



Mastering the Revenue Cycle

KLAS CATEGORY LEADER PATIENT INTAKE MANAGEMENT 2019



Our mission: Creating a better, more engaging healthcare experience



54M

patient visits
annually



4.1M

staff hours
saved annually



All 50 states

have Phreesia
clients



235M

insurance checks
annually

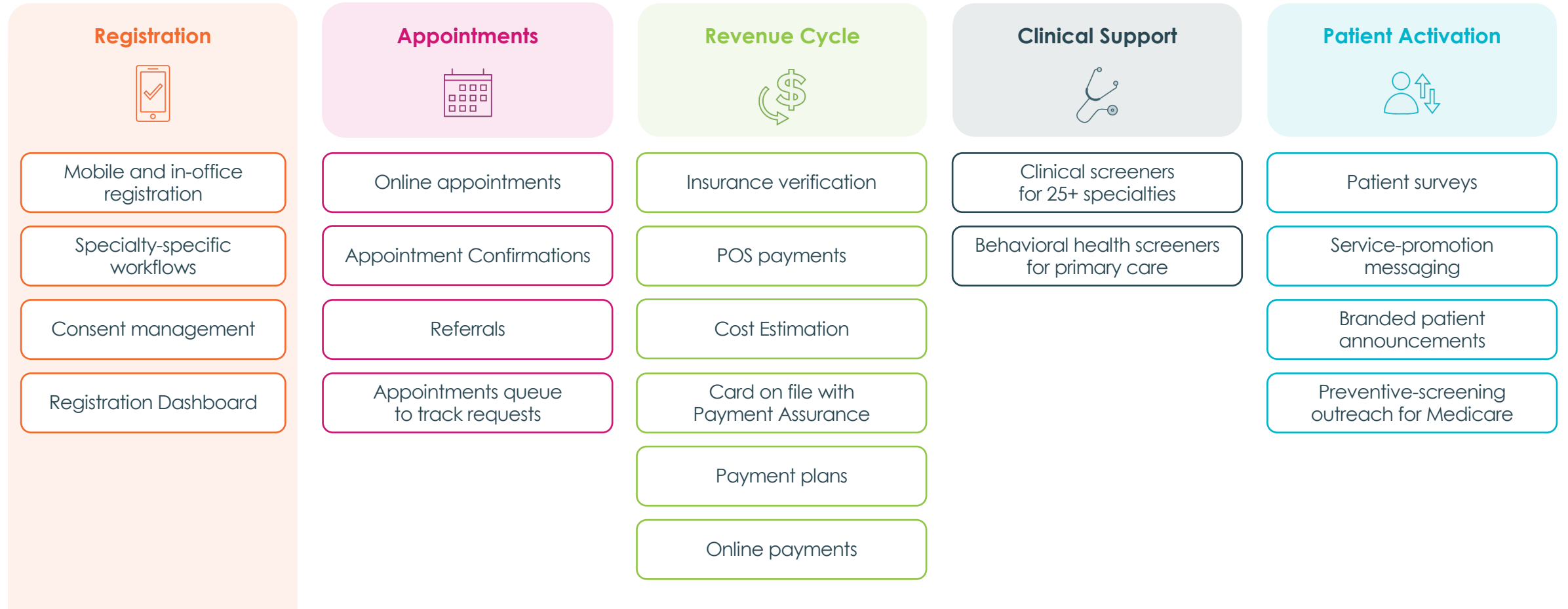
We're honored to have those efforts recognized with many of the industry's most well-known certifications:



2019 KLAS Category Leader
Patient Intake Management



CREATE A PHREESIA SOLUTION WITH APPLICATIONS THAT FIT YOUR ORGANIZATION



Patient Intake Platform



Real-time **integration**
with leading PMs and EMRs



Robust **analytic** tools

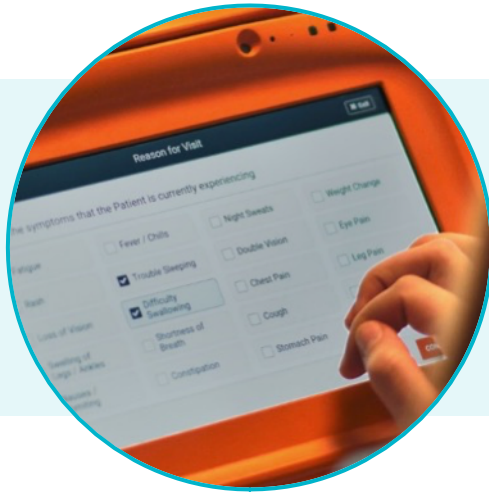


Commitment to **privacy** and **security**

INTERACTING WITH PHREESIA



Mobile



PhreesiaPad



Arrivals



Dashboard



RCM

Mastering the Revenue Cycle

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Speaker, Author, Trainer

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- DrPH Student, *Bloomberg School of Public Health, Johns Hopkins University*
- MBA, *Wharton School of Business, University of Pennsylvania*
- BA, *Duke University*
- Fellow, American College of Medical Practice Executives
- Certified Professional Coder
- Author, 17 textbooks and more than 500 articles
- Founder and Principal, Woodcock & Associates
- Founder and Executive Director, Patient Access Collaborative
- Former Consultant, Medical Group Management Association; Group Practice Services Administrator; University of Virginia Health Services Foundation; Former Senior Associate, Health Care Advisory Board

