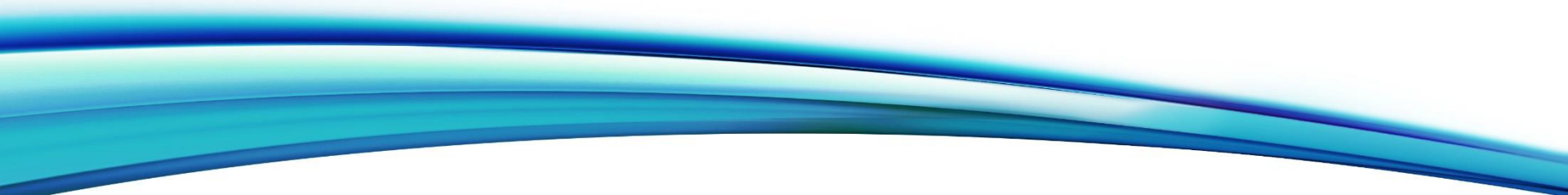SPECTRUM HEALTH

Revenue Cycle Digital Transformation

Spectrum Health
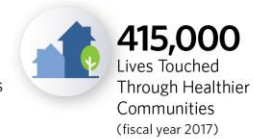Jason Joseph, SVP Chief Information Officer
Amy Assenmacher, SVP Finance - Revenue Cycle

Becker's Hospital Review

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Mission: Improve health, inspire hope and save lives

31,000 Employees

$6.5 Billion Enterprise*

$483 Million Community Benefit*

$30 Million Philanthropy*

3,200 Volunteers

4,200 Physicians and Advanced Practice Providers (employed and independent)

14 Hospitals

230 Ambulatory Sites (including integrated care campuses, urgent care centers, walk-in clinics and physician offices)

87,000 MedNow Telehealth Visits 24/7

415,000 Lives Touched Through Healthier Communities (fiscal year 2017)

Priority Health A Health Plan with 1 Million Members Served (fiscal year 2018)

7,000+ Employers Contracted by Priority Health

97% Michigan Providers in Network

Venture Capital $100 Million Fund

*Calculated based on most recent fiscal year data for Spectrum Health and Spectrum Health Lakeland   6.12.2019
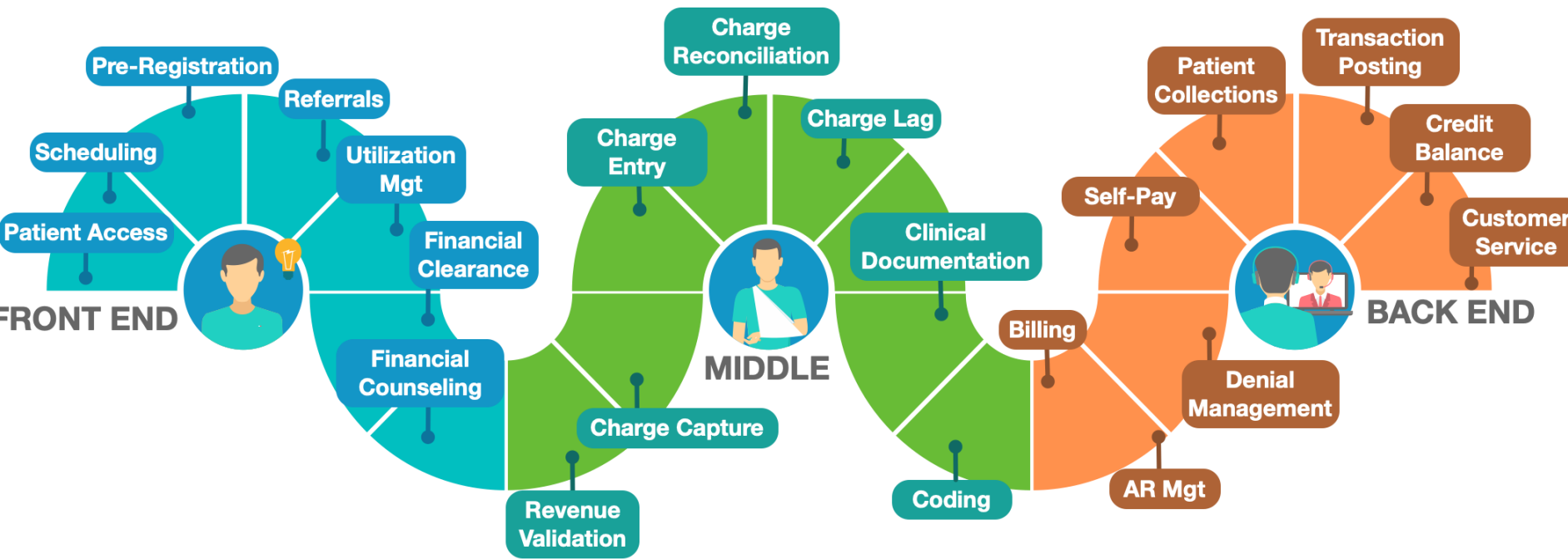
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Driving Forces

