To Our Healthcare Clients and Friends:

Is it possible to assign a value to your revenue cycle team? As the team is comprised of people, “priceless” might be the appropriate response. Realistically, your revenue cycle team is responsible for converting net revenue into cash; and they directly influence bad debt expense, helping to deliver the operating margins necessary to fund the hospital’s mission. Their efforts impact tens, if not hundreds, of millions of dollars annually.

Effective revenue cycle management is the catalyst for many hospital and health system profitability initiatives. In recognition of the importance of this work, most hospitals have diligently endeavored to improve their revenue cycles. Some have seen a tremendous positive financial impact with sustained results. And successful facilities have similar leadership characteristics: all have created a “winning team.” Without effective teamwork, a complex work environment such as that found in the healthcare industry is doomed to produce mediocre results. A cohesive team, whose members bring to the table their motivation, education, experience, skills, ideas, and individual contributions, is invaluable. A successful team helps to overcome individual shortcomings, encourages the efforts of all, is supportive of organizational goals, acknowledges that every person has something to offer, and is aware that each person depends upon the others for success.
BACKGROUND

Revenue cycle management has gained acceptance as a critical component of a hospital's overall financial wellbeing. It is the subject of numerous seminars and articles, and a current watchword across the healthcare industry. For executive leadership, “revenue cycle management” is often synonymous with “cash flow” and “profitability.”

Revenue cycle departments have a tremendous responsibility, but do the employees of these departments fully understand the importance of what they do? Knowledgeable leaders are able to connect daily work activities to the purposes behind them by explaining the “what” and “why” to staff. They establish goals and objectives, and share results with team members, who thereby have a greater appreciation of the significance of their labor. The more effective leaders are able to describe the way in which each task is relevant to the success of the hospital as a whole, while at the same time expressing gratitude for the good work of staff members. These leaders do not make assumptions that team members inherently know the hospital’s financial goals and objectives, relative to the revenue cycle. They communicate expectations to the staff in a clear, concise manner. They create a caring environment in which team members can thrive. And they provide mentorship to their team(s) to facilitate top performance.

CHALLENGES

 Recruiting, hiring, training, and retaining qualified revenue cycle leadership and staff are among the key challenges hospitals face today. Assembling a group of individuals with the motivation, experience, skills, and educational prerequisites needed to operate at peak performance is not an easy task. Properly equipping these employees for the functions they are to perform can also be difficult. Forming a cohesive team from this group of individuals poses yet another challenge. Failure to address each of these challenges will promote the root causes of poor revenue cycle performance.

INSIGHTS

Hiring top talent is a priority. It is wise to establish a close working relationship with your Human Relations (HR) Department. HR can play a major role in the recruitment effort, identifying candidates through aggressive advertising and by networking with technical schools and professional organizations.

A multi-faceted advertising approach generally works best. Begin with the hospital website, listing open positions and accepting applications and resumes online. Help wanted advertisements in local newspapers can produce qualified candidates. Advertising in professional trade magazines and directly with professional organizations such as the Healthcare Financial Management Association (HFMA) may prove beneficial. Targeting technical schools with advertising and direct contact helps to fill certain positions such as coders or transcriptionists. Developing an intern program, in conjunction with a local college or technical school may serve to bring candidates to your facility. Social networking websites such as Linkedin, Plaxo, and even Facebook are gaining recognition as another tool in the recruitment process. Some hospitals even utilize the media for advertising purposes. A top-notch HR Department should know what works best in your area for the types of positions you are attempting to fill.
The services of one or more recruiting firms may be necessary to fill key positions. Since many firms specialize in recruiting specific types or categories of resources, it is unlikely one firm would be equipped to recruit candidates for all the revenue cycle positions that might be available at any given time. Be sure to provide the recruiter with all the information needed to successfully recruit an individual who meets your requirements. This will save time for the recruiter and for you.

In addition to its role in recruitment, HR may also be instrumental in hiring and retaining the best talent, by ensuring that the hospital’s salary and benefit structure is competitive. Market basket surveys are one method used to compare the hospital’s salaries and benefits for certain positions with those of other employers in the area. These surveys should be conducted on a regular basis, to retain a competitive advantage in the hiring process and in the retention of staff.

Job ladders provide a career path for revenue cycle staff, and as a result make it less difficult to attract and retain promising candidates. In the January, 2008 edition of Insights, we discussed establishing job ladders for Patient Access staff. Job ladders are helpful in any revenue cycle area, and should be given careful consideration if they are not currently being utilized.

Leadership training and mentoring programs are fundamental for the management team in most facilities. Whether these programs are presented in-house, online, or by outside trainers, or via some combination of the three, all can be effective in developing excellence within the management team. Don’t overlook the importance of ongoing training at the staff and supervisory levels, however. Frequently, new staff members are provided with an orientation, system training, and an overview of the revenue cycle; then they are paired with an experienced staff member to learn the particulars of their jobs. This can lead to different staff members learning to do the same jobs in differing ways. An ongoing, comprehensive training program will ensure consistency, since everyone hears the same thing, relative to doing the same tasks in the same way. Training and certification through professional organizations is another option that should be explored in developing staff for peak performance.

A properly trained work force will be well equipped to utilize the technology necessary to support complex revenue cycle processes. Our October, 2009 edition of Insights discussed supporting technology for Patient Access, and all revenue cycle areas utilize technology in their work. Be sure to periodically assess revenue cycle technology to ensure the features, functions, and set-up adequately support the department’s current workload.

It is incumbent upon revenue cycle leadership to ensure that individuals staffing the revenue cycle areas function as a cohesive team. The organizational structure must support team activities. A winning team has a coach, assistant coaches, and team captains. Who plays these key roles in your organization?

Create a winning team by engaging the team members. Performance improvement initiatives are a great way to involve the staff in a team activity. Their expertise and input are critical to the success of such initiatives. Empower the team to tackle the issues important to its members. Remove obstacles to allow the team to make steady progress. Through effective facilitation of the team dynamics, the likelihood of success increases, with team members often benefiting personally from the improvements implemented.

The importance of communication as a workforce motivator and team building device cannot be overemphasized. Without communication, staff members feel disconnected, and the concept of teamwork is lost. Identify the team’s customers and the customer’s needs. Clearly state the team’s goals and objectives. Employees need to know exactly what they are expected to do, how their work will be measured, and when it is due. Explain to the staff on a regular basis what is expected of them. Encourage them to ask questions and provide feedback. Design scorecards and identify benchmarks to measure the team’s activities and to establish accountability for performance. Share the results of the work with team members and celebrate victories as a group.
SUMMARY

The foundation of a winning team is the talent and potential of the individuals making up that team. Hire the best talent possible, provide ongoing training to realize the potential of each team member, and develop career ladders to retain that talent.

Establish an organizational structure that will support team activities. On a regular basis, communicate with, and seek input from, team members. Ensure team members are properly equipped to meet the demands of their jobs, and that they are fully engaged as a team in all aspects of the work.

Your revenue cycle team is responsible for the collection of many millions of dollars. It is to everyone’s advantage to make this a winning team.

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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 in developing your revenue cycle leadership and staff into a high-performing team, please contact Kim Hollingsworth, Partner at (610) 517-1386.

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