



Ten Considerations to Improve Your RCM Experience

WHITEPAPER

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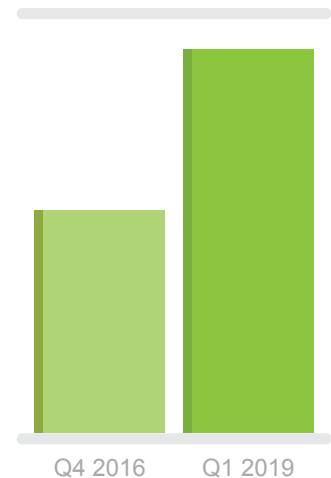


Increased patient financial responsibility, the emergence of risk-based contracts, and tightened margins are a few of the many challenges driving medical groups across the nation to explore ways to optimize revenue cycle management.

A healthcare organization's financial health is determined by how it manages revenue cycle processes, and dramatic changes in the industry are causing medical groups to change their approach to revenue cycle management (RCM) that focuses on the patient experience. Many provider organizations lack the technology and/or staff needed to navigate payment models as healthcare makes the gradual shift from fee-for-service to a value-based care model, and they are looking for outside help.

In their quest for revenue cycle health, healthcare delivery organizations are increasingly interested in alternatives to a complete in-house billing solution. In fact, the U.S. market for physician and ambulatory RCM outsourcing/hybrid models and extended business office services most likely will continue to grow 42 percent beyond the fourth quarter of 2016 and the first quarter of 2019, according to a Black Book survey. Alternatives to outsourcing all or parts of RCM remains appealing to providers, as it allows them to stay laser-focused on what matters most - clinical care.

Once a medical group makes the decision to outsource all or parts of the RCM process, the next step is to perform a thorough vendor assessment. In this paper, we'll explore Revenuology™, the science behind getting physicians paid, with ten considerations for groups that want to make a change.



The U.S. market for physician and ambulatory RCM outsourcing/hybrid models and extended business office services most likely will continue to grow 42 percent beyond the fourth quarter of 2016 and the first quarter of 2019

1. Utilize automation that increases top-line revenue and reduces expenses.

The revenue cycle process is becoming more complicated for hospitals and medical groups. These organizations are entering complex payment agreements, some of which involve taking on risk, and implementing changes to billing as required by new rules and regulations. The number of Americans with high-deductible health plans has also skyrocketed in recent years, which presents additional challenges for provider organizations as they try to collect payments for services rendered. About 26 percent of privately insured Americans aged 18 to 64 had a high-deductible health plan in 2011, and that number rose to 39.3 percent in 2016, according to a 2017 study by the National Center for Health Statistics at the CDC.



As these reimbursement climate changes happen, as the high-deductible health plans continually ramp up, medical groups and health systems are forced to hire expensive personnel to follow up on bad debt denials. Human intervention introduces increased error rates. Automation, on the other hand, decreases errors and increases the likelihood of a claim being paid quickly.

Provider organizations should interview partners that can automate many of the RCM functions it takes to routinely follow up with payers throughout the life cycle of a claim. It takes a member of a medical group's billing staff 10 to 20 minutes to manually follow up on a claim to determine if it was received or adjudicated by a payer. By automating these functions, Zotec Partners helps medical groups streamline claims management and reimbursement activities.

Groups increase their top-line revenue by increasing the scale they need to collect on the dollar and eliminating the need for headcount to keep up with patient demand.



2. Seek out Revenuologists™ who manage everything on the back end while providing transparency for the whole medical group.

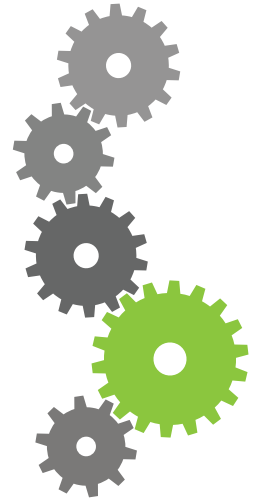
Medical groups should look for an RCM partner that can routinely use analytics to provide real-time data to drive revenue growth. Big data and analytics are key to remaining independent or in business. They're key to critical decision making. They're pivotal to any move you make from an acquisition perspective. They're required if you want to understand the workflow efficiencies at almost every level.

With legacy platforms or in-house solutions, medical groups often wait weeks, maybe months, for actionable revenue cycle insights. This puts provider organizations at a disadvantage in today's healthcare environment, where proactive and real-time revenue cycle management is crucial.

When groups have the data in front of them ... they understand from a revenue cycle perspective where to improve. Groups have immediate access and control over how they manage patient balances and where to focus.

