Revenue Integrity Program
Prevent revenue leakage and compliance issues

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With the financial and operational effects of the pandemic subsiding, healthcare providers have a crucial need to optimize reimbursement for the services they provide. Optimization is not a simple feat, as clinical and operational processes are prone to human error that can lead to inefficiencies, rework and revenue leakage. Make sure your revenue integrity program is up to the task.

Reimbursement challenges abound. Providers indicate that their hospitals typically lose two percent of their potential annual net revenue due to operational and claims payment issues. Many organizations have furloughed staff or shifted to a more remote workforce and adopted a leaner operational team to do more with less. Medical coding and billing guidelines and regulations have continued to change, affected reimbursement, and increased compliance risks.

Many healthcare providers lack formal, systemwide policies and procedures that incorporate leading industry practices. Limited or insufficient coordination and communication exists between clinical/operational departments and the billing function.

Revenue integrity

Revenue integrity is an internal program governing overall operational performance monitoring and improvement of processes within the revenue cycle and clinical departments. An effective and integrated revenue integrity program prevents revenue leakage and compliance issues.

A robust revenue integrity program uses industry leading practices, key performance indicators, benchmarks and process improvement metrics. The objective includes ensuring that process assessment and transformation efforts achieve the desired results.

A revenue integrity program should provide transparency into billing and reimbursement, including denials and adjustments, which is important to the success of the revenue cycle. Revenue integrity is critical for ensuring accurate reimbursement for Covid-19 treatments and avoiding takebacks and/or negative patient feedback.

Organizational structure and staffing

Effective revenue integrity programs typically reside within the overall revenue cycle function and report to the chief revenue officer or vice president of revenue cycle. The function should be able to easily coordinate and collaborate with other components of the revenue cycle, such as denials management, patient access, and coding and billing.

Mature revenue integrity programs may be guided by a formal charter. A mission statement should emphasize the objective of ensuring that the provider organization receives accurate and full reimbursement for services that are provided in a compliant and efficient manner.

Revenue integrity functions should be staffed by team members who possess clinical, operational and data analytics backgrounds. The function should have a mandate or authority to implement process changes and coordinate with the organization's provider community to effectively deploy changes.

Program scope

The revenue integrity function should act as the coordinating body for clinical operations and revenue cycle functions to ensure alignment across your organization. The function should review and monitor performance indicators and work across departments to identify opportunities for improvement and to ensure action plans are put in place and monitored for desired performance.

Monitor performance indicators to identify opportunities for improvement.

The function should also be looking for trends in coding practices and establishing processes to mitigate any negative effects. Because complete and accurate clinical documentation is foundational for revenue capture and compliant billing, the function must engage and enlist provider champions to lead improvement efforts.

The revenue integrity function is the ideal program to assist with internal risk mitigation action items related to revenue cycle processes. Responsibilities often include providing oversight and facilitating progress tracking for the development and timely implementation of process changes or planned future states. The function needs to ensure consistency in process design and monitor adherence to newly developed processes and standards and the overall effect on revenue.

Oversight will be important as healthcare providers emerge from the pandemic and begin to consider how they will effectively monitor operational performance, especially considering that many staff members have transitioned to remote work.

Functional activities

Your revenue integrity program should be conducting or facilitating activities that make the revenue cycle more efficient and compliant. Assess your function in comparison to typical routine activities.

Monitor revenue capture – Monitor the timeliness of charge capture by revenue-generating departments, compare performance to policy and communicate the results to leadership.

Standardize charge reconciliation – Implement standard charge reconciliation processes by training personnel and establishing resources to identify charge errors and discrepancies. Develop policies and procedures to support charge reconciliation expectations, including timeliness. Monitor clinical department usage reports and action planning to ensure identified issues are being addressed timely. Provide education to revenue-generating departments for improving operations to mitigate revenue leakage and ensure complete and accurate clinical documentation and medical coding.

