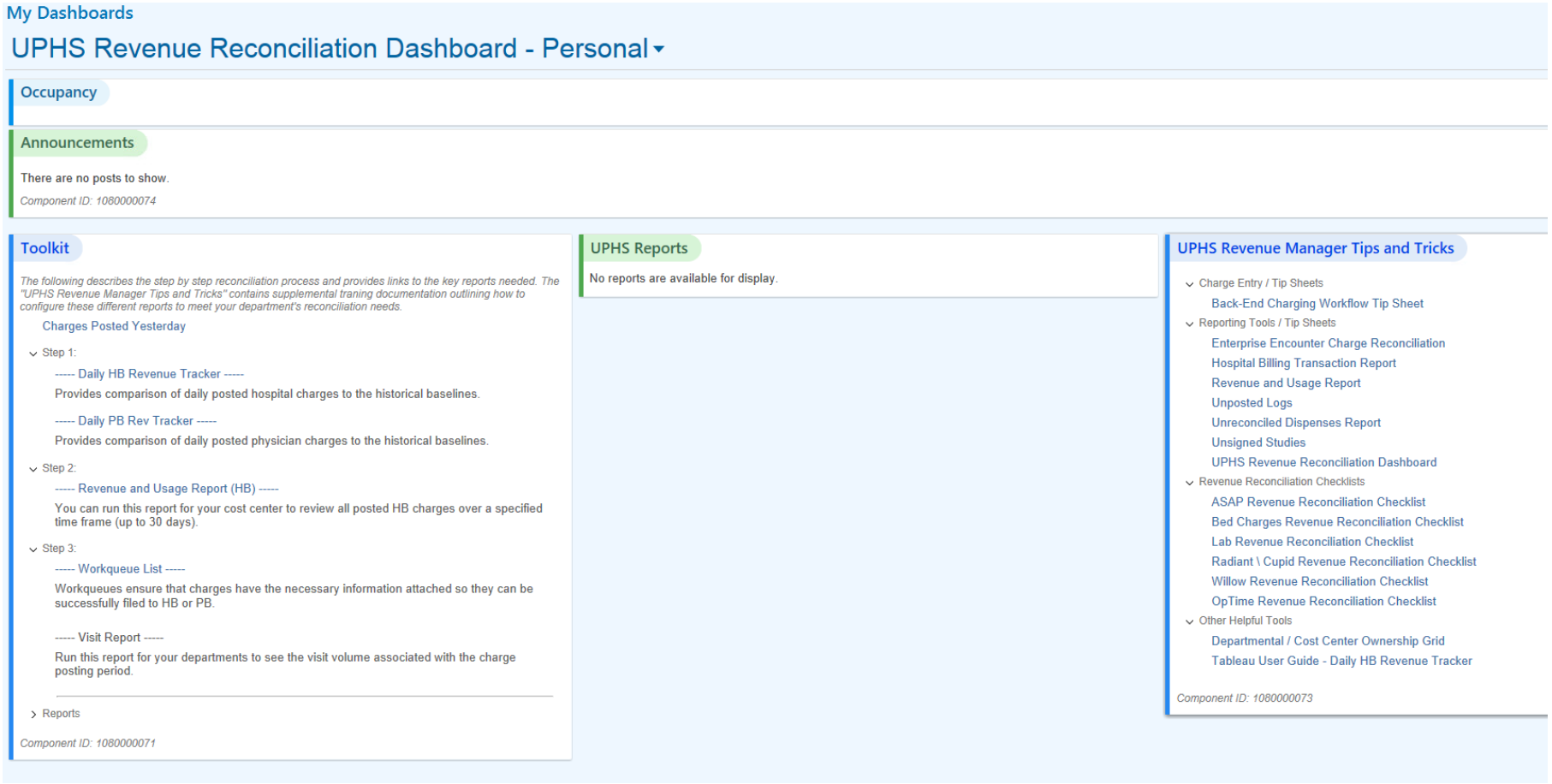
- **Clinical departments' anxieties of revenue ownership expectations provided opportunity for revenue integrity to be change agents**
- **To engage departments, held revenue "speed-dating" sessions:**
  - *Does the planned charge master look correct?*
  - *How do you enter your charges today, and who is responsible for entering them?*
  - *Who reconciles charges?*
  - *How many charges do you typically enter on a Monday?*
  - *Who is losing sleep if revenue is below budget?*
- **Department meetings allowed revenue integrity to better understand department concerns, specific workflow needs, and individuals for targeted training**
- **Revenue integrity then prioritized core activities to support the departments and achieve organizational goals**

IV. Define revenue integrity functions to support departments and eliminate revenue disruption

- **Fully integrated revenue integrity departments provide collaboration from point of care to the back-end revenue cycle functions**
- **To support department concerns, the RI department addressed them as follows:**