Agenda

LET'S GET
STARTED



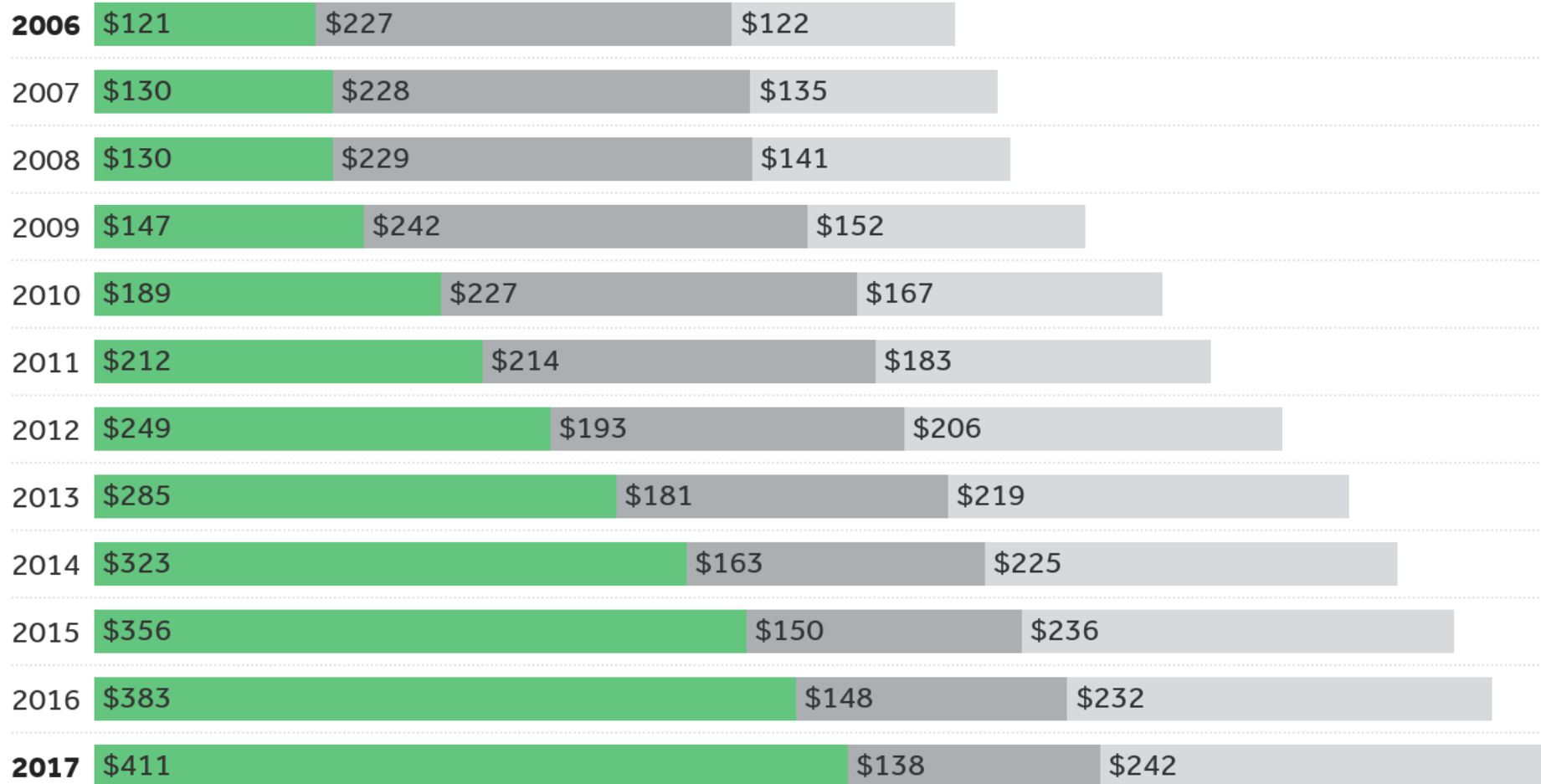
- Call to Action
 - Market & Regulatory Forces
- The Revenue Cycle
 - Three Components
 - Feedback Loop



Patient Financial Responsibility is Rising

Average out-of-pocket spending among people with large employer coverage, by type of spending, 2006 - 2017

■ Deductible ■ Copay ■ Coinsurance



Source: KFF analysis of data from IBM MarketScan Database and the KFF Employer Health Benefit Survey

Peterson-Kaiser

Health System Tracker

Call to Action

- Patient healthcare costs – including both deductibles and out-of-pocket maximum payments – have increased by almost 30% percent since 2015.
- 69% of providers saw an increase in patient responsibility compared to 2017.
- **It costs four times more to collect from a patient than it does from an insurance company.**

Sources (listed in order):

Black Book 2017 Revenue Cycle Management Survey.

Trends in Healthcare Payments Ninth Annual Report: 2018 by InstaMed.

The Rise of Self-Pay Accounts (2015 February 9.) INN Insider.

Call to Action

Patients who are



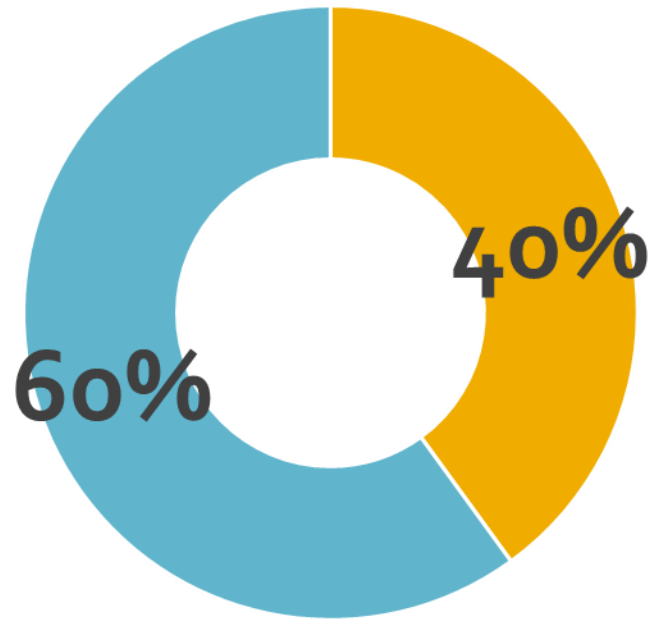
with their providers' bill



Source: Connance Consumer Impact Survey 2014

Call to Action

Opportunity to Improve



Four in ten ***insured*** adults ages 18-64 say there has been a time in the past 12 months when they received an ***unexpected*** medical bill

Source: September 2018 Kaiser Health Tracking Poll



This isn't just about short-term revenue gains; this is about the long-term sustainability of our organization.

Call to Action



“...specifically require hospitals to make public a list of their standard charges via the Internet in a machine readable format, and to update this information...”