- Epic Implementation
- Leadership Change
- Physician Adoption

Focus Areas

- Patient Experience
- Cost to Collect
- Epic Optimization
- Cash Acceleration
- Net Revenue

Approach

- Business Process / Epic Workflows
- Non-Labor Costs
- Technology
- Staffing and Productivity
- Rev Cycle of the Future Workshop
- Reporting / Analytics

24 Month Roadmap

- Enhance Performance
- Improve Financial Benefits
- Expand User Adoption
- Enhance Reporting & Analytics
- Update Operating Model
- Continuous Education & Quality Improvement

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Transformation Workstreams

1A. – Patient Access Service Centers (PASC)	1B. - Schedgistration	2. - Patient Liability Management	3. - Clinical Documentation Improvement (CDI)	4. - Underpayments
Consolidate fragmented Pre-Registration and Financial Clearance	**Migrate to an integrated scheduling and registration model**	**Improve patient liability collection and increase efficiency of vendors**	**Improve overall quality & accuracy of clinical documentation to support accurate reimbursement**	**Prevent underpayment revenue leakage**

5. - Physician Coding	6. - Revenue Management	7. - PFS Workforce Management	8. - DNFB Reduction	10. - Revenue Cycle Operating Model
Improve accuracy of E&M code selection and migrate to exception-based coder review	**Implement processes to appropriately align ED E&M levels with acuity & resource usage**	**Work AR backlog and transform PFS workforce**	**Lower overall Discharge Not Final Billed levels**	**Build out Spectrum Health's revenue cycle support capabilities**

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Revenue Cycle Data Flow
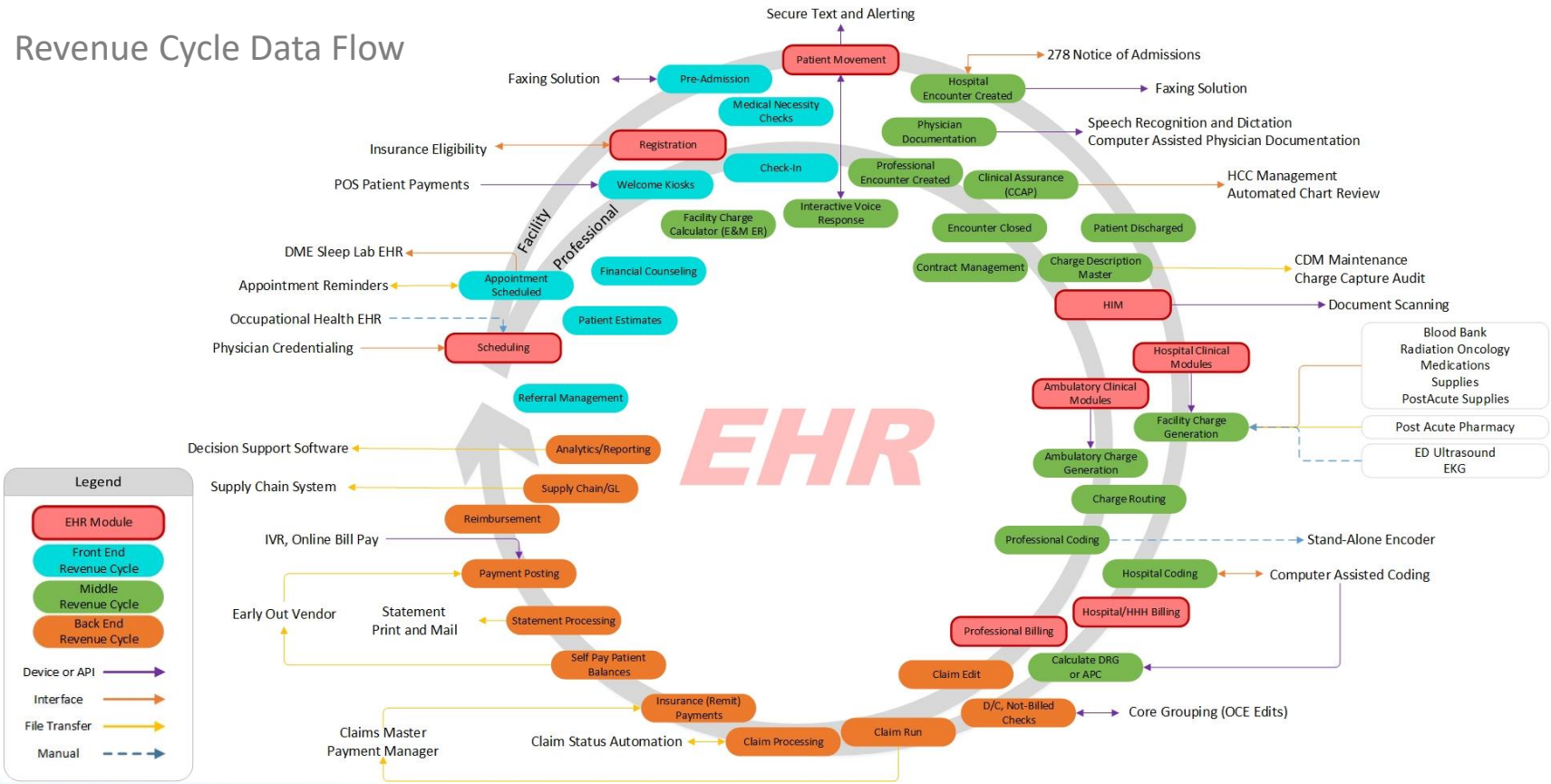
Transformation Digital Enhancements

