

REVENUE CYCLE UPDATE

*Revenue cycle expertise, data analytics, workflow optimization and problem solving:
We make your performance improvement our responsibility.*

A message to our readers

COVID-19 and its financial fallout continue to take a huge toll on our industry.

Salud is closely monitoring regulations and programs like the CARES ACT and Accelerated/Advanced Payment Programs for their impact on our clients. We've had a series of webinars on coding changes associated with the pandemic. We focus intently on trends in insurance payments, which often mirror what is happening in Medicare and Medicaid.

We have also been talking to clients about strategies for minimizing the damage and keeping their organizations intact in perilous times. For many in the industry, the swiftness of the fiscal downturn has left them with little immediate option other than fire sales, layoffs, furloughs or pay cuts, any and all of which can leave a lasting mark on organizational reputations in their communities.

We think that where possible, new tactics for maximizing cash returns, especially our forte of zero balance account reviews, should be pursued intensely before workforce reductions are carried out.

Whatever is done should minimize what is being asked of everyday people, who are confronting a pandemic, economic hardship, loss of insurance and much more. In this issue we present ideas for how to achieve that goal. Stay safe and well.

Jesse Ford
Founder and CEO



In this issue:

- *With the nation reeling from effects of economic downturn, now is the time for revenue cycle professionals to stick with what we know works to keep operations afloat.*
- *Four tactical and strategic priorities for righting the fiscal ship in unprecedented times.*
- *Coding Corner: E&M coding changes are coming to outpatient care sites, and they are significant.*
- *COVID-19 webinars: Watch our presentations on regulatory changes and strategies for coping with the pandemic fallout.*

Revenue cycle faces unprecedented challenges, but old truths point the way to new solutions

By Jesse Ford, CEO

We've done it before.

While we cope with financial and mental stress in an uncertain environment, revenue cycle leaders can draw upon the well of experience they have in adjusting to previous change in our dynamic healthcare industry. We've withstood several downturns in the economy. We've overcome vast changes in the payer market, reimbursement systems, coding systems and new technology. And we have incorporated groundbreaking new ways to treat patients. We know how to cope with change, and as we reflect on our current state, we should keep focused on the verities that existed before COVID, because they are still here, and in some ways are more profound today.

Patient satisfaction

Our patients may be facing new circumstances, and we need to advocate for them to ensure their experience with revenue cycle is not a source of pain. Generally, I've always believed in treating patients with kid gloves, particularly the higher-balance accounts. That truth remains. Anticipate patient pain, help patients find insurance coverage, simplify the process for applying for financial assistance, offer flexible payment arrangements, and make sure that patient balances are accurate and we are not asking patients to solve insurance problems that we are better prepared to handle.

This is a great time to design a model that better marries service with effective collection practices. Our industry has focused on price transparency, as it should, but our model should also aim to simplify how patients navigate revenue complexity, by providing communication and payment options that patients prefer and understand. And, our work today can look for innovative models that boost collections in a patient-friendly way, such as leveraging social psychology, segmentation based upon advance analytics, and/or through a focus on working with patients on the front end.

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SALUD ONLINE

COVID-19 webinar with HFMA

Megan Veach, Salud's coding team leader, gave a presentation to HFMA's Region 7, updating members on the fast-changing regulations surrounding telemedicine visits and on other coding changes associated with COVID-19.

[Watch her presentation](#); [get the slides](#).

Salud Revenue Partners and Windham Brannon Webinar Series: COVID-19 for the Healthcare Industry

Presented by Salud and its partner, Atlanta-based accounting firm Windham Brannon, this multi-part webinar series provides strategies and information relating to the national pandemic.

WEBINAR 1: Coding/compliance update, specifically about the new ICD-10 codes for telehealth and telephone services. Also, managing a remote workforce.

[Watch](#). [Download slides](#).

WEBINAR 2: The CARES ACT & CMS Accelerated /Advanced Payment Programs. Also, changes to billing and collection policies to align with new programs.

[Watch](#). [Download slides](#).

WEBINAR 3: Self-pay strategies amid rampant loss of insurance coverage: what to do and what not to do today and after COVID-19.

[Watch](#). [Download slides](#).

WEBINAR 4: An update on fast-changing coding and documentation regulations relating to COVID-19, and the outlook for government financial assistance to healthcare providers from stimulus legislation.

[Watch](#). [Download slides](#).



Employee engagement

Revenue cycle experts are certainly facing new circumstances, as health systems move staff home, ask staff to take on different responsibilities, and sometimes furlough large pools of experienced caregivers. A truth that existed before today's pandemic still remains; as revenue cycle leaders, we need to ensure our staff are engaged in their work. Engagement is a key to quality, productivity and satisfaction.

Salud helped staff transition to home by establishing virtual "coffee breaks" so that staff take some time to connect. We were lucky to already have a home-based model, and our experienced "at-home" staff shared how they created the best at-home work experience.

