



Greatest Revenue Cycle Cash Resource

The Greatest Revenue Cycle Cash Resource? Your People.

To Healthcare Business Office Executives, From an Industry Veteran:

I've spent more than 25 years in healthcare, specifically working in or with business offices and patient access departments. When discussing front-line staff members and their impact on the overall revenue cycle, business office managers constantly tell me either: a) their front-line employees just don't understand how to do what needs to be done, or b) the hospital is limited in the type of people (education level, experience, etc.) they can hire due to geographic area, competition with larger facilities, salaries or other related issues. These excuses – blaming the people behind the desk – are cited over and over again when explaining an under-performing patient access department.

However, the one thing I have found to be always true is this: "There is no greater cash resource than people." Don't believe me? The following 10 steps can show you how to change lost dollars into cash, simply by maximizing the skills of your people. I've been there – on the front lines, in the management office, and now on the other side looking in from a different perspective – and I've seen these steps work wonders.

1) Recognize that you did not hire inadequate people. Many times, very talented people become buried in the chaos of daily tasks, or perhaps their skills become limited simply due to lack of training in what they have been hired to do. During the interview process, you saw something special in every individual on your staff that made you choose to employ him or her. For those employees who were there before you, they too were interviewed and chosen at some point. You did not hire limited, unskilled or inadequate people.

2) Start over: Pretend all your employees have just been hired. They are all skilled, capable individuals, waiting to be taught to do all you need them to. Consider and then accept the fact that there are no members of your group who can't contribute to a winning team – but there may be some who won't.

3) List the tasks that must be completely accurately and timely. Make sure your employees understand what tasks mean, and that they know exactly how to do them! Repeat, repeat, repeat.

- Patient must be registered accurately.
- Insurance must be verified accurately.
- Collections attempts must be made on all patient-due portions accurately.
- Precerts must be obtained accurately and timely.
- Billing must occur accurately and timely.
- Payment must be posted accurately and timely.

4) Set reasonable, step-by-step goals for the business office based on the tasks that must be done.

Share these goals with all employees. Explain how every individual plays a part in meeting the goals. Let them know what part they play. Post results for AR days, upfront cash, unbilled accounts and net revenue. When setting goals, don't begin with your "dream" of where you would like to be. Begin with "better than you are now," and raise the bar every time a goal is reached. If you are currently collecting \$50,000 per month, set the goal at \$55,000. When \$55,000 is reached, raise the bar to \$60,000. Implementing a team incentive program that includes the goals you have set will keep the employees focused on being the best and keep them striving to do even better. Start small and increase the bonus as their financial contribution increases.

5) Identify a leader. The newly appointed leader may be a supervisor, or she or he may be a great registrar, biller or collector. But there is always one individual who has either been with the facility long enough to learn a lot about the revenue cycle, or has a true desire to be the leader and spends his or her time learning, helping others and proposing ideas. This individual has communication skills, believes in the facility, and is well respected by coworkers. Make this individual your facilitator with your new staff (see Step 2). He or she will make things happen because this leader is not afraid of change, needs to feel needed (in a good way),

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and loves sharing knowledge.

6) Let the leader train. Challenge the new leader to train on a new topic at least once each month. The topic may be something as simple as “What Are Days in AR?” or “Determining Coinsurance” or “How to Process Charity.” Or, the subject matter could even be something new to the leader, something he or she has to learn and research before training. Allot at least one hour each month (yes, that’s only 12 hours per year) to training everybody. Consider: The registrar who understands that the facility doesn’t get paid if you don’t have a precertification will be much more likely to ensure precertification is obtained during the registration process.

In addition to monthly training, have the new leader train individuals daily. Train billers to register patients, train collectors to be cashiers, train registrars to collect cash. Train, train, train. *Knowledge is cash.* Knowing what to do and when to do it results in dollars collected, dollars properly billed and denials eliminated. Solicit feedback from the leader on who the key performers are. Remember, there are none who can’t, but there may be some who *won’t*. On that note ...

7) Get rid of those who won’t. By now, you are witnessing and identifying skills you did not know your team members had. On the flip side, you also may be noticing those who are negative, who do not want to participate in reaching goals, and who constantly drag down the rest of the staff. (Many times, these are the people you always thought had the best skills.) Ask them to join your “new” team, and let them know the consequences if they don’t. If they don’t change, let them go. They are slowing down your progress.

8) Provide feedback. Post results for those goals you made in Step 4 (another good assignment for the leader). Identify those who made you successful. Posting number of accurate registrations by registrar, cash by registrar, or unbilled by biller is not negative feedback. It’s reality. When employees see who does the best, they solicit input from the best to see what they can do better. Hiding results leads employees to believe everyone performs at the same level – and can be depressing, or at the very least discouraging, to those who are doing all the work. Posting results allows those who are not pulling their weight to see themselves compared to others. Build the competition among employees based on facts. This approach will take away the excuses and instill pride and competition.

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9) Don’t tolerate excuses. “We don’t know how to ask for money.” “We only have one person who can do that.” “We are too busy.” “We’ve always done it this way.” No more excuses! Stress that the team you have chosen will complete tasks accurately, timely and as a team. Let them know you only require that they be the very best at what they do.

10) Reap the rewards, and reward the team. Because your staff now knows how to do their tasks, and they are working together as a team to accomplish daily jobs and assignments accurately and timely, *cash will increase, days in AR will go down*, and bad debt will decrease. All of these results have a direct impact on the cash keeping your facility financially viable. Make it a point to let your team – and all of administration – know the improved revenue cycle is a direct result of your team’s effort and hard work. Continue to reward them, and continue to post those results. They are now proud of their work, and proud to be part of a winning team.

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