Maintaining Revenue Integrity with EHR Implementation

Published on June 19, 2015 Edit article | View stats

Caroline Rader Znaniec
Principal Owner of Luna Healthcare Advisors LLC
10 articles

Revenue integrity activities focus on process improvement and include those processes most closely involved in the front, middle and back-end revenue cycle processes. The main objectives of the activities are to reduce revenue leakage and potential customer scrutiny; whether by the payer or consumer. During an electronic health record (EHR) implementation, a healthcare provider's current processes will greatly change and if not integrated soundly to the new environment can have significant effects on your revenue and reputation.

CASE STUDY 1

A northern medical center with >650 beds implemented an EHR costing the medical center over $160 million. After go-live, the investment cost even more due to inability to effectively utilize the EHR to capture charges. The medical center had a $13.5 million operating loss over 6 months. Executives lost their jobs, hiring was froze and further implementation activity was delayed, costing even more money. The lack of training of clinical staff in their responsibility to document to capture charges was to blame.

The rate of hospitals implementing EHR system has increased significantly in recent years, however we continue to hear, see and read in the news how some can have devastating circumstances. In reviewing articles, case studies and experiences a common theme often arises. Many cite the lack of dedication towards the revenue cycle process as a key reason for

potentially a poor go-live. And it's not just the implementation of a completely new EHR solution, but can also be an upgrade of an existing system.

Common mistakes in an EHR implementation that can lead to lost revenue include those below:

Lack of training for non-traditional charge entry staff

Many of the EHR systems today automate the charge capture of services to other workflow processes. Such processes can include documentation, timing from procedure logs, change in patient status, and or processing of diagnostic tests. The automation of charging can improve charge capture accuracy, and better support charging and compliance through required documentation. However, those staff involved in the workflow should be aware of how their actions will result in patient charges, populate reports for code abstract, or trigger hard coded items, procedures or services through the charge description master (CDM). This often includes clinicians at all levels. Training should not simply include only how to navigate screens, but how their actions within the EHR can affect the overall revenue cycle. Staff may also have additional responsibilities in the review of their charge activity and reconciliation, as well as working potential issues and errors. If the staff has not traditionally had responsibility for monitoring their charge activity this can be a steep learning curve.

Translating current charge capture methodology to new system (1:1)

The ability to automate processes in an EHR can make an incredible difference in the efficiencies and productivity of staff, and improve overall charge capture. However, too often current charge capture methodologies are simply copied over from a charge capture template into an electronic version of the same. The ability to improve upon the identification and capture of the item, procedure or service is not addressed. And if problems existed prior in these areas, the same will likely result, but just now in an electronic state. Healthcare providers should take the time in pre-implementation to assess current charge capture methodologies and improve upon them before implementation.

Not completely testing patient scenarios

Testing the EHR prior to go-live is a standard practice. Example scenarios are selected and to be followed through the patient experience to ensure workflows from physician order through to billing are working soundly. What can occur is an incomplete test. Healthcare providers should test not only that the orders are present, that they trigger a response, that services are documented and charges results, but look deeper into the processes and detail . . . Is the documentation complete? Are the charges correct (not just "is there a charge?"), etc.