Department Concern	Revenue Integrity Response
Lack of a visual picture of charging workflows	Demonstrated charging workflows for department validation and customized training classes for charging clerks
Misalignment between charging menus relative to department needs	Customized charging menus for departments to facilitate efficient and comprehensive charge capture
Incomplete and outdated charge master	Creation of new charge master codes to fulfill department charging and billing needs
Anxiety over becoming a "revenue reconciliation owner"	Introduced policies and procedures governing future state revenue reconciliation. Customized training courses by service line to review reports departments would use for reconciliation, and assist in tailoring one-stop shop reporting dashboards to each director's needs
Lack of knowledge of historical revenue performance	Educated departments on historic revenue trending and revenue targets post-conversion

IV. Define revenue integrity functions to support departments and eliminate revenue disruption



IV. Define revenue integrity functions to support departments and eliminate revenue disruption

- **The Revenue Tracking Tool compares revenue posted in Epic to benchmark revenue posted in the legacy system to assist in revenue stabilization**
  - Tracked daily
  - Adjusts expected revenue to account for volume fluctuations
  - Highlights areas (Red, Yellow, Green) based on thresholds to identify areas requiring additional attention
    - Will review areas posting revenue below and above thresholds

Summary Report Detail

ID	Cost Center	Contact	Baseline Volume	Volume	% to Baseline	Baseline Revenue	Revenue	% to Baseline	Target Revenue	% to Target	Budget Revenue	% to Budget
					All			All		All		All
MC1OS4013	MC1OS OP DIAGNOSTICS	A. Anderson	0	0	0 %	$46,985	$47,469	101.0 %	$47,469	100 %	$47,755	99.4 %
MC1OS5020	MC1OS LAB	F. Felix	103.3	246	238.1 %	$76,708	$79,041	103.0 %	$182,615	43.3 %	$155,101	51.0 %
MC1OS6006	MS3	D. Donaldson	1.7	1	60.0 %	$668	$97	14.5 %	$401	24.1 %	$65,276	0.1 %
MC1OS6035	MC1OS DIABETES CLINIC	E. Edgar	3.2	1	31.6 %	$762	$88	11.5 %	$241	36.6 %	$3,240	2.7 %
MC1OS6041	MC1OS ATU	H. Harrison	86.8	99	114.1 %	$8,175	$13,440	164.4 %	$9,329	144.1 %	$99,815	13.5 %
MC1OS6067	MC1OS OP DIAGNOSTICS	A. Anderson	0	0	0 %	$2,775	$1,220	44.0 %	$1,220	100 %	$44,964	2.7 %
MC1OS6069	MC1OS DIALYSIS	E. Edgar	1.1	1	92.3 %	$933	$2,447	262.2 %	$862	284.0 %	$99,589	2.5 %
MC1OS6080	MC1OS PEDIATRIC REHAB	S. Smith	0	0	0 %	$6,947	$9,574	137.8 %	$9,574	100 %	$10,904	87.8 %
MC1OS6082	MC1OS OP DIAGNOSTICS	A. Anderson	0	0	0 %	$1,933	$2,819	145.9 %	$2,819	100 %	$4,740	59.5 %
MC1OS6084	MC1OS OP DIAGNOSTICS	A. Anderson	0	0	0 %	$861	$467	54.2 %	$467	100 %	$473	98.7 %
Page Total			196.0	348	177.6 %	$146,749	$156,662	106.8 %	$254,997	61.4 %	$531,857	29.5 %
Report Total			4607.1	4360	94.6 %	$5,118,597	$5,718,132	111.7 %	$5,062,126	113.0 %	$9,630,997	59.4 %

IV. Define revenue integrity functions to support departments and eliminate revenue disruption

Department specific charge review workqueues that check the following:

Charge Review WQ	Rule	Error vs. Warning
High dollar charges	Over $10,000/unit (all departments) or $1,000/unit (pharmacy)	Warning
High quantity	Over 100 (all departments)	Warning
Service Date out of Range	Charge service date is before admission date or after discharge date	Error

Role of Revenue Owner

- Monitor and access assigned workqueues and review charges
- Follow up with charge entry users as necessary to attain clarification on charges
- Update charge records as needed and resubmit the charges within the workqueues

