

FEATURE STORY

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trouble at the back end? look at the front end

If your registration data error rate is high, your front end may need help.



It's better to aim at perfection and miss it than to aim at something less and hit it right in the bull's eye.

AT A GLANCE

- > Hospitals should ensure that revenue cycle efficiency begins at the front end.
- > Automating registration quality assurance systems can improve accuracy in claims before they are filed.
- > Automated QA systems save time and labor.

Missing primary care physician's name, incorrect format of subscriber identification number, minor listed as guarantor. Over the past decade, most health systems have installed electronic bill scrubber software to identify registration data quality problems such as these. The goal: to ensure claims are as clean as possible before being submitted. However, registration data correction occurs on the first day *after* the bill has dropped out of discharged-not-final-billed hold status (typically on day four or five). Once a claim has dropped into the billers' queue, the clock is ticking to get that claim out the door as quickly as possible. Re-involving the registrar at this point will slow cash flow and increase days in accounts receivable.

Patient access and patient accounting often struggle over the quality of patient data. Patient accounting feels victimized by poor registration data quality, which this department has to correct. Patient access needs examples of registration errors to use in staff training, but providing these examples on a timely and ongoing basis would require considerable time and effort by patient accounting. Then, too, patient access staff feels that some of the examples that are provided do not represent the greater problem. Thus, the two departments get stuck at an impasse with no clear resolution.

First-Generation Solution: The Manual QA Process

One solution is the manual registration-data quality audit, which involves the use of resources such as a quality assurance analyst, spreadsheet software, and copies of face sheets and insurance cards. A list of registration fields that affect claims being paid, contractual adjustments being applied correctly, and guarantor statements going to the right address is created. Using copies of resources, a QA analyst reviews each identified field in the registration record against the documents provided. Using this manual process, one FTE can review approximately 100 to 150 registrations per day. In many cases, one FTE will not be able to review 100 percent of registrations.

a. Fitch Ratings, *Health Care Special Report: 2002 Median Ratios for Nonprofit Hospitals and Health Care Systems*, August 7, 2002 (www.fitchratings.com). Based on median of sample hospitals in 2001.

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The analyst then documents the registration errors found. Using a database or spreadsheet makes it easier to build reports and search and sort for specific registrations or types of errors. The documentation should store certain vital data, including the account number, registration date/time, registration employee ID, financial class, patient type, field name, corrected value, and type of error. The documentation of errors is essential in identifying problem areas and training needs for registration staff. Error documentation also can be used to conduct a productivity analysis of registration staff and set up benchmarks and rewards for improvement of performance and morale.

This process works but is time-consuming.

Next Generation Solution: Registration Scrubber Software

Registration QA systems attempt to automate much of the review process and provide standardized reporting. The systems let users build edits or rules against the registration fields that will automatically flag potential errors. These edits need to be flexible and intuitive to find the large array of potential problems that can exist in one registration. The rules allow users to automatically check for required fields, the character length of the field, the value of the field, and the value against a specific format (e.g., field must start with three letters and nine numbers or any specific letter or number), and to compare the value in one field against that of another field in the record. These rules also need to be flexible enough to apply only in particular situations, e.g., a specific insurance plan or financial class.

The systems also validate the guarantor address used to mail statements to self-pay patients, thereby reducing the number of statements returned with a bad address and improving timely payments. Using these automated error-checking procedures, the systems can then build work lists for QA analysts to quickly and efficiently review the accounts. The work lists are customizable to allow analysts to focus first on accounts that have been flagged with errors based

on the rules and then, if time permits, move to other accounts.

The QA systems come with many standard reports to show analysts the errors and their cause. They allow analysts to see the error percentages broken out by patient type, financial class, and insurance plans and provide additional detail and show the registration employees' errors. The systems provide a way to benchmark or gauge productivity of each registration employee and separate new employees from veterans. The report systems allow users to save reports in multiple formats, e-mail them to colleagues, or work with the data further.