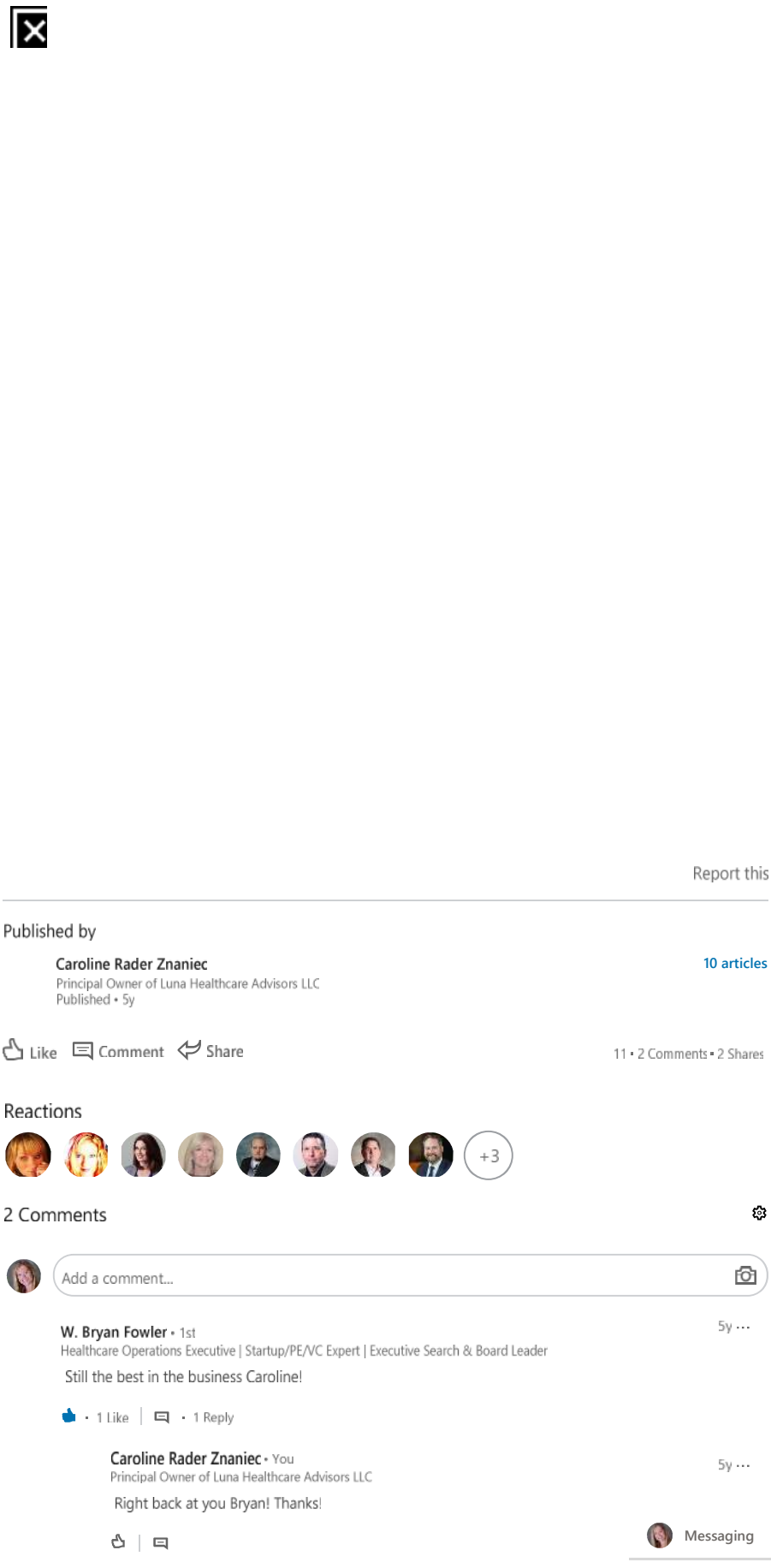
Better practice is to include with the patient scenario testing a complete review of the linkage between actions and charges. This is often referred to as an order entry mapping audit.

CASE STUDY 2

A midwest community hospital was one month from go-live in a completely new EHR system. Their current system contract was scheduled to be terminated in 3 months. During the final testing of claims it was identified that ER charges were not flowing to the claim. Further analysis indicated that >$60 million annual revenue in chargeable items, services and procedures were not mapped to the documentation as they should have been. While present in the CDM, the charge capture trigger was not indicated. Items, services and procedures could be documented but a charge would not result. Implementation of the new system was delayed and the existing system contract renewed in the short term to maintain operations. Millions of dollars were spent due to the delay as a result of this finding.

Inability to troubleshoot issues

EHRs provide for much data. Sometimes too much data. The ability to monitor and measure can be great, however it's knowing what to do with the data and if needed, how to react. As revenue cycle metrics may change (and they will) it is important to understand potential root causes. Without this understanding issues may compound and result in even greater losses.


Report this
Published by
Caroline Rader Znaniec
Principal Owner of Luna Healthcare Advisors LLC
Published • 5y
10 articles
Like
Comment
Share
11 • 2 Comments • 2 Shares
Reactions
+3
2 Comments
Add a comment...
W. Bryan Fowler • 1st
Healthcare Operations Executive | Startup/PE/VC Expert | Executive Search & Board Leader
5y
Still the best in the business Caroline!
• 1 Like
• 1 Reply
Caroline Rader Znaniec • You
Principal Owner of Luna Healthcare Advisors LLC
5y
Right back at you Bryan! Thanks!
Messaging

Caroline Rader Znaniec
Principal Owner of Luna Healthcare Advisors LLC

More from Caroline Rader Znaniec

Hospital Pricing Transparency Update - Full Speed Ahead!
Caroline Rader Znaniec on LinkedIn

Happy New Year 2019 - Charge Away?!
Caroline Rader Znaniec on LinkedIn

Compliance Effectiveness . . . . Years after the CMS Pilot – Part I: Governmental Expectations
Caroline Rader Znaniec on LinkedIn

What Should be in Your Revenue Integrity Toolbox?
Caroline Rader Znaniec on LinkedIn

See all 10 articles