Creating a Sustainable Revenue Integrity Program in Your Organization

Scott Armstrong, Senior Vice President, Parallon Revenue Cycle Services
Janet Jones, Senior Consultant, Parallon Revenue Cycle Services

Today’s healthcare leaders understand the importance of improving practices in order to optimize outcomes and the patient experience. Equally important are optimally functioning revenue cycle operations.

It is more important than ever for healthcare organizations to have the appropriate resources focused on the integrity of their revenue.

When a revenue integrity (RI) program is appropriately designed and implemented, organizations can expect a higher clean claim rate, proactive identification and resolution of claim issues, and improved financial results.

Benefits of Designated Revenue Integrity Program

An effective RI program that focuses on A/R management, audits and education can:

• Reduce the amount of aging A/R and unbilled days
• Reduce the number of claim hand-offs and claim edits that require manual intervention
• Manage unbilled dollars by prioritizing high dollar claim follow-up
• Expedite cash flow by better managing claim edits and denials
• Identify issues that require education with action plans and process modifications
• Eliminate repetitive problems by tracking claim edits
• Ensure accurate charge capturing
• Foster continuous improvement of revenue cycle processes through education

With a good revenue integrity program in place organizations should experience improved financial results.
Getting Started with Effective Revenue Integrity

To be effective, an RI program must be comprehensive and include such functions as reviewing compliance billing edits, department charge capture and compliance auditing, ongoing education, and trend analysis. An RI program should be tailored to the needs of your organization.

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<td><strong>Start with current-state discovery.</strong> First, build a responsibility matrix containing each RI function, the staffing resources that currently perform the function, the department(s) these resources report to and the number of resources involved. You will easily see which areas require consolidation and which functions are missing.</td>
<td><strong>Determine how the restructured RI department will be managed within the organization.</strong> Based on lessons learned, the recommended organizational structure has the RI resources reporting to the leader of revenue cycle and not to the billing department.</td>
<td><strong>Ensure well-defined productivity and quality expectations and implement a monitoring system.</strong> Be sure to include the tracking/trending/analysis function. The data produced from these tasks is critical to understanding the financial picture of the organization.</td>
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Key Steps to Developing an RI Program

Creating a strong infrastructure is essential to building a comprehensive program. Several steps are required to develop the proper elements, including:

1. **Select an RI program leader.** It may be tempting to use a software tool as a method for protecting revenue, but technology alone is not sufficient to effectively manage the people and processes that fulfill the mission of RI. Key criteria for this role include:
   i. Experience in clinical documentation and coding, including strong familiarity with coding of current procedural terminology (CPT) codes and the Healthcare Common Procedure Coding System (HCPCS) and their modifiers
   ii. Possessing a thorough understanding of the relationship between codes and revenue in the reimbursement process, specifically how revenue is generated from CPT codes and the HCPCS

Technology alone is not sufficient to effectively manage the people and processes that fulfill the mission of RI.
2. **Select RI resources.** In addition to the leader, a larger RI program can include a manager, team leaders and staff. Some of the roles within an RI program include clinical RI analysts, such as registered nurses, certified RI analysts (e.g., certified healthcare providers) and RI analysts with backgrounds in revenue cycle. The RI staff should become familiar with the overall reimbursement methodology of government and commercial payors, local coverage determinations as determined by the Medicare Administrative Contractor (MAC) and probe audits conducted by MAC.

3. **Implement an auditing system.** A designated audit plan is crucial. The RI audit process can be simple or complex, depending upon the size of the organization and the expectation of leaders. A larger program, for example, should employ an auditing system that will maintain a standard audit schedule, manage audits requested by patients and insurance companies and include standard reporting categories, such as departmental audits, compliance audits, detail bill line-item audits, and stop-loss audits. Conducting audits on charge capture accuracy and compliance for inpatient and outpatient ancillary services will proactively provide a layer of protection against risk of missed revenue.