1A. - Patient Access Service Centers (PASC)

- **Epic patient workqueue optimization**
- **RPA for automated authorizations**
- **Epic Prelude enhancements**
- **RTE functionality**

1B. - Schedgistration

- **Epic Cadence Decision Trees**
- **Telephony infrastructure & configuration**

2. - Patient Liability Management

- **Epic Patient Estimation**
- **Epic Financial Assistance**
- **Epic Single Business Office**
- **Epic Cash Drawer Module**
- **Patient Statements**

3. - Clinical Documentation Improvement (CDI)

- **M*Modal CDI Engage / Collaborate**
- **Epic Documentation Templates**
- **Epic Reporting Workbench**

4. - Underpayments

- **Epic Expected Reimbursement Calculator**

5. - Physician Coding

- **Custom Epic SmartForms for E&M suggestions**
- **Epic charge review workqueue optimization**
- **Exception based charge review system logic**

6. - Revenue Management

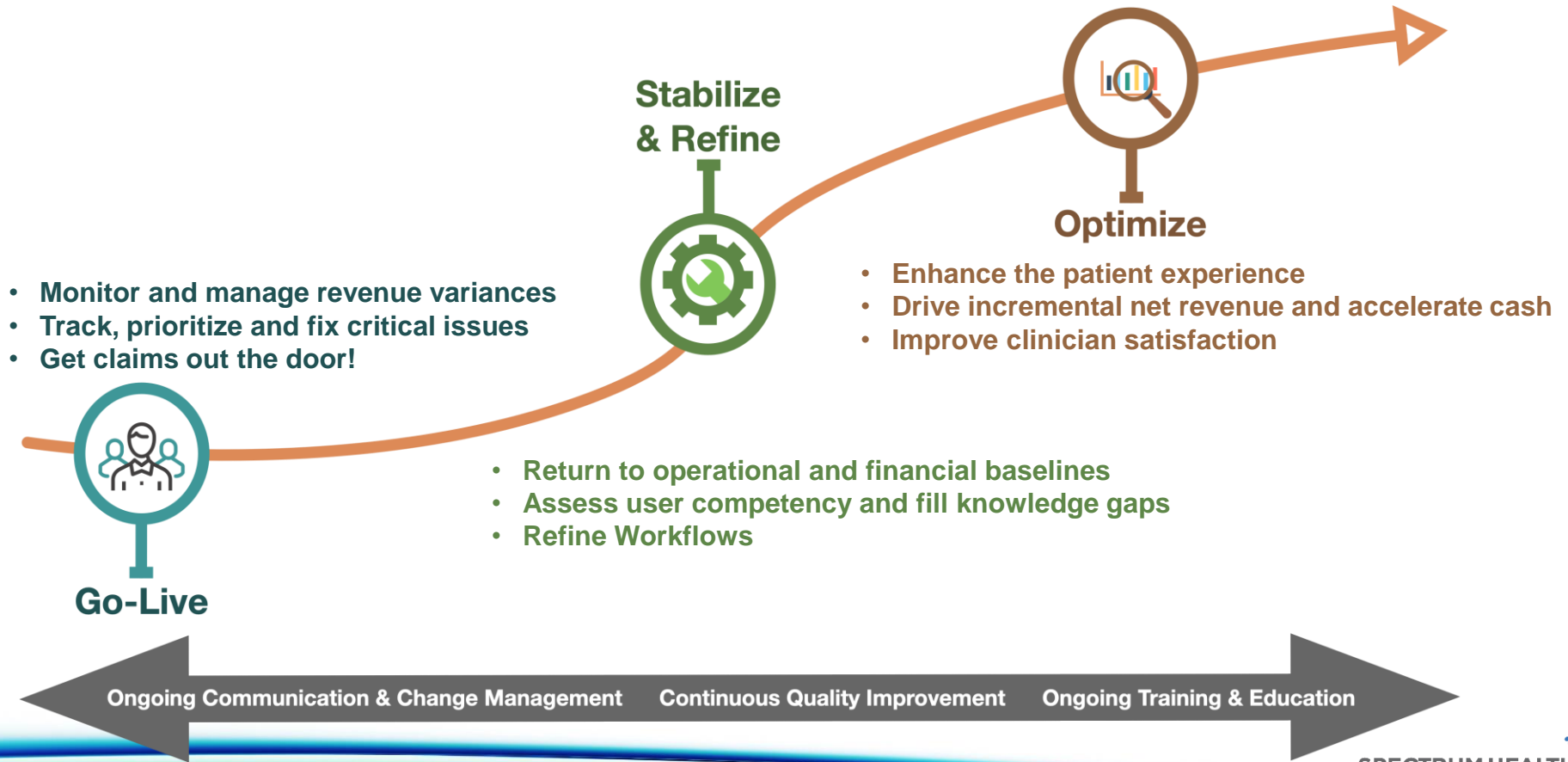- **Epic ASAP Module for ED levels**
- **Epic Revenue Guardian**