For example, a medical group armed with real-time data has instant insight into outstanding balances and, if needed, can act quickly to put a performance plan in place to drive down bad debt.

Having that transparency immediately available allows groups to make proactive business decisions and get ahead of issues versus being in a reactive mode. It very much is about keeping the health of the organization at the top of its game.



3. Obtain Revenuology™ that can seamlessly connect your EMR and practice management investments.

Most medical groups today utilize one or more EMR systems and have also implemented practice management software to manage daily financial and administrative functions. Data from all of these systems is needed to effectively manage the revenue cycle, and medical groups should seek an RCM partner that can pull and combine all of this vital information.

Zotec Partners' RCM solution is EMR agnostic and fits into any healthcare IT environment. It doesn't matter whether a group purchased a legacy system; the technology Zotec has can wrap around other systems without disruption.

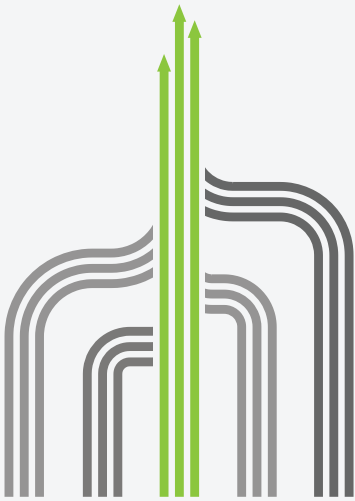
By connecting with any EMR and practice management software, Zotec Partners helps medical groups produce a first pass, clean bill that includes all of the necessary data elements. It also allows Zotec Partners to determine if there was information that was not captured in the clinical setting or even at the front desk.

4. Focus on patient care without worrying about the clinical data exchange between acute and ambulatory environments.

Healthcare organizations across the nation are focused on population health management to improve patients' health outcomes and realize success under certain alternative payment models. The flow of data between acute and ambulatory sites of care is a key component to effectively managing patient populations.

Although the pace is slow, the industry is moving from a fee-for-service to value-based care. Therefore, groups must have visibility to patients as a whole and access to all data elements about them.

Healthcare organizations must look for an RCM partner that provides a clinically driven revenue cycle solution that optimizes workflows and controls the cost to collect by aggregating data from acute and ambulatory care sites. Even though the shift to value-based care is slow, medical groups need the ability to roll up data from various care sites to thrive in the next era of healthcare.



5. Request Revenuology™ that can eliminate disparate systems.

It is common for a medical group to operate a different EMR system than its hospital owner, and this is unlikely to change in the near future given the rapid rate of medical group acquisitions occurring in the industry. Medical groups are facing a number of revenue cycle challenges, but these issues do not have to be exacerbated by disparate systems that cannot communicate with one another and increase the cost to collect.

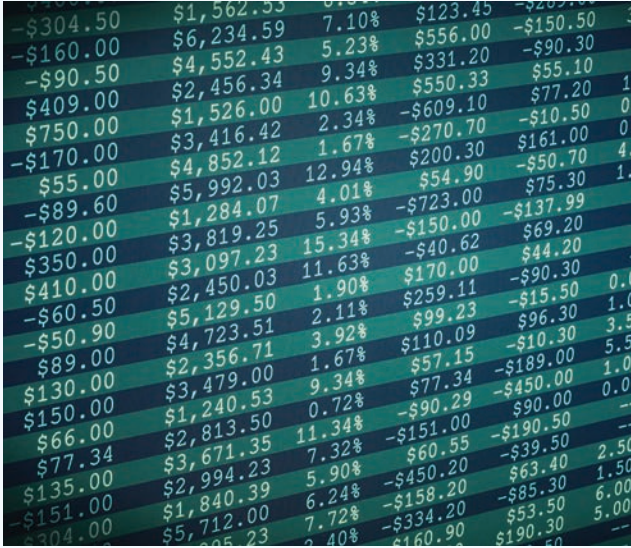
Regardless of which EMR system a medical group operates or how many feeds it receives from other systems, Zotec Partners is able to access and combine data from every source.

6. Find Revenuology™ that allows you to keep some of your revenue cycle processes in place.

Every medical group has different needs when it comes to choosing an RCM partner. Some medical groups want to outsource the entire revenue cycle function, while others want to maintain control over some parts of the process. Medical groups also have different goals they hope to achieve with their revenue cycle vendor partners.

One size does not fit all. It's really about understanding the goals and objectives of the medical group.

Zotec Partners works with each medical group to determine which partnership model will help the group meet its specific revenue cycle goals. Sometimes this involves outsourcing the entire revenue cycle function, while other medical groups opt for a hybrid model that allows them to maintain control over certain revenue cycle functions.