4. **Provide ongoing education.** The education development process does not have to be complex. Both the RI staff and department heads should receive ongoing education in areas that ensure that the claim accurately reflects the services rendered. Because they can add modifiers and correct erroneous charges, RI staff should receive regular training on compliance expectations and coding requirements. Revenue integrity staff is also charged with developing and providing education on appropriate charge practices to department staff. Finally, RI staff should be equipped with tools and resources, such as instructional materials for CPT codes and HCPCS, and provided access to online resources, such as payor web sites.

**Reviewing the Essential Elements**

The three central components in a RI program are: accounts receivable (A/R) management, auditing and education. Performance within these areas will largely indicate the overall success of the program.

1. **A/R management.** Monitoring the unbilled days and aging A/R is critical in identifying issues with billing edits, claims rejections and denials. Regular monitoring allows for tracking of key data to identify problematic trends, perform a root cause analysis and development of proactive solutions.

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**Five central components in an RI program:**

1. (A/R) management
2. Track/Monitor
3. Report
4. Auditing
5. Education
2. **Track/monitor key claim edits, return to provider claims and claim denials.** The trending and tracking task is central to an efficient revenue cycle. Managing problem claims within a central RI function reduces the number of handoffs, so claim issues are more readily and appropriately addressed. Once trends are identified, RI staff can perform a root cause analysis of the issue and develop a resolution.

*Key tasks include:*

- Track the volume of accounts being stopped by edits to measure productivity and identify patterns causing delays in claims processing and payment
- Track edits that are sourced to problems in the chargemaster, so follow-up changes can be made to the chargemaster to prevent repetitive edits
- Track edits to identify specific payor requirements and implement changes for continual improvement and to eliminate manual interventions
- Identify pre-bill and post-bill claim edits involving any type of clinical or coding review or required modifier based on services rendered
- Identify return-to-provider claims that have issues with revenue code and CPT code/HCPCS combinations
- Track and trend denials by medical necessity, level of care and provider

3. **Report trends and repetitive issues for resolution.** Reporting should entail an organized process to ensure problems are appropriately addressed. Department leaders should be involved in the review and corrective action planning to set the expectations for improving performance.

4. **Auditing.** The integrity of an organization’s revenue is monitored through a variety of auditing services, including charge capture and compliance audits. In charge capture audits, claims are checked against documentation in the medical record to ensure coding accuracy. Audits can also help identify opportunities for improvement and provide performance feedback to departments.

*Key tasks include:*

- Developing a comprehensive audit schedule
- Performing regular charge capture and compliance audits based on the schedule
- Providing feedback to appropriate departments based on audit outcomes
- Assisting in the development of action plans designed to prevent issues

**Audits can also help identify opportunities for improvement and provide performance feedback to departments.**
5. Education. One of the cornerstones of an RI program is education for RI staff and staff of revenue-generating departments. Ongoing education helps to achieve continuous improvement.

**Key tasks include:**

- Identification of gaps in knowledge and the requisite need for coursework. Such gaps may be identified through an individual, an audit, changes in regulations or when there is a request for training.
- Inclusion of subject matter experts (SMEs) who are prepared to deliver education in key areas such as billing edits, coding, regulatory changes, and CPT/HCPC assignment.
- Development of educational materials that are researched and designed by the SMEs.
- Utilization of workgroups in the design of educational material to ensure objectives for each area are being met.
- Development of course outlines submitted and approved by management.
- Participation of SMEs in external educational seminars on their respective assigned area.
- Education of department heads on such areas as annual updates to CPT/HCPC code changes.

Revenue integrity is no longer an optional area of focus in today’s ever-changing world of healthcare. A comprehensive revenue integrity program can pay substantial dividends and is often a missing key to success for many.

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**About the Authors**

**Scott Armstrong**, brings more than 28 years of healthcare experience and has worked alongside hundreds or provider organizations on projects ranging from process improvement to transformational change.

**Janet Jones**, a registered nurse, has 25 years’ experience ranging from acute care clinical experience to revenue cycle management to leadership. Her background is extensive in charge master development and revenue integrity operations.

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