Coleman County Medical Center
Charge Master
As of 1/1/2019

CHARGE CODE	DESCRIPTION	RATE
3010010	#DEBRID SKIN PARTIAL T	\$104.00
3010011	#FLU ADMINISTRATION	\$84.00
3010013	#PNEUMONIA ADMINISTRATION	\$84.00
3010015	ACENTESIS ASPIRATE INJ JN	\$145.00
3010016	ADMIN HEP B PED/IM	\$22.00

Source: CMS. Fiscal Year (FY) 2019 Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long-Term Acute Care Hospital (LTCH) Prospective Payment System Final Rule (CMS-1694-F)

Call to Action



EXECUTIVE ORDERS

Executive Order on Improving Price and Quality Transparency in American Healthcare to Put Patients First

— HEALTHCARE | Issued on: June 24, 2019





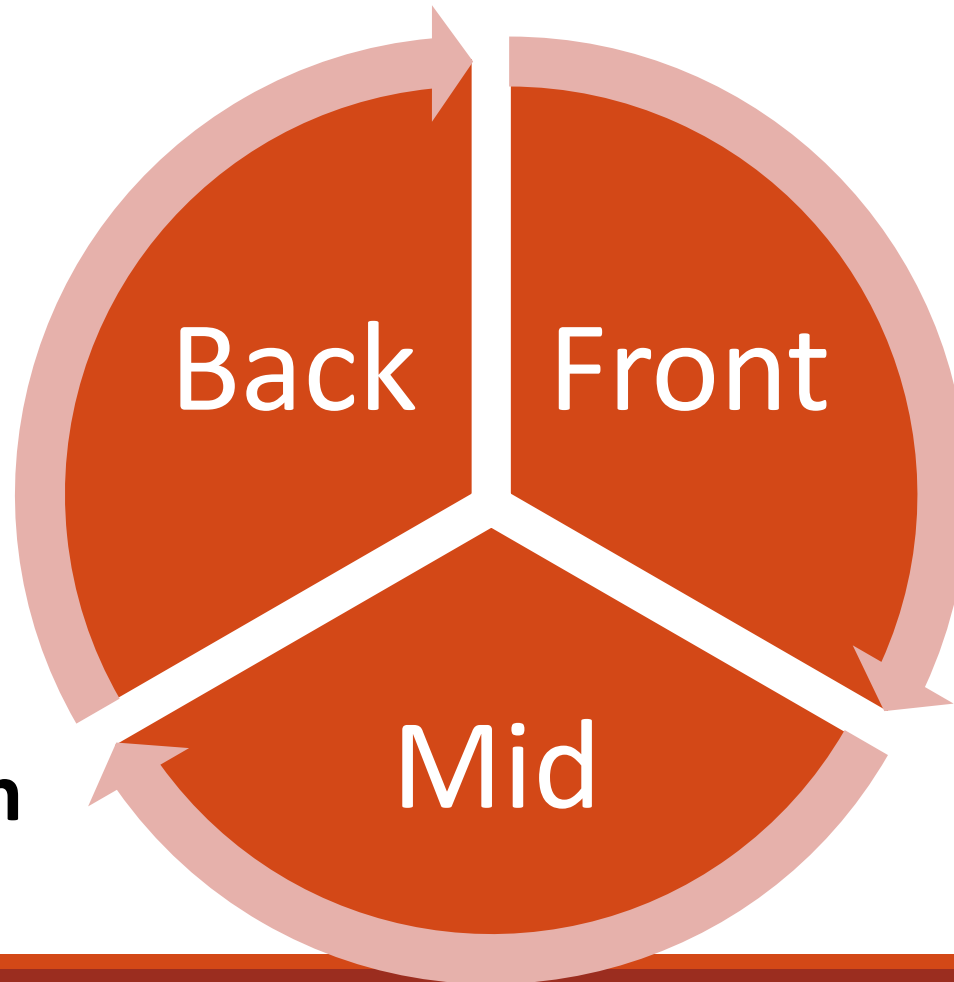
How can I solve for this?



