The Blueprint for Revenue Cycle Transformation

Three Pillars of Performance Improvement
As a result of healthy margins and cash flow at some provider organizations, the revenue cycle has taken a backseat to other urgent priorities. However, increasing patient consumerism, further hospital-physician integration, and evolving payer priorities require renewed focus on the revenue cycle. Successful transformation can be achieved only through a best practice approach to performance visibility, operational efficiency, and accountability.

1. Enhance Performance Visibility
   - Identify Areas of Weakness
     - Patients don’t know what they owe
     - Staff are not adequately trained
     - Cause of denials cannot be determined
   - Prioritize Areas for Improvement
     - Assess patient ability to pay
     - Train staff on regulatory requirements concerning reimbursement
     - Identify sources of denials

2. Elevate Operational Efficiency
   - Reform Acknowledged Problem Areas
     - Improve point-of-service collections
     - Create best-in-class CDI program
     - Leverage centralized pre-authorization tools to minimize medical necessity denials
   - Streamline Revenue Cycle Operations
     - Reallocate staff to front office
     - Increase coder productivity
     - Reform centralized business office to create economies of scale

3. Ensure Across-the-Board Accountability
   - Empower Management and Staff
     - Create culture of patient engagement in front office
     - Engage physicians in denials prevention
     - Prepare financial leaders for contract negotiations
   - Measure Changing Performance
     - Deploy tools to help patients pay outstanding balances
     - Tie compensation to coding and documentation improvement
     - Use analytics to optimize contract performance

Ready for your revenue cycle transformation? Learn more about the research, consulting, and technology resources we have to help. advisory.com/revenuecycle