

Optimized Revenue Cycle by Resolving Billing Delays and Poor Collections

AI-Assisted Revenue Cycle Management



Introduction

We received a request from a clinic to review & optimize their RCM as they are struggling with poor collection and delay in the billing.

Challenges

When IDS starts receiving the data, we divided into four sections Billing, Coding, AR & IT and reviewed the gaps in all areas to optimize it. In our review we identified the below challenges

- ➔ We found a lag in the charge date and billed date which indicated the delay in uploading of demographics and charge data.
- ➔ We Identified a high rate of duplicate denials and on further review it indicated that duplicate charges were entered in the system and there was no mechanism to track it.
- ➔ We identified the issue with coding as there were outdated instructions were being followed.
- ➔ Due to Lag in billing the AR days was 53 days, inconsistent monthly collections and high denial rate.
- ➔ The payment posting lag was high and there was a backlog.



Our Solution



With this deep dive analysis, the IDS team improved revenue cycle KPIs of the clinic by:

➤ Reducing the Charge Entry Lag

- ➔ IDS provided the education to the front office on managing the delays in turnaround time for demographic and charge information's.
- ➔ IDS provided the improved mechanism to upload the patient information and charges which resulting in the reduction of the lag.

➤ Improved Clean Claim rate

- ➔ IDS provided the education on the coding challenges by introducing the effective edits and billing guidelines on impacted procedures.
- ➔ We provided the cardiology specific coder (CCC) to improve coding quality.

➤ Improved AR Days & Denial sanitization

- ➔ IDS fixed their charge entry lag & payment posting lag which improved the ARDays.
- ➔ IDS provided education & mechanism on front end issues which were the major causeof denial.

➤ Payment posting optimization

- ➔ IDS reviewed the payment posting mechanism and found that there is a lag in the posting and process is mostly manual.
- ➔ IDS setup the electronic mechanism to automate the payment posting for high frequency payers.

Result

- ➔ Days in AR reduced to less than 40.
- ➔ Reporting structure was updated. A cadence of weekly, bi-weekly, monthly & quarterly reports was implemented to ensure that timely decisions could be taken to prevent any revenue leakage.
- ➔ Use of certified cardiology coder improved the coding accuracy above 97%.
- ➔ Charge entry backlog was cleared and mechanism implemented to avert in future.
- ➔ Front end denials were significantly reduced by 58%.
- ➔ Dedicated documentation handling & appeals team was formed to improve the appeals quality which yielded improved collection on appeals & timely submission of documentations.
- ➔ Payment posting automation were done for high frequency payers reduced the payment posting lag.

Below is the KPI Metric when we reviewed and after the changes were implemented by theclinic.

Parameters	Initial	Parameters	After 90 Days
Current AR over 120 +	\$313,459.00	Current AR over 120 +	\$162,499.00
Benchmark A/R 120+	\$183,937.40	Benchmark A/R 120+	\$149,658.80
Difference	\$129,521.60	Difference	\$12,840.20
Overall AR	\$919,687.00	Overall AR	\$748,294.00
120+ AR %age	34%	120+ AR %age	22%
AR Days	53	AR Days	39