Revenue Cycle

- **Collections**

- **Charge Preparation**
- **Rejections**



- **Scheduling**
- **Pre-Arrival**

- **Arrival**
- **Estimation/
Collection**

Revenue Cycle

- Collections

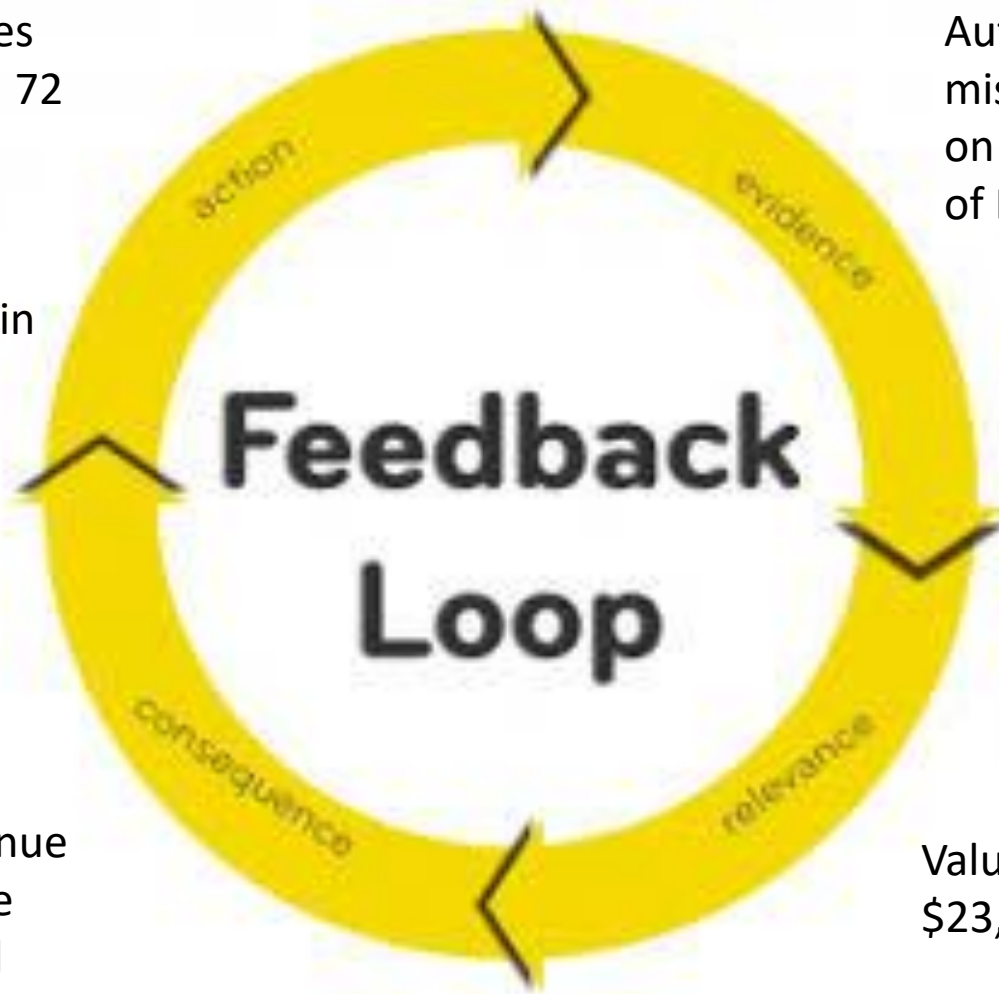
- Charge Preparation
- Rejections



- Scheduling
- Pre-Arrival

- Arrival
- Estimation/
Collection

Map those payers and those services to workqueue → 72 hours prior to confirm pre-authorization received; maintain on worklist until achieved



@\$8,224 in revenue written off in one month; potential \$96,000 annual loss

CARC CO15 (The Authorization number is missing...): 214 services on August 2019 Report of Denials

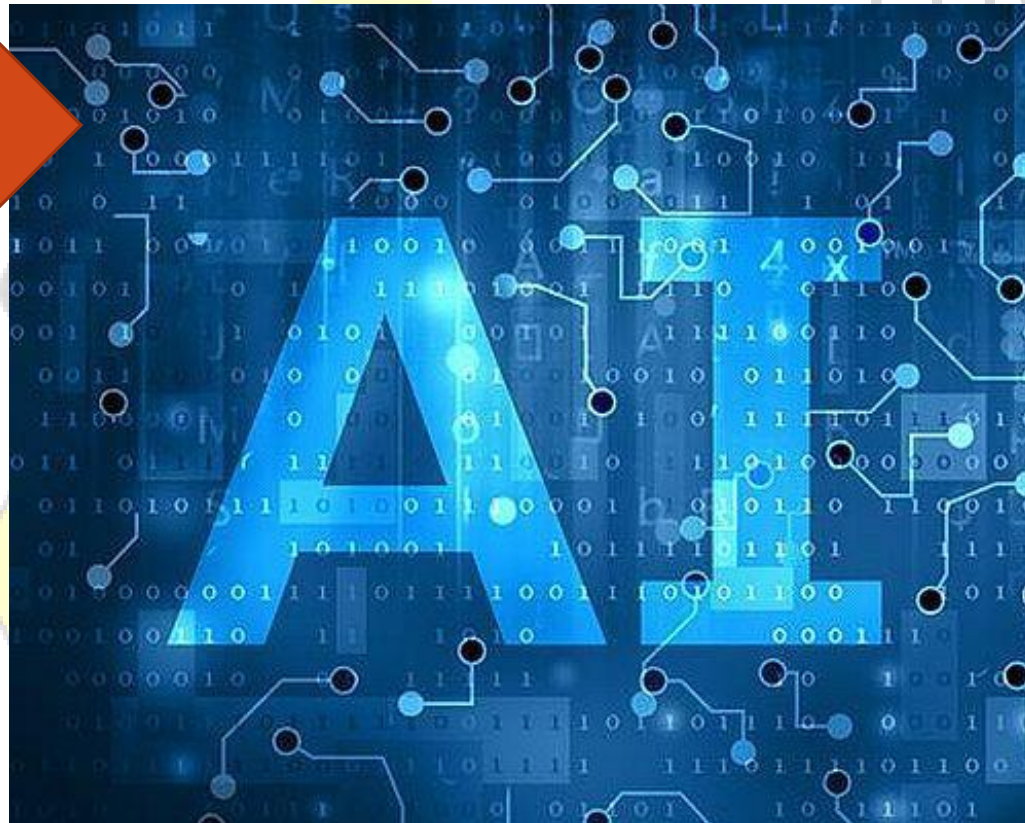
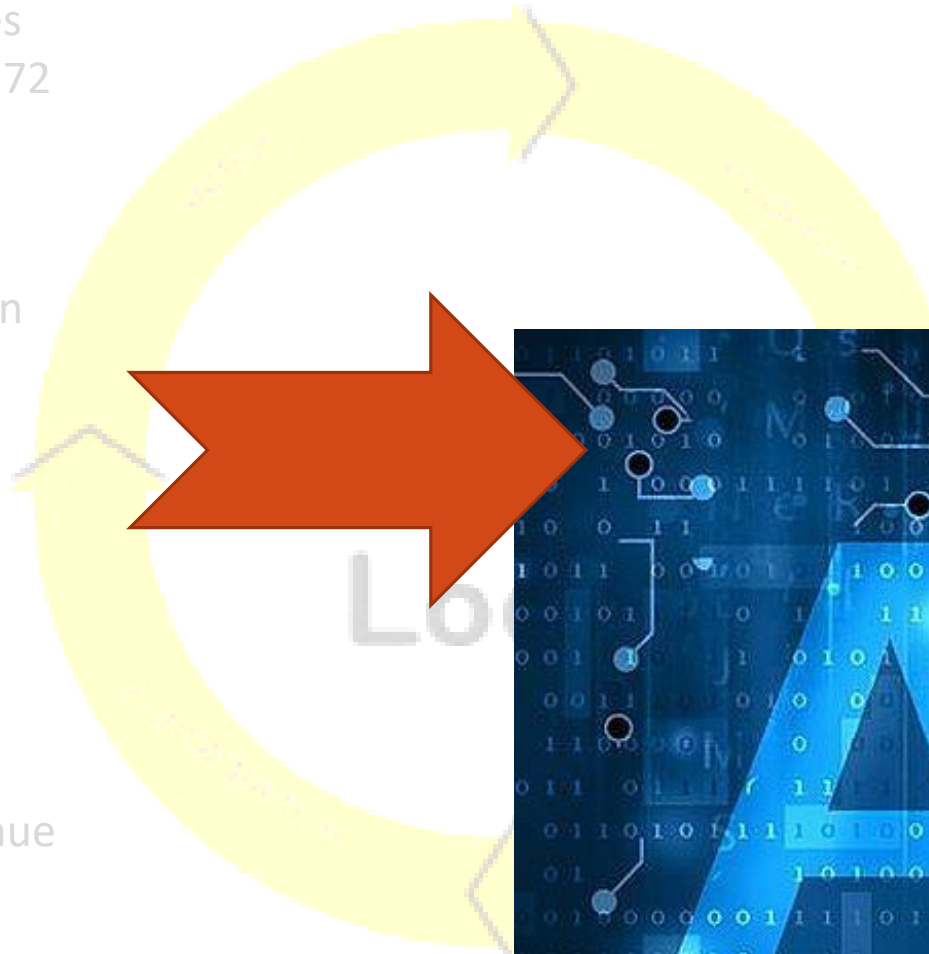
The Power of the Loop

