

Introduction to the Efficient Revenue Cycle Processes/LEAN 2018 Project



Presented by:

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Noon – 1:00 PM

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ERCP Project Introduction

Improvement project utilizing Lean methodology

- Your hospital will pick a process to review/improve
- Your hospital will bring a team to Kick-Off Training
- During Kick-Off, a subject matter expert will instruct your team on Lean tools and techniques to help you analyze and problem solve your project
- You will leave with an action plan and work on your projects at your facility

ERCP: Reducing Claims Denials

Focus: Identify and improve the process where insurance claim denials originate:

- Document supporting medical necessity
- Coding
- Entering Patient Information
- Insurance Verification
- Create “best practices” for reducing denials and their financial impact

ERCP: Reducing Claims Denials

Processes Targeted for Improvement:

- Clinic Registration
- Generating and completing Advance Beneficiary Notices (ABNs)
- Identification of Medications covered by Medicaid
- Emergency Room (ER) to Inpatient Authorization
- Radiology Pre-Authorization
- ER Registration
- Lab Registration Insurance Verification

What is Lean???

Lean philosophy for health care is focused on:

- Defining value in the eyes of the patients
- Eliminating wasteful steps that add no value to the organization
- Creating flexibility and agility to meet the changing needs of the patient and industry
- Empowering frontline staff by incorporating easy problem-solving tools to use daily
- Doing more with less

Efficient Revenue Cycle Processes

Lean methodologies used for completion of project:

- Collect data: Hospitals track claim denials
- Project Scoping: Determine the issue, identify the process, develop a team, observe
- Map current process
- Work through the project using A3 Problem Solving Tool
 - Issue, Background, Current State, Root Cause Analysis, Target State, Countermeasures, Implementation Plan, Test Outcomes, and Follow Up
- Report out during Wrap Up in February

Why Lean???

Utilizing Lean in health care can potentially:

- Reduce costs by 30-35%
- Improve work and patient flow
- Improve patient and non-patient care processes
- Improve morale, productivity and the bottom line

Montana Outcomes: 10 CAH Participants

Potential Outcomes for improving ONE SPECIFIC PROCESS related to one type of denial:

- 10 facilities proposed a cost benefit of \$1,122,081
- 8 facilities proposed a combined reduction of 5000 claim denials
- 3 facilities proposed a combined reduction of time spent fixing denied claims of almost 800 staff hours
- All facilities expect increased Patient and Staff Satisfaction

ERCP Project Support

KHERF

- Jennifer Findley, Executive Director
- Susan Runyan, KHERF Consultant
- Susan Cunningham, Program Manager Scholarships KHERF

Lean Technical Expertise

- Richard Tucker, Healthcare Performance Partners, a Vizient Company

Efficient Revenue Cycle Processes Project Timeline



Data Submission A3

Title:		Fresh Eyes:	SMEs:	Start Date:
Owner:		Team:		Revision Date:
PDCA - A3				Revision #:
Coach:				
PLAN	Background / Current Conditions		Analysis / Root Cause (5 Whys)	
			Countermeasures to Root Causes	
			Check (Planned vs. Actual Results)	
DO	Problem Statement		Act/Adjust	
	Goals/Targets			
CHECK				
ACT/ADJUST				
Stakeholder(s):				
Signatures:				

Hospital Efficient Revenue Cycle Processes Team

Staff to consider for participation on your facility Team (2 - 4 members):

- Director of Nursing/Chief Nursing Officer
- Front Line Staff Member(s)
- Business Office Manager
- Health Information Management
- Quality Manager
- Department Leads

Ready for the Opportunity?

Next Steps

- Look over Participation Agreement
- Gather potential team
 - Discuss potential process for improvement
 - Ensure time available to dedicate
 - Ensure dates of Kick-Off and Wrap-Up work for team
- Send agreement to Susan Cunningham by October 5

Pre-Work

Susan Runyan will contact each participating facility prior to Kick-Off

- Discuss potential process for improvement
- Discuss observation
- Ensure relevant staff attend meeting
- Ensure adequate data to utilize during Kick-Off
- Allows the team to develop implementation plan at the Kick-Off

Questions?

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