Coordinate coding needs – Coordinate and collaborate with clinical documentation improvement, coding, and medical leadership to ensure accurate documentation for correct billing.

Ensure compliance – Ensure compliance with relevant regulations, standards and directives from governmental agencies and third-party payers. Support the development and maintenance of the charge description master and periodically audit patient accounts and related procedures to ensure the correctness of coding and charge practices.

Share information – Maintain and disseminate knowledge of documentation, coding and billing guidelines and state regulations, particularly those related to Covid-19 and telemedicine. Recipients should include all stakeholders associated with documentation and coding responsibilities to ensure revenue processes adhere to the appropriate guidelines and remain in compliance.

Implement improvement initiatives – Establish revenue optimization and process improvement initiatives. Obtain the buy-in of key stakeholders, such as clinical leadership, clinical documentation improvement, coding and compliance. Buy-in is especially important for documentation and coding initiatives that should not only optimize revenue, but also maintain compliance with the Centers for Medicare and Medicaid Services and Centers for Disease Control and Prevention coding and billing guidelines.

Support improvement initiatives – Provide oversight and monitoring of key revenue optimization and process improvement initiatives. Assess, design, review, and revise policies and procedures. Educate relevant personnel on any changes.

Monitor and analyze performance indicators – Monitor and analyze key performance indicators such as denials, avoidable adjustments, and missed or miscoded charges on an ongoing basis to identify and quantify any adverse financial effect. Determine and propose any necessary corrective action to prevent the recurrence of avoidable errors, rework and inefficiencies.

Identify receivable reduction opportunities – Facilitate unbilled accounts receivable (A/R) reductions by analyzing bill holds and billing/coding edit trends. Provide education and support to operations to realize potential reductions.

Lead denial management initiatives – Lead denial management initiatives to resolve denials and rejections by facilitating multidisciplinary discussions, developing remediation plans to address issues, assigning accountability and monitoring/tracking results.

Projects where revenue integrity programs are often significantly involved are summarized in Exhibit 1.

Signs of underperformance

A telltale sign that a revenue integrity program is underperforming is that stakeholders—financial and clinical leadership—do not trust the metrics and reports coming from the function. Also, the function cannot demonstrate and communicate positive financial benefits or improvements from implemented or facilitated initiatives, operational changes, risk mitigation activities or the quality of data.

When you assess the effectiveness of your revenue integrity function, look for indications that the function is not effectively coordinating with other revenue cycle departments or that the function is inflating or misrepresenting the organizational benefits (e.g., quality, clinical outcomes, financial, operational) that are being reported.

Conclusion

The revenue integrity function should drive your organization toward leading practices by promoting action and account-ability to optimize overall revenue. The program should serve as a catalyst for positive change with an approach that fosters internal problem-solving techniques and clear escalation pathways to ensure timely issue resolution.

The program should provide an additional layer of defense against common revenue cycle risks. Benefits include optimizing net patient revenue, decreasing compliance risks, reducing process inefficiencies and wasted efforts, and ensuring accurate and complete documentation and coding. Verify that your program is providing these results. **NP**

Exhibit 1 – Revenue integrity project involvement

1. Assessing the completeness of clinical documentation, including capturing information on severity of illness and risk of mortality
2. Monitoring coding and billing guidelines specific to Covid-19 and telemedicine
3. Providing billing/coding edit oversight and reconciliation
4. Supporting cash collections and acceleration initiatives
5. Evaluating self-pay collection efforts
6. Supporting strategic pricing initiatives, pricing transparency compliance and surprise billing of patients for unanticipated charges
7. Participating in revenue-cycle vendor selection and management
8. Managing technical and clinical denial-reduction initiatives
9. Monitoring and addressing timely filing deadlines/errors
10. Contributing to electronic medical record configuration and optimization initiatives
11. Participating in net revenue enhancement projects
12. Supporting charge description master maintenance and structure
13. Participating in unbilled A/R reduction
14. Supporting payer contract negotiations
15. Participating in financial assistance policy governance

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