Value of 214 services = \$23,417 in charges

Map those payers and those services to workqueue → 72 hours prior to confirm pre-authorization received; maintain on worklist until achieved

@\$8,224 in revenue written off in one month; potential \$96,000 annual loss

CARC CO15 (The Authorization number is missing...): 214 services on August 2019 Report of Denials



The Power of the Loop

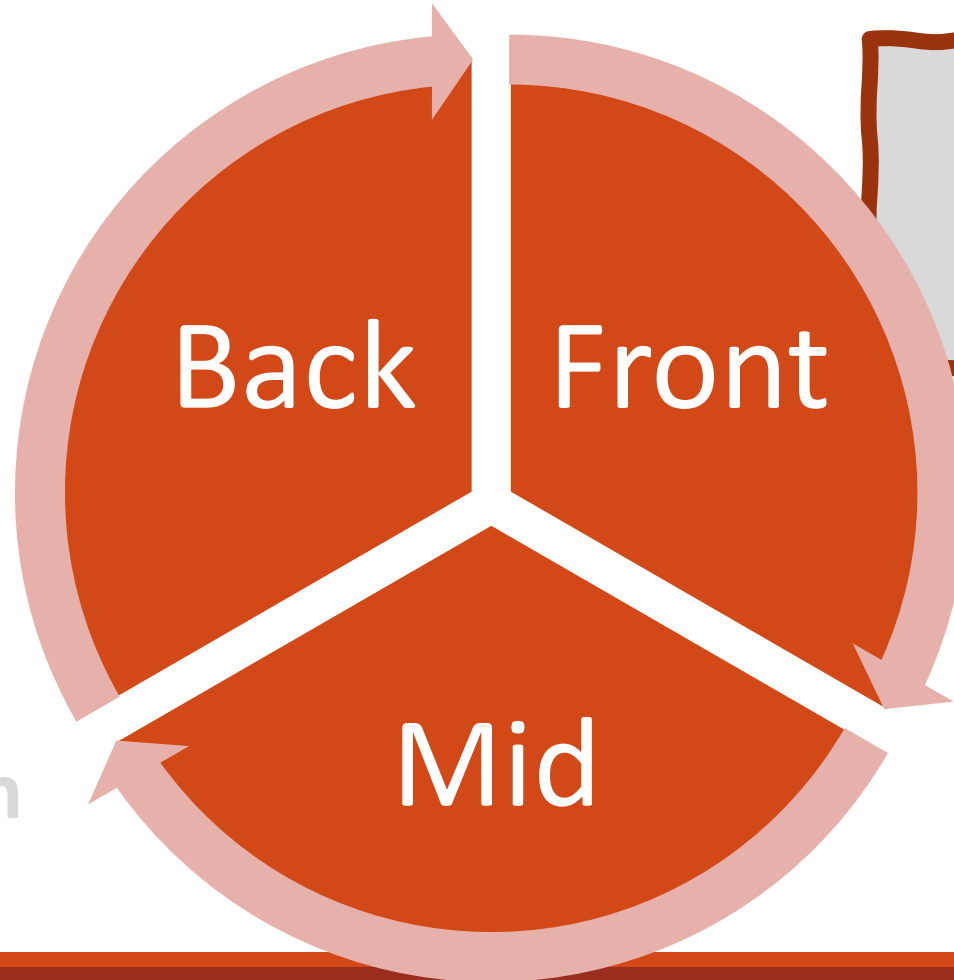
- **Prior Authorizations**
- **Pre-Certifications**
- **MCD Eligibility**



Revenue Cycle

- Collections

- Charge Preparation
- Rejections



- Scheduling
- Pre-Arrival

- Arrival
- Estimation/
Collection

Front-End



Front-End

...the average person **changes jobs** ten to fifteen times...during his or her career.

- Bureau of Labor Statistics January 2018

Minimum of...



Of the patients you schedule will have changed insurance – and all of your new patients will obviously have new insurance too!

Front-End



Registration

Pre-Arrival

- What is an “exception?”
- When it is queued? When is it worked?
- Who is accountable for working it?
- What happens if it can't be “worked?”