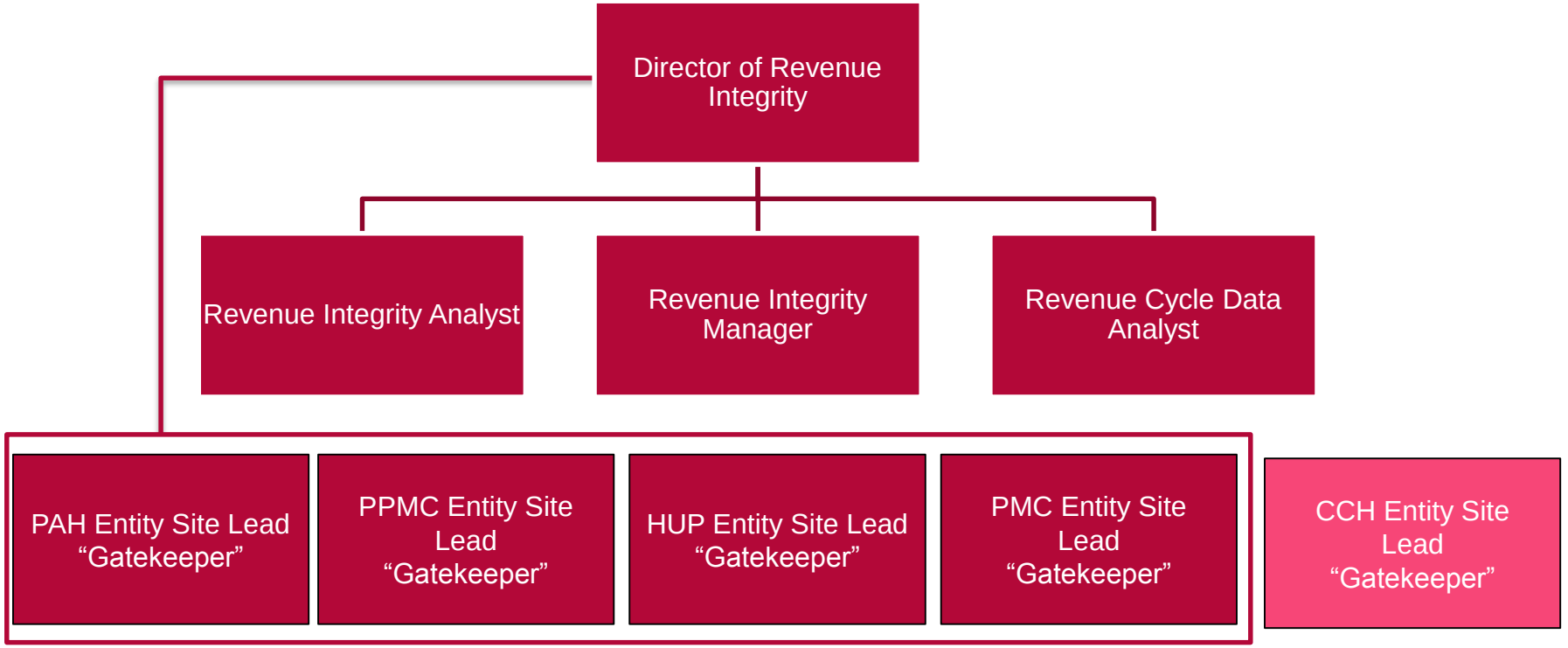
V. Assess the revenue integrity staff and create specific roles based on their skills

- **Six months of conversion preparation and two months of conversion chaos control positively impacted departments' confidence to own revenue**
  - Allowed leadership to assess skill sets of revenue integrity department personnel and others that could aid in building best practice revenue integrity department
- **Created specific revenue integrity roles and job descriptions based on skill sets of individuals that supported clinical departments through conversion**

Position	Description
Charge capture manager	Supports charging workflows for departments and coordinates system build updates with system analysts
Revenue integrity analyst	Provides financial analysis of revenue discrepancies and maintains a revenue tracker to provide transparency throughout the organization
Site liaisons	Based at each entity, working with appropriate personnel to identify and resolve common charging errors that prevent billing
Entity leads	Exist for each hospital, holding clinical departments accountable for revenue reconciliation expectations and acting as an escalation point

Results

- **Robust Organizational Structure**



Results

- **Solid Revenue Position**

REVENUE MANAGEMENT

102.7% OF
BASELINE REVENUE
WITHIN 30 DAYS
FOR BOTH EHR GO-LIVES

EPIC TOP-QUARTILE RANKING
FOR POST-CONVERSION REVENUE PERFORMANCE

DNFB MANAGEMENT

3.7 CFB DAYS
WITHIN 60 DAYS
OF FINAL GO-LIVE,
WELL BELOW EPIC'S
TOP-QUARTILE
METRIC OF 7.4 DAYS

Results

- **Routine Reporting**
  - Review and discuss revenue position monthly with CFOs at each entity
    - **Top Five Variance Report Analysis**
      - **Biweekly**
      - **Department responses**
    - **Weekly Gatekeeper meeting**
    - **Monthly CDM meeting**
    - **Pharmacy Reconciliation Expert**
    - **Policy Distribution**

What's Next

- **Annual Revenue Integrity Day**
  - Grouped by service line
  - Sign off of department responsibility
  - Dashboard refresher
    - Tableau
    - Epic Revenue and Usage
    - Enterprise Encounter
- **Additional Integration with Chester County Hospital and Lancaster General Hospital**
- **Revisit professional inpatient charge reconcilliation**
- **Transparency meetings Revenue Integrity**

What's Next


"... AND THEN HE GOES AROUND TOWN WHINING ABOUT HOW MUCH I CHARGED HIM. WHATEVER HAPPENED TO 'DOCTOR-PATIENT CONFIDENTIALITY'?"
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Questions?