



## Give Patient Access The Necessary Supporting Technology For The Job



To Our Healthcare Clients and Friends:

Patient Access Department performance continues to grow in importance, as the financial impact and customer service ramifications of front-end revenue cycle activities become better understood and appreciated. Beginning with the scheduling process, every major departmental function provides another opportunity to improve the hospital's financial position and to enhance customer satisfaction. With so much on the line, we expect more and more from this department. But have we given them the tools they need to perform as efficiently and effectively as possible? Failure to do so could be very costly in terms of real dollars and customer good will.



## BACKGROUND



The hospital Patient Access Department has historically been undervalued, in terms of its significance in the overall success of revenue cycle performance. Pre-registration and registration personnel in particular were often seen as nothing more than information gatherers, mechanically entering into the system the data obtained from the patient or guarantor. Some clients still report salaries for entry level positions in this department that can barely compete with those of fast food chains. With a salary structure that is not competitive, hospitals cannot recruit the quality individuals needed, and turnover rates in the department are high, compared with other revenue cycle departments. Direct employee replacement costs of up to 150% of annual salary are not uncommon; and indirect costs associated with a new employee's productivity, error rate, rework, and other factors can far exceed the direct costs.

Supporting technology for revenue cycle activities has traditionally been focused on the Health Information Management (HIM) and back office (PFS) functions. Compliance requirements, patient care mandates, and effect on reimbursement drove the development and implementation of HIM technology. As for the PFS technology requirements, there was an immediate recognition of the need to produce an accurate claim in the required format, to properly submit that claim to a payer, to follow-up with that payer until the claim is resolved, to process incoming communications regarding a claim, and to post payments and adjustments to the claim. Technology designed to facilitate these tasks was generally easy to cost justify, and was widely implemented throughout the industry.

The importance of the data collected by those "mechanical data gatherers" in Patient Access was not quite as apparent. The costs associated with incomplete and/or inaccurate data are more difficult to quantify; hence, supporting technology is more difficult to cost justify. As a result, development of supporting technology for Patient Access functions has come more slowly, and implementation of this technology is just beginning to catch up with HIM and PFS technology implementation.

In the January 2008 edition of Insights, Patient Access staffing and job ladders were discussed. This edition will be dedicated to supporting technology for Patient Access: providing the tools needed to fulfill the exacting requirements of this critical revenue cycle department.

## CHALLENGES

At a time when expense reduction has become a mantra for so many facilities, and associated staffing contractions stretch remaining resources, it becomes increasingly difficult for Patient Access departments to meet operational demands. Many departments have undertaken extensive process improvement initiatives, attempting to do more with less. They have implemented job ladders to improve employee expertise and to recruit and retain top-notch employees. They have focused on obtaining complete and accurate information, increasing point of service collections, ensuring appropriate financial clearance, and implementing procedures to avoid payer denials (Insights April 2009). They have developed productivity standards to challenge staff to perform in accordance with industry best practices. For those Patient Access departments that have proactively taken these and other steps to achieve excellence, continued performance improvement may be difficult, if not impossible, to achieve if additional tools in the form of supporting technology are not provided.

Most Patient Access departments currently use some form of eligibility verification software to instantly verify coverage and benefits before inpatient services and high-cost, non-emergent outpatient services are rendered. This technology has served to reduce or eliminate the need for time-consuming phone calls to the payer, and for cumbersome website look-up. Eligibility verification is a vital component of any upfront collections program. It also helps to reduce payer rejections and denials, improve staff productivity, and can foster better customer satisfaction. Eligibility verification software, in addition to the core information systems and voice (i.e. telephone) systems used by Patient Access departments, may be the only technologies that approach universal utilization.

There are several other technologies on the market to enhance the performance of Patient Access departments, including, but not limited to the following:

Contact Verification - Early forms of this technology simply confirmed the patient's or guarantor's address as being the latest address on record. It was generally done in batch mode, so it was of limited value. New versions feature real-time address verification, and may include verification of phone numbers, as well. This reduces the amount of returned mail, which reduces costs and may improve cash flow, and could be useful in combination with other techniques in identifying Red Flag Identity Theft.

Propensity-to-Pay Scoring - Although there has been some negative publicity regarding use of this technology, it has the capacity to streamline many Patient Access functions without incident when used judiciously. Based upon the old credit industry FICO scores, this technology has been customized to provide the means to determine the likelihood that a patient can - and will - pay his or her portion of the hospital's bill. It enables a hospital to identify patients that could qualify for Medicaid, state programs, or hospital charity care early in the revenue cycle. These patients can then be processed for applicable programs, eliminating frustration and resolving the claim. If a determination is made that the patient is able to pay



for services, the technology can identify potential funding sources, such as available credit on credit cards, bank lines of credit and home equity balances, and eligibility for other commercial financing solutions. Cash flow enhancement, reduced collection costs, and the potential for reduced bad debt are all benefits associated with this technology.

Patient Payment Estimation - If upfront collection is the goal, or even if simply notifying patients of their estimated self-pay responsibility is what you have in mind, the newest versions of this technology can integrate data from the insurance verification process and the charge description master (CDM) to provide accurate estimates. This can enhance cash flow, reduce collection costs, and potentially reduce bad debt.