Front-End



Registration

Pre-Arrival

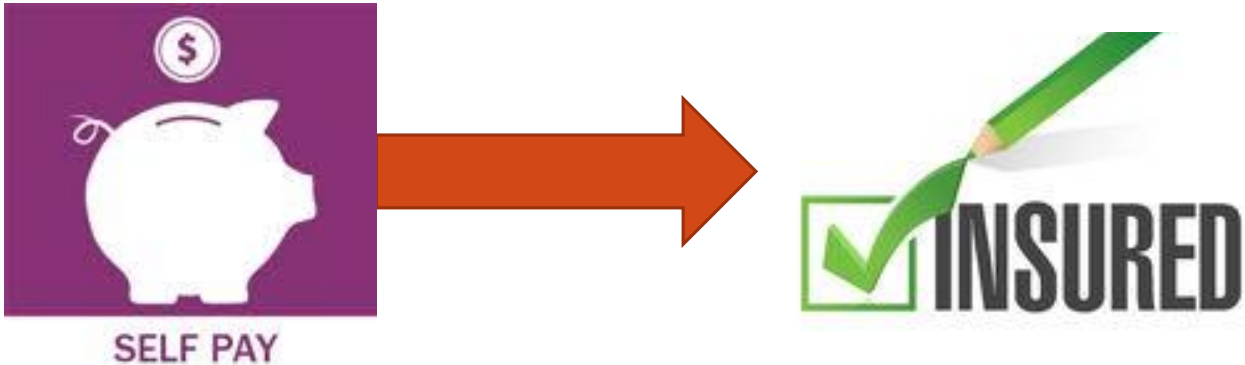
Market Driven

- Who is accountable for working it?
- What happens if it can't be "worked?"

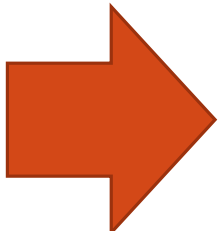
Exception Handling

5%

Front-End



Front-End



VULNERABLE

Eligibility



Mid-Cycle



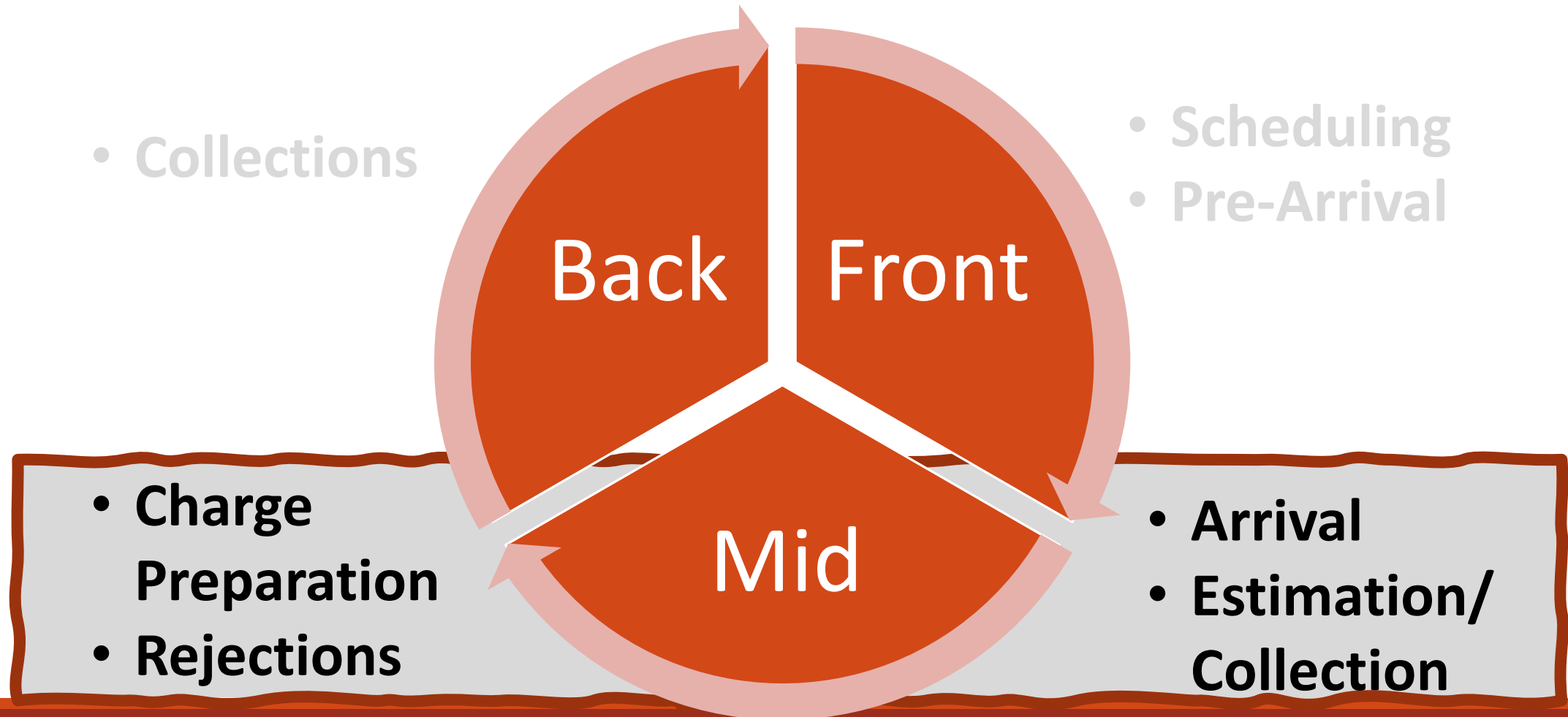
Reception



- ✓ **Directors of First Impressions**
- ✓ **Directors of Denial Prevention**
- ✓ **Directors of Price Transparency**
- ✓ **Directors of Point-of-Service Collections**



Revenue Cycle



Mid-Cycle

How would you like to take care of your copayment today, Ms. Jones?