From Salud's inception, we have aimed to design our models to put the right accounts in front of our staff at the right times. We refer to this as meaningful work. Through analytics and robotic process automation, we have continuously reduced repetitive "drone" work, and engaged staff with problems to solve.

Our truth is also founded in treating employees like adults. We give our staff objectives, exceptional training and technology-enabled resources to accomplish goals – and then set them free to get the job done.

Improving cash position

The reality is, nobody was perfect at collecting money before COVID, and we are certainly not perfect today. Reduced volumes caused by the COVID crisis free up some staff time to plug holes. One Salud client reflected that it finally was able to get through special projects such as account cleanups, building edits and working backlogged accounts. It is a great time to

catch up, but also to design a model that identifies and addresses holes in the revenue cycle. Some systems are rededicating themselves to denial management, which leads to innovative process improvements throughout the revenue cycle. Others are instituting better ways to identify what they haven't identified themselves, by auditing zero balance accounts to find gaps in business office processes (e.g., billing mistakes, inappropriate write-offs) and payer underpayments.

Growing with the digital age

Another truth that predates COVID and will endure after it is gone is the need to survive in a digital age. Claims denials and chronic underpayment are age-old problems in revenue cycle, but we can't just throw endless staff time at these issues. Instead, process automation, analytics and, someday soon, artificial intelligence are means to achieving revenue cycle optimization, which combined with expert staff takes the guesswork out of reimbursement.

These are big challenges, made all the more difficult by COVID. And yet, we've done big things before and can do them again.



Jesse Ford is President and CEO of Salud Revenue Partners

Want some good news? Start with recovered cash today, and much more to come through automated processes and understanding of payer behavior

By Frank Massi

Despite the return of elective procedures at most hospitals and outpatient centers, not nearly enough patients have been showing up, perhaps fearful of what they perceive as high-risk environments. As a result, healthcare's COVID-19-fed economic downturn has reached epidemic proportions, leaving organizations of all types and sizes scrambling to identify any new or accelerated sources of revenue.

Instead of mass layoffs or furloughs, some forward-looking health systems are seeking cash-yielding solutions that are non-disruptive to current operations. They are looking beyond COVID-19's impact for lasting positive effects on cash and efficiency. Here are four tactical and strategic priorities that should be pursued simultaneously right now:

- Take advantage of the opening presented by the dramatic and sudden reductions in volumes and shifts in account mix due to the COVID-19 crisis to design and implement a new business office operating model that effectively "future-proofs" cash
- Use reviews of past and prospective payments analysis to discover and recover significant new cash
- Take the low-risk approach of choosing projects completely unaffected by the crisis so staff can stay focused on their own related urgencies
- Short-list only those vendor partners who will perform the work completely at-risk and with no upfront fees

These are not mutually exclusive objectives. And now is the perfect time to address all four in a single project with a single, at-risk vendor partner.

When zero means quick cash

At a time when many institutions are in the midst of a severe revenue downturn, seeing a cash recovery of \$110,000 in the first month, and more than \$727,000

in just over three months, as a 450-bed hospital client of ours did recently, or \$4.8 million in four months, as a large Midwest hospital received, is much needed good news.

This process, known as zero-balance reviews, involves both a retrospective and prospectively modeled look at paid and/or written-off claims. These reviews of closed accounts use a process of reimbursement analysis followed by the grouping and analyzing of like claims to find out why some are underpaid and where there may be significant trends that convert to large sums of recovered cash immediately. As importantly, it identifies the underlying issue(s) and corrective actions to take. As a result, tens of millions of dollars in future revenues have been protected from leaking away into a river of red ink.

Zero balance reviews will pay even larger dividends when normal volumes return. Much revenue leakage is caused by providers failing to code and bill according to payer rules; analysis of payment to charges catches accounts paid properly per payer contracts but underpaid as they were coded incorrectly.

Automating denial management

If you are a health system with a robust denial management system, many of your claims look right. If you are a health system with a robust reimbursement analysis program, many of your claims will be paid according to how they were billed. Working with a partner with an effective coding team and an AR team that understands the payer market across the spectrum will show you why and how those claims were underpaid. Working with a partner that can also detect errors across the full spectrum of your revenue cycle operation will show you why and how to lift performance across the board front-to-back.

Using advanced automation in the review process means that thousands of claims can be reviewed instead of a few dozen per day through manual processes,



which removes the only viable objection to zero balance reviews – that they involve many small balances not seen as worth a lookback by staff straining to handle new claims.

Salud isn't the only vendor out there that does this work, but we have turned it into a tech-enabled specialty. Our process includes:

- Contract modeling, automated claims status reports, and historical 835 electronic payment explanation data to find zero balance accounts with recovery opportunities
- SaludSynapse, our business intelligence platform, provides rules-driven workflow that streamlines the appeals process and maximizes results
- Sophisticated analytical reimbursement models are built specifically for all the national payers and tuned smartly to each state's payer rules and tendencies

Audits find root causes of underpayment

Salud expands the net by finding underpayments as a result of many other breaks in the process like coding, billing, and as a result of analysis of percent of charges ratios. Other solutions also do not have our technology-enabled workflow, intricate knowledge of national and local payer practices, or our data mining and analysis tools.