Taking Action

Sensitizing staff from the CFO to patient access employees regarding this issue has triggered an enormous effort to define standards, train staff, implement a review process, and build measurement reports and databases to assess the seriousness of the problem and whether efforts to improve are having a positive impact. In many hospitals, establishing a QA process has resulted in a significant increase in hours spent completing a manual audit or QA review. In addition, spreadsheets and databases are built and fed manually to ensure that the error data are tracked and reported. For processes that are better than average, users may even have management reports and a method for providing feedback to patient access employees.

So is the process worthwhile? Absolutely, but only if you strive to achieve the following goals:

- > Maximize accuracy *before* the claim or guarantor statement generates.
- > Analyze your business process using objective data.
- > Assess the efficiency of your registration process.
- > Assess individual performance and training requirements.
- > Provide regular feedback to all patient access employees to improve efficiency and employee morale.
- > Document and communicate error-checking

criteria to all staff who complete registrations, audit the registration records, and use reports containing performance data.

- > Maximize consistency to build credibility and ensure success that is repeatable no matter who does the checking.
- > Automate where possible and for good business reasons.
- > Achieve or come close to completing a QA review on 100 percent of your registration records before billing.

QUESTIONS TO ASK ABOUT YOUR QUALITY ASSURANCE PROCESS

Measurements and Productivity

- How many registrations do you average per day? Per month? Per year?
- What percentage of total registrations do QA staff members review?
- What percentage of total registrations are reviewed and corrected before billing occurs?
- What is your current average error rate?
- Do you have an accuracy target? Is it known to all and measured consistently?
- Do you have productivity objectives for QA staff members?

Tools and Information System Resources

- What health information management system do you use for entering registrations?
- What imaging system do you use?
- What "homegrown" tools, databases, etc., have been built? Who maintains them?

People Resources

- How many FTEs are devoted to QA?
- To whom do they report?
- What is the estimated number of hours others spend doing research and correcting errors?

Business Process

- Do you have a QA process?
- At what point are accounts reviewed?
- What documentation is used to review accounts?
- What is being reviewed? Do you have a documented list of what to look for?
- How are corrections made in your registration system?
- How are error statistics recorded and maintained?
- What types of reports are produced?
- How is feedback provided? How often? By whom?
- Are data analyzed to identify training needs?
- How are error-checking criteria communicated to patient access employees?
- Is the entire process documented?
- Do you have a change control process to ensure approval and communication to appropriate people when QA procedures change?

Meeting the above criteria can yield a big pay-back. An effective review of registration data will catch errors in inaccurate guarantor addresses that result in returned mail expense and delays in collections. Every registration record has the potential to have an error that drives much manual effort to research problems by the biller, correct the registration data, and delay billing the account. If you feel that the accounts with errors will eventually be caught by billing scrubber software and corrected, consider the potential savings in billing-staff hours spent on correcting registration demographic errors when registration scrubber software is implemented. Failure to review the accuracy of registration data before the claim errors out of the billing scrubber software may delay the billing of the claim by one day beyond the bill hold period.

The human resource implications are material. Reviewing, researching, and correcting routine registration errors is probably costing a lot more in labor hours than you think—not to mention increasing staff frustration. Any time you can take emotion out of the equation by documenting expectations and providing consistent, objective measurements, you need to do it.

Increasing Front-End QA Effectiveness

To determine whether you have a problem, how bad it is, and what actions are needed to fix it, you have to ask the right questions. Ask staff at all levels in patient access and PFS areas to test the validity of the answers. Let the answers drive some new questions and take you where they may. You don't want to implement procedures that won't get you closer to achieving your goal.

The questions in the sidebar at left are aimed at understanding your posture from an operational perspective, including all the resources at your disposal. Leveraging those resources to execute a consistently effective process can be difficult. Behind the dark cloud of system limitations, departmental procedures, training inconsistencies, hospital policy changes, and personnel turnover, however, there is a silver lining. The better your performance in producing consis-

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tently high levels of accurate data from the front end, the better your ability to positively influence this critical first step of the revenue cycle.