E-Cashiering - This technology enables hospitals to accept payment in real-time from any location where the patient or guarantor has access to a computer. Payments via credit card, debit card, and e-check can easily be tracked, posted, and audited. This helps to accelerate payment; and the ease of making payment can increase customer satisfaction.

Financial Assistance Automation - The time-consuming manual application process and corresponding subjective approval process are greatly enhanced with this technology. Among other features, the software can populate financial assistance applications (including Medicaid, other state programs, and hospital charity care) with data from the core hospital system. Its ability to integrate with propensity-to-pay technology makes it even more valuable. If the hospital is prepared to utilize the technology to its fullest potential, it can also identify patients with presumptive eligibility for hospital charity care, via automation of financial assistance rules and workflows.

Communication Management - This technology combines call management (e.g., automated calls, call recording/monitoring) with fax management and with e-mail, web-based eligibility checking, and other forms of electronic communication. Productivity improvement is a common result, as well as reductions in denials and improvement in the rate of successful appeals.

Rule-Based Document Imaging - The days of scanning and/or copying the same documents multiple times could be a thing of the past with this technology. The software prompts the user to scan required documents, and since the features allow the user to set-up the prompts by document type, date last scanned, and other criteria, much duplication of effort can be avoided. Scanning and copy costs can be reduced, and the incidences of lost referrals and authorizations (leading to payer denials) can be decreased. As patients frequently become involved when their payers deny claims, the technology that helps to reduce denials can be a source of customer satisfaction as well.

Self-Service Kiosks - Kiosks are gaining in popularity, as they feature the ability to apply a date/time stamp to the patient's arrival, create a wristband, automate printing of face sheets, etc., initiate electronic insurance verification (if that has not already been done), accept payment of the estimated patient portion of the bill, capture electronic signatures, and even print directions to the service area. This technology reduces wait time for check-in, helps to keep staffing levels lower than might otherwise be the case, and the early customer satisfaction numbers look promising.

Automated Rule-Based Work Flow and Quality Audits - Rule-based work flow tools define the actions that need to be taken for various tasks in Patient Access and flag patients' accounts when those tasks are not complete. For example, a rule for a particular insurance may indicate that a referral is needed for certain services. When a patient is registered for one of those services, if the referral number is not valued in the system, that patient account would appear on a work list for someone in Patient Access to address within a specified time frame. Historically, this tracking has been done manually, if it is done at all. Automating these rules will improve accuracy, reduce denials, increase productivity, and ultimately improve patient satisfaction. Although manual quality audits cannot be completely eliminated, this is a real time saver for managers, supervisors, and leads involved in the process. These tools automate the process of monitoring staff accuracy and completeness and provide objective information that can be used to provide feedback to staff.

As with most technology, features tend to improve and costs tend to decrease over time. These technologies are available today. The challenge is to identify the most cost-effective technologies to enhance Patient Access Department performance, to integrate the technologies as part of a comprehensive revenue cycle strategy, to implement the technologies effectively, and to use them to the full extent of their features and functions.

## INSIGHTS

As with the selection, purchase, and implementation of any technology, the best approach is to involve all those who have a stake in the outcome. Patient Access is but one part of the revenue cycle, and any technology intended to improve efficiency, productivity, quality, etc. must be considered in light of the overall revenue cycle strategy. Ideally, there will be seamless integration between revenue cycle systems currently in use and any new technology being implemented.

Input from PFS, HIM, Case Management, Information Systems, Finance, and other departments will be necessary to ensure that system requirements are clearly defined, expectations are realistically stated, current applications and overlapping needs are considered, contractual provisions with the vendor address all requirements and contingencies, and that the resulting decision will be supported by all factions. Assemble a task force with representatives from each of the appropriate areas to drive the selection process.





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When the technology has been selected and purchased, identify an implementation team that will be responsible for all the tasks associated with bringing the technology to the go-live date. Project management and realistic allocation of project resources will be of particular importance. In conjunction with the technology vendor, and with input from those with a stake in the implementation, develop a project work plan. It is important to remember that the implementation team resources already have a full-time job, so be realistic in determining the extra work load they can carry, relative to technology implementation. This is often a stumbling block when hospitals choose to implement technology using only internal resources.

After the technology has been successfully implemented, obtain feedback from the implementation team to determine what could have been done to improve the process. In this way, future implementations can benefit from the experience of the current project.

**Summary**

Few hospitals can afford the financial impact or customer service issues associated with a sub-par performance on the part of their Patient Access departments. There is an abundance of technology available today to enhance performance, providing benefits such as improved cash flow, reduced costs, decrease in rejections and denials, improved successful appeals rate, reduced bad debt, improved staff productivity, improved staff accuracy rates, and improved customer satisfaction. Give your Patient Access Department the tools it needs to do its job as efficiently and effectively as possible.

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We are pleased to have the opportunity to present this information to you. If you have any questions or need assistance with technology selection, implementation, or enhancement, please contact me at 610-909-9294 or Kim Hollingsworth, Partner, at 610-517-1386.

Truly yours,

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