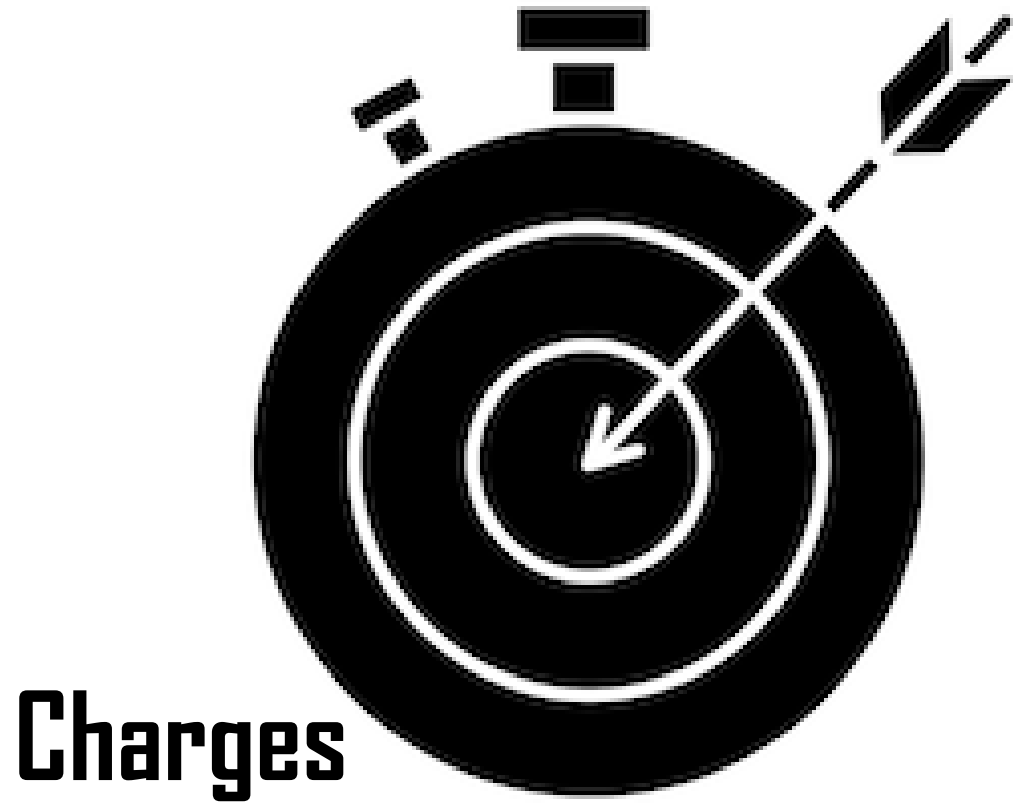
“Ms. Jones, our practice’s policy is to request payment at the time of service. Your insurance plan requires a copayment of \$_____. Will you be paying with cash, check, or credit card?”

*[Wait for card.] Oh my! My computer tells me that you have a **small** balance of \$_____. Can we go ahead and run your card to take care of that balance?”*



Source: E. Woodcock, *Front Office Success*, MGMA, 2010 (www.mgma.com)

Mid-Cycle



Accuracy
and
Timeliness



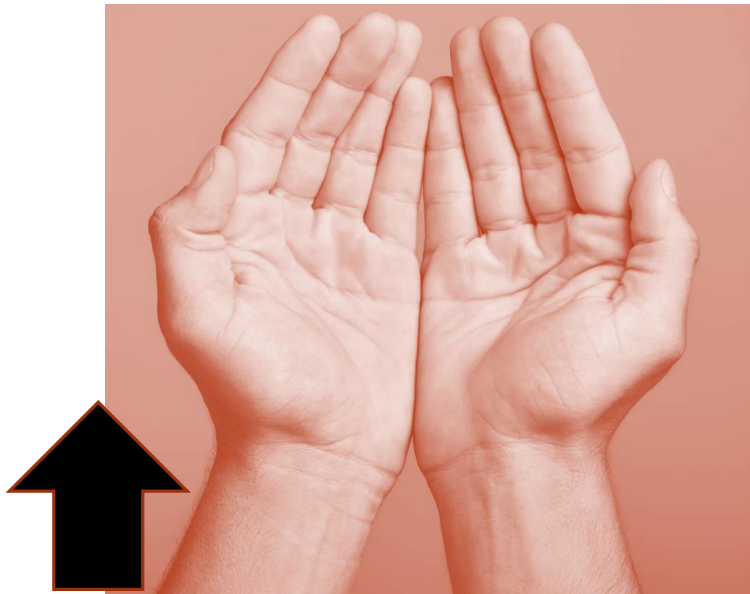


Mid-Cycle

- If there is a vaccine charge, is there an administration fee (and vice-versa)?
- If there is an admission, is there a discharge?
- If there are two E/Ms, is there a modifier -25?
- If there is a WC case, are there notes to be printed and submitted?