7. - PFS Workforce Management

- **Epic workflow optimization**
- **RPA for claims statusing**

8. - DNFB Reduction

- **Claim edits rationalization**

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Stabilize & Refine

Optimize

- Monitor and manage revenue variances
- Track, prioritize and fix critical issues
- Get claims out the door!

- Enhance the patient experience
- Drive incremental net revenue and accelerate cash
- Improve clinician satisfaction

- Return to operational and financial baselines
- Assess user competency and fill knowledge gaps
- Refine Workflows

Go-Live

Ongoing Communication & Change Management   Continuous Quality Improvement   Ongoing Training & Education

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Transformation Journey By The #'s

PB Gross AR Days
HB Gross AR Days

Baseline	May 2019
47.1 Days	36.8 Days
70.2 Days	50.5 Days

FY 2019 $63.7M — Net Revenue Benefits

PB Denial Rates
HB Denial Rates

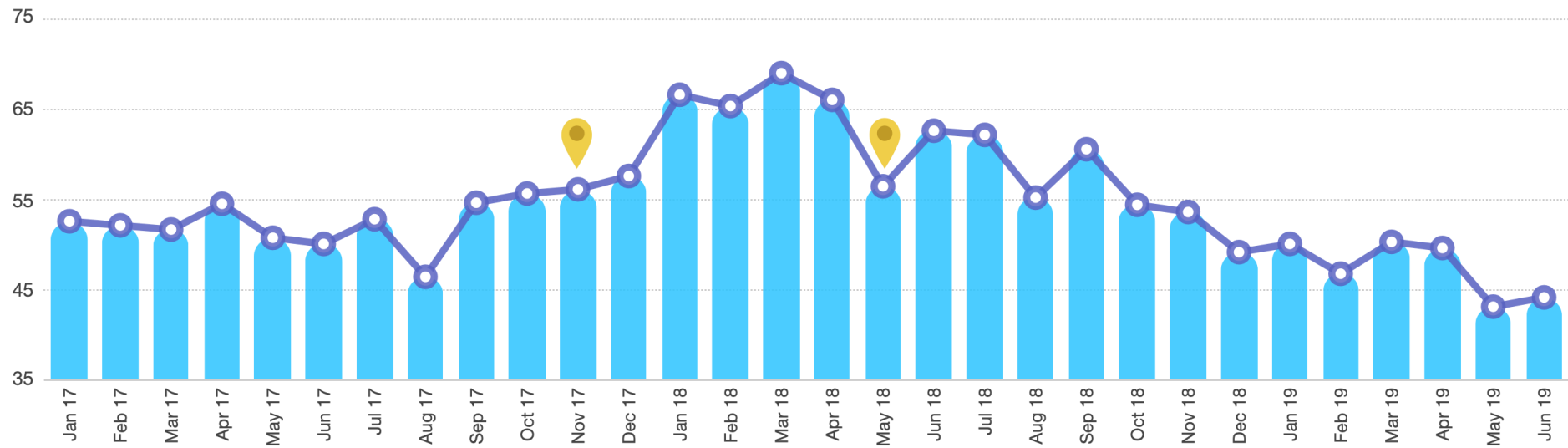| Baseline	May 2019
8.4%	5.1%
11.6%	10.1%

