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Revenue Cycle Reporting Keeps Operations on Track

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How can you tell if a hospital's business operations are well managed or if managers of these areas have a handle on current processes and where to make improvements? Look at regularly produced tracking reports from these departments. If there are no reports, the reports produced are not used, or if managers cannot interpret report data, there very likely are serious problems. Without data and a clear understanding of its meaning, productivity and process issues cannot be identified, let alone corrected. When business office managers regularly use tracking reports to make management decisions, institutions have a better chance of being well managed, succeeding at process improvements, and recovering more cash quicker.

So what reports should be produced and reviewed on a regular basis? Reports should track activity at each step in the revenue cycle outlined below and at a minimum should provide data to answer the following questions.

1. Patient enters hospital for services.

How many patients are scheduled for elective procedures versus walk-ins?

How many scheduled patients are pre-registered?

What are the reasons for unscheduled and unregistered patients?

How did these patients impact wait time?

2. Patient provides demographic and financial information.

How many patients are missing information vital for billing?

Are registrations audited? If so, what is the registration accuracy rate?

How much self-pay money is collected at time of service versus the total patient portion due?

3. Patient receives service(s).

How many accounts and dollars are held up after the system hold period due to missing or bad information?

What are the volume, dollars and types of charges that come through after the bill drops?

4. Patient's medical record is coded.

How many accounts and dollars are held up in Medical Records exceeding the system hold days?

What is the average turnaround time from Medical Records for information requests from the business office?

5. The patient account is billed.

How many accounts scheduled for billing by the system are sent electronically or mailed? Where are the others?

How many accounts and dollars are held up for missing information?

What is the average age of these accounts prior to correction and billing?

How many accounts and dollars sent electronically were rejected or delayed due to missing or erroneous data? How quickly are accounts corrected and resent?

6. Patient and third parties make payments until the account has a zero balance.

How quickly are statements for self-pay balances sent to patients?

How many days after billing does an unpaid account receive follow-up? How many days between follow-ups?

When is an account considered delinquent?

How many accounts are rejected, denied, and underpaid by payer

type? How much in dollars? What is the process for handling these types of accounts?

How many patient and third party letters, phone calls, and inquiries does the business office receive? How quickly are inquiries resolved?

Are records or statistics kept on patient and third party correspondence?

Other general revenue cycle questions that should be routinely answered:

What is the revenue days outstanding by area?

- In house
- Discharged but not final billed (DNFB)
- Billed A/R

How many dollars and accounts are over 90 days from discharge?

What is the percentage of accounts and dollars over 90 days?

What are the dollars and number of credit balances and what do they equate to in revenue days?

As you might imagine, each question can lead to many other salient questions about your institution's revenue cycle. However, if just these basic questions are consistently asked and answered, most revenue cycle problems will be identified early and financial crisis can be avoided. It's just a matter of good reporting, so essential to revenue cycle managers getting the answers they need.



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