Mid-Cycle

Rejections



First-Pass Rate

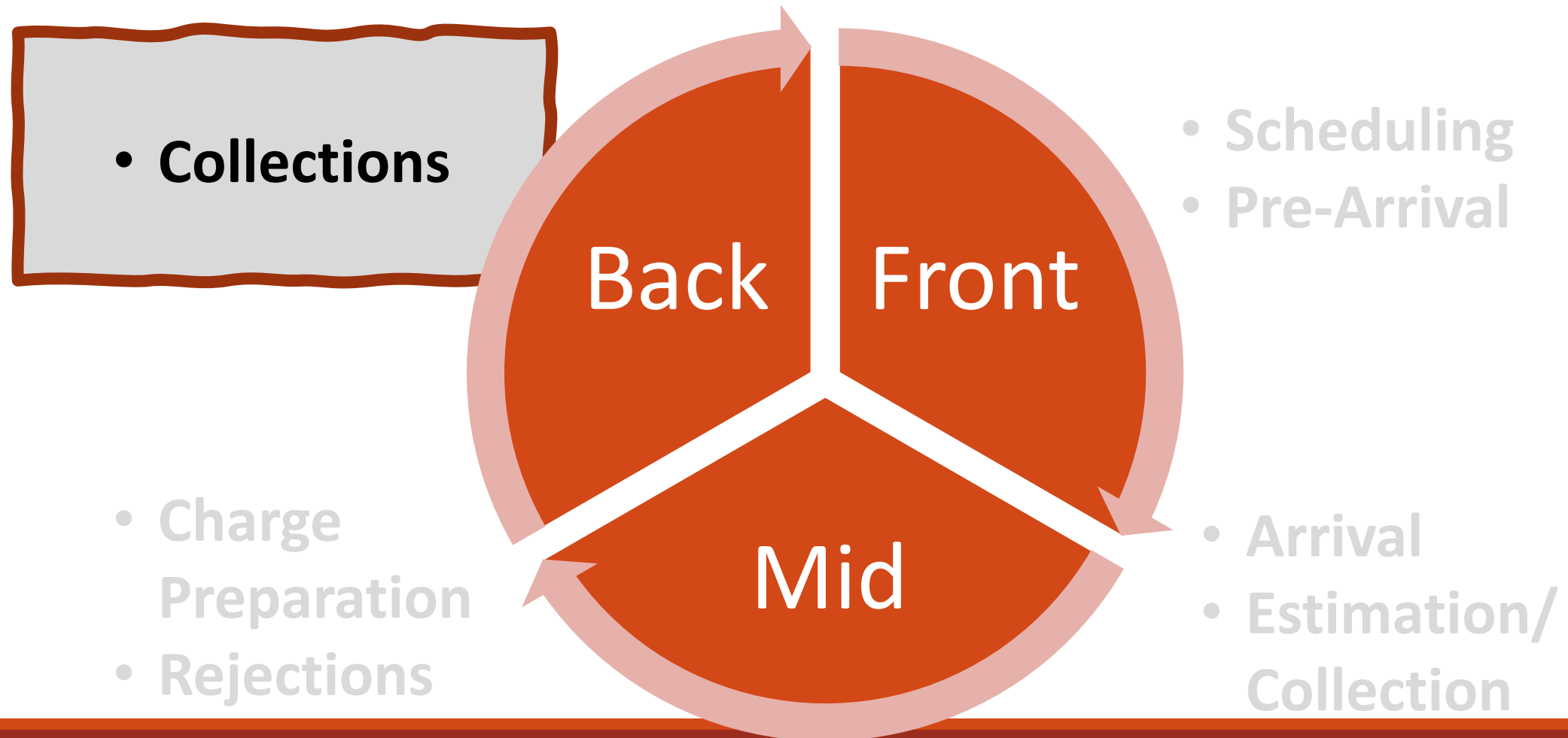
Adjudication

Denials

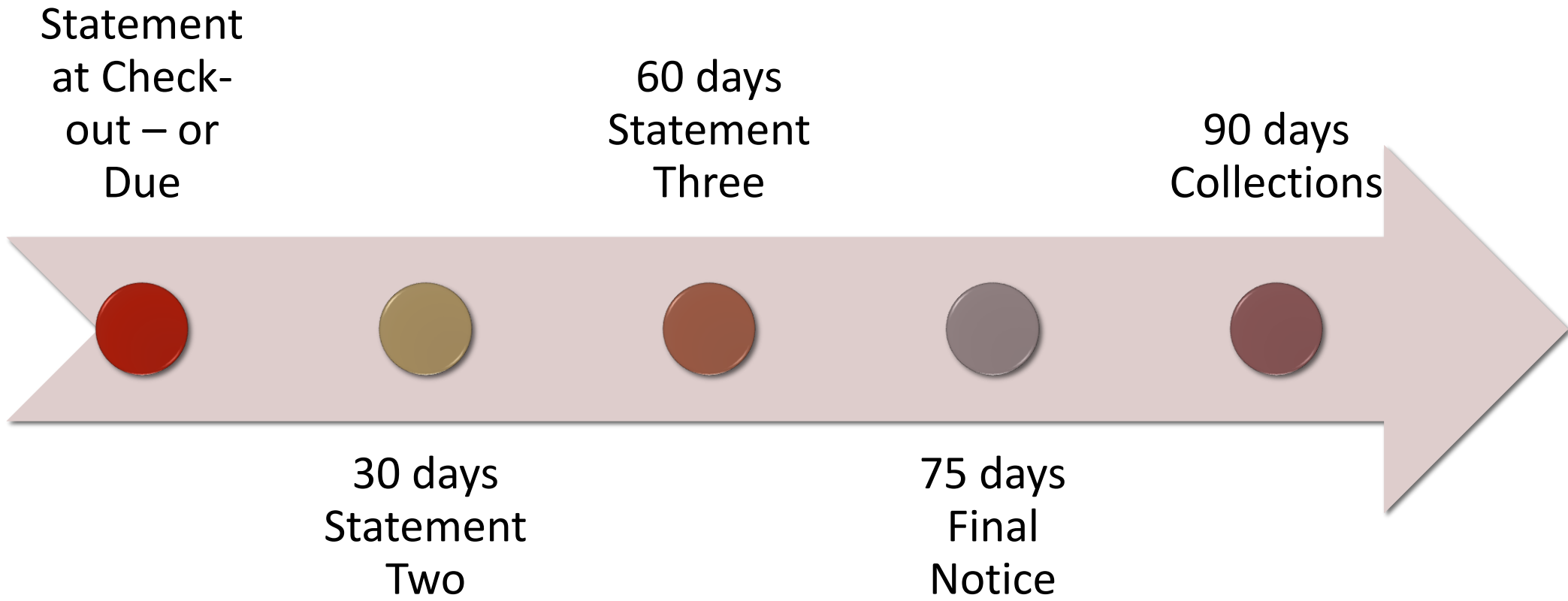




Revenue Cycle



Back-End



 ***Send twice-monthly statements***



Dear Patient:

In an effort to be more environmentally friendly, Practice Associates now offers eStatements. Choosing this option allows you to receive your statements electronically, sent to you via email. You no longer have to hassle with paper statements. In addition to being environmentally friendly, eStatements are convenient and secure. As soon as your statement is ready, you will be notified via email. The email will provide a link to a secure website where you can not only view your statement, but also choose one of several payment options.



Don't want to go paperless? Not a problem. If you would like to continue to receive paper statements in the mail, you'll be required to pay an annual fee of \$20 which is due today.

Please let us know!

- Yes, I want the environmentally-friendly option; instead of paper, please send my statements to:
_____.
- No, I would like to continue receiving paper statements, and will pay the annual fee of \$20.

Guarantor Signature/Name/Date _____



leaders
who don't listen
will eventually
be surrounded
by people who
have nothing to say

Andy Stanley



Contact if Questions

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Phreesia

THANK YOU

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