FY 2019 $48.3M — Cash Acceleration

PB %AR > 90 Days
HB %AR > 90 Days

Baseline	May 2019
24.7%	22.6%
30.0%	18.5%

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Net AR Days

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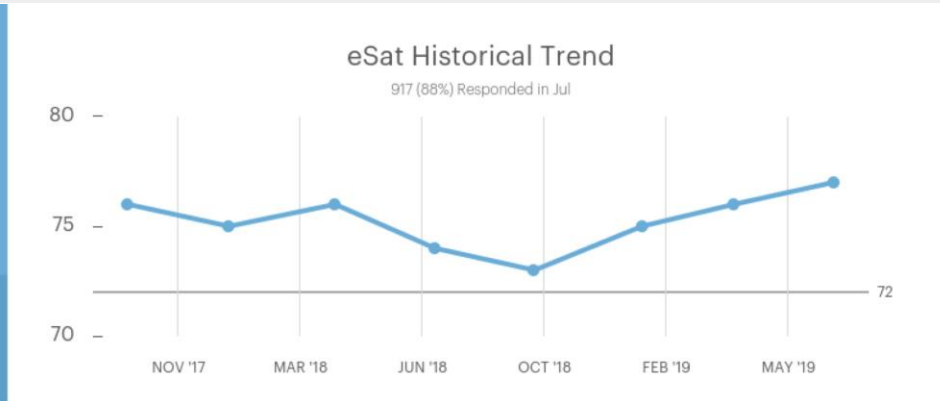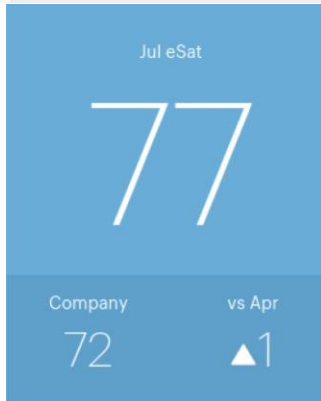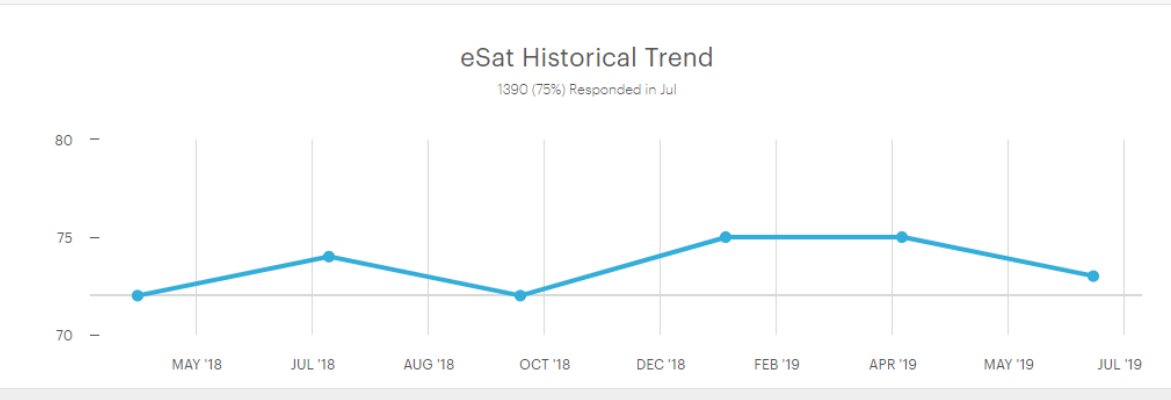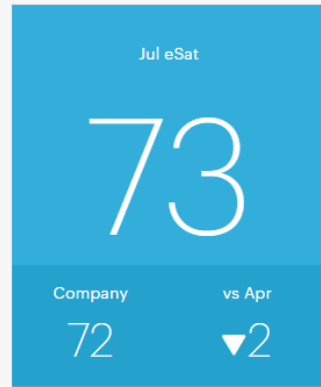
1. Create a burning platform

2. Establish IS / Revenue cycle leadership alignment

3. Communicate clarifying objectives

4. Create a dedicated *team* on both sides working toward the same goal

5. Keep momentum and celebrate milestones

6. Leverage consulting for best practices

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