As employees begin to trust the process because of its structure and repeatable success, they, too, will be positively influenced. An incentive program for patient access staff should also be considered.

You need to track and monitor the overall attainment and effectiveness of your QA process for at least six months. This monitoring will ensure that you have a working process, consistent reporting, and a reasonable accuracy target that challenges your staff and your process every month. With this type of benchmark, you will have credibility and a much more solid business case upon which to build your incentive program.

Next, you need to automate some of the tasks and procedures within the process. The tool used must serve the business process. If you haven't determined what data need to be collected and measured, and what business purpose the data will serve, you don't need a database and reporting tool.

The Riverside Health System Experience

Riverside Health System, Newport News, Va., began using a manual registration audit process

about two years ago. With this process, one FTE could perform only 20 registration audits per registrar per month, which were not enough to make statistically valid sample sizes. The health system averages more than 9,000 registrations per month. The registration staff did not believe the audits were valid because the sample was sometimes taken from one day, or they felt the audited registrations did not represent the overall quality of their work.

Any time you can take emotion out of the equation by documenting expectations and providing consistent, objective measurements, you need to do it.

Given the time these audits took, claims typically had already been sent by patient accounting, making audit results useful only for education purposes. The revenue cycle management team was frustrated that manual efforts were not able to achieve the desired outcomes. A bolt-on software product that scrubbed the registration data quality was implemented in the health system's three acute care facilities. Two months after implementation of the automated registration scrubber tool, the registrars fully embraced making their own corrections and learning from their mistakes.

DO'S AND DON'TS OF AUTOMATING YOUR QA PROCESS

Do

Consider what tasks can be automated and what the benefit will be (e.g., consistency in reporting, elimination of manual effort, increased productivity, etc.)

Make the tool, procedure, or system work to the benefit of the business process.

Seek tangible benefits, and ensure a benchmark process to accurately measure improvement.

Don't

Build a "monster" process of databases, spreadsheets, and documents that can be understood and maintained by only one person.

Automate for the sake of automation.

Depend on solutions that have multiple points of manual intervention, such as data entry.

During the initial phase of the implementation, registration errors were reduced from several pages to one and a half pages per day. The QA system identified data errors that patient accounting knew were wrong but had not communicated to patient access. Also identified were system interface issues where data fields that were completed by the registrars were not flowing to the patient accounting system accurately or completely.

One FTE now can perform audits on 100 percent of registration demographics in 45 minutes a day. Riverside's accuracy rate has risen from 50 percent to 88 percent, resulting in the clean billing claim rate growing from 62 percent to 84 percent. These improvements in claim accuracy have allowed the health system to reallocate 50 percent of its original seven billers to other functions. In addition, the numeric results tied to each registrar have enabled the health system to institute a quarterly incentive program based on registration accuracy.

Patient accounting tracks the top 10 billing errors caught by the bill scrubber software. Before implementation of the automated QA system, registration errors were always among the top 10. Since implementation, registration errors have fallen off the list. The billers can now spend their time on more meaningful pursuits, and the registrars are taking more pride in the quality of their work. Relations between the patient access and patient accounting departments have improved dramatically.

What's the Fuss?

The bottom line is an improved bottom line. In addition, automating the registration process will improve morale, foster collaboration, and provide feedback. In today's complex environment, functions and departments need to cooperate. Key to the health of your revenue cycle is the relationship between patient access and PFS. Build the foundation for teamwork by creating an objective and measurable process that leaves little room for interpretation.

So now you know what all the fuss is about. It's about quality, accuracy, and efficiency in a business process that can affect financial performance and employee morale. It's about understanding that PFS is a complex business. It's about constantly seeking improvement to operational efficiency by eliminating manual intervention and subjectivity in your QA business process. Turn your front-end data into a valuable asset by cleaning it up as early in the process as possible. ●

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