-\$304.50	\$1,562.53	7.10%	\$123.45	-\$207.00
-\$160.00	\$6,234.59	5.23%	\$556.00	-\$150.50
-\$90.50	\$4,552.43	9.34%	\$331.20	-\$90.30
\$409.00	\$2,456.34	10.63%	\$550.33	\$55.10
\$750.00	\$1,526.00	2.34%	-\$609.10	\$77.20
-\$170.00	\$3,416.42	1.67%	-\$270.70	-\$10.50
\$55.00	\$4,852.12	12.94%	\$200.30	\$161.00
-\$89.60	\$5,992.03	4.01%	\$54.90	-\$50.70
-\$120.00	\$1,284.07	5.93%	-\$723.00	\$75.30
\$350.00	\$3,819.25	15.34%	-\$150.00	-\$137.99
\$410.00	\$3,097.23	11.63%	-\$40.62	\$69.20
-\$60.50	\$2,450.03	1.90%	\$170.00	\$44.20
-\$50.90	\$5,129.50	2.11%	\$259.11	-\$90.30
\$89.00	\$4,723.51	3.92%	\$99.23	-\$15.50
\$130.00	\$2,356.71	1.67%	\$110.09	\$96.30
\$150.00	\$3,479.00	9.34%	\$57.15	-\$10.30
\$66.00	\$1,240.53	0.72%	\$77.34	-\$189.00
\$77.34	\$2,813.50	11.34%	-\$90.29	-\$450.00
\$135.00	\$3,671.35	7.32%	-\$151.00	\$90.00
-\$151.00	\$2,994.23	5.90%	\$60.55	-\$190.50
\$304.00	\$1,840.39	6.24%	-\$450.20	-\$39.50
	\$5,712.00	7.72%	-\$158.20	-\$63.40
	\$5,992.23	9.40%	-\$334.20	-\$85.30
			\$160.90	\$53.50
				\$190.30

Zotec Partners can scale because we built proprietary automation.

7. Put predictability at the forefront of your decision.

With the rise in high-deductible health plans and reimbursement increasingly based on value, medical groups' revenue streams are less predictable today than in the past. It is imperative in this environment for medical groups to find an RCM partner that provides a predictable cost structure.

By partnering with an RCM firm such as Zotec Partners, medical groups can avoid labor costs related to the continual hiring of talent to manage claims. The two things that an organization like a health system or medical group cannot control are infrastructure costs and people costs. Whereas organizations like Zotec Partners can scale because we built proprietary automation.

With Zotec Partners, incentives are aligned with the medical group's performance. A percentage of net collections is consistent, which means costs are predictable even as a medical group grows.

8. Reduce the red tape.

Purchasing new billing software may not be the best option for medical groups seeking to improve revenue cycle performance, as buying software usually involves paying for an annual support agreement and purchasing upgrades to comply with every new government mandate.

As an alternative to paying for new billing software, medical groups should look for an RCM firm that allows them to pay for the results of the partnership.

When an RCM partner is paid based on results, it has a vested interest in ensuring a medical group does not miss out on potential dollars. This is the model Zotec Partners uses, and the company gives medical groups the tools they need to get paid.



9. Find future-proof technology for your revenue cycle.

As the healthcare industry transitions from fee-for-service, it is vital for medical groups to be able to work with multi-provider bundles, shared savings or other complex payment models and keep up with new rules and regulations. This is something Zotec Partners helps each of its medical group partners do.

The idea of the technology is to future-proof any group from being technologically behind. Zotec's clients never have to worry about paying for an upgrade for a government mandate that was dropped down that they may have forgotten about, nor about a support agreement to keep them up to date with industry standards. We proactively do that for them.



10. Keep patient satisfaction top of mind when making decisions.

With the rise of high-deductible health plans, patients are shouldering more of the financial responsibility for the medical care they receive. This makes it more important than ever for provider organizations to ensure patients have a good experience, from the pre-visit to after care has been provided.

Billing and payment processes are important aspects of the patient experience. Now more than ever patients expect to be treated as consumers and medical groups that overlook this may see increases in patient complaints and bad debt. In the high-deductible health plan world that we live in, the patient is one of the largest payers in the market.

From educating patients about their billing during the time-of-service to providing easy-to-read billing

statements to offering patients multiple ways to pay their bills, it is crucial for an RCM partner to help a medical group effectively manage patients' expectations.

Zotec Partners offers several easy and convenient patient payment tools that help enhance the revenue cycle interactions patients have with medical groups.

In closing, there are many factors to consider when selecting a revenue cycle management provider. During the vetting process, medical groups should seek partners that add value beyond simply implementing software to maximize revenue for services delivered.



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Notes



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