The fact that zero balance reviews are non-disruptive even amid the pandemic is a huge bonus. They are unaffected by the huge shift in AR to non-elective procedures due to massive procedure cancellations as well as labor shifts and reductions in business office staff or coding.

Regular audits of the business office through this program provides well-articulated root causes of underpayment. Processes and systems are calibrated

to address the inevitable challenges brought by the interdependencies and continually evolving roles of business office people, process and technology, thus protecting future revenue streams.

The time to deliver cash for current operations is now, with an even bigger payoff to come.



Frank Massi is Salud's executive vice president of business development and sales

STAFF SPOTLIGHT

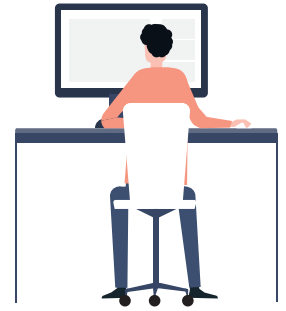
Megan R. Veach

Megan R. Veach has been active in the healthcare industry for 25 years, with roles in both coding and billing. As the coding and compliance manager with Salud, she is responsible for all coding and compliance staff hiring and training. Megan performs monthly staff reviews to ensure Salud's quality performance and continued 95% accuracy rate on coding functions. She also assists with coding both physician and facility charges for all Salud clients. Megan is affiliated with and credentialed through the American Academy of Professional Coders and the American Medical Billing Association. She is the founder of the Lafayette, IN AAPC local chapter and has served several years as president throughout her membership.

CODING CORNER

Evaluation and management changes are coming to outpatient care sites

By Jennifer Swindle



The Centers for Medicare & Medicaid Services' 3-year-old Patients over Paperwork initiative, designed to free doctors and non-physician practitioners to focus more on patient care, has led to the first major revision of evaluation and management (E&M) office visit codes in more than a quarter century. The changes are limited to medical office/outpatient services, but they are significant and will require effort to prepare.

In 2018, the American Medical Association assembled a joint work group representing its Current Procedural Terminology (CPT®) Editorial Panel and the AMA/ Specialty Society RVS Update Committee. The group worked with CMS and convened a coalition of 170 state and specialty medical societies to simplify the requirements and make them clinically relevant. One of the main goals is to reduce the administrative burden by getting rid of redundant and/or unnecessary documentation in the medical record that does not have a meaningful impact on actual patient care.

Obviously, much has changed since the 1995 and 1997 versions of E&M. Those could not have anticipated the impact that electronic health records would have on provider documentation. Healthcare today is more focused on patient needs and utilizes a team model not seen as much that many years ago.

Medical necessity still critical

One thing that has not changed and is not impacted by the changing guidelines is that medical necessity should be the overarching criterion for determining the level of service.

The big changes to E&M are:

- The level of service will be determined either by medical decision-making or by time
- Elimination of CPT code 99201 for new patient visits. There will be no variation from new to established patient for documentation content, medical necessity or medical decision-making.

- History and examination documentation will not be factored into determining the level of service

Significant changes were made in how to determine the medical decision-making component to correlate it with medical necessity. Extensive edits were made to the elements for code selection, including removing ambiguous terms such as "mild" and clarifying "acute or chronic illness with systemic symptoms."

Recalculating total time

The other methodology to capture the correct level of service is based on the total time, which includes both face-to-face time and non-face-to-face time that is specific to the patient's total care for a particular day of service, but no longer needs to have a counseling component. It is the time personally spent assessing and managing the patient on the date of the encounter and includes:

- Preparing to see the patient (e.g., review of tests)
- Obtaining and/or reviewing separately obtained history
- Performing a medically appropriate examination and/or evaluation
- Counseling and educating the patient/family/caregiver
- Ordering medications, tests and procedures
- Referring and communicating with other healthcare professionals (when not separately reported)
- Documenting clinical information in the electronic or other health record
- Independently interpreting results (not separately reported) and communicating results to the patient/family/caregiver
- Care coordination (not separately reported)

While this is a CMS change only, we at Salud will be monitoring the commercial payers closely to see if they adopt the new methodology, and you should too. Also, you must keep in mind that it impacts only a few of the E&M services, and there will still be a need to follow the current existing guidelines for other types of E&M services, so there will potentially be dual rules dependent upon payer and setting.

Different providers will be impacted differently. Those who provide most services in an inpatient setting, such as hospitalists and intensivists, will see no change, while providers that function nearly exclusively in an outpatient or office setting will have significant change.

Understanding the changes, educating on the changes, and monitoring successful implementation will be necessary. Salud will be offering presentations on the E&M changes to industry groups and will certainly work

with coding clients. The AMA offers tools and resources to help practices transition to the new reporting guidelines that take effect Jan. 1, 2021. That includes a checklist to help guide a practice through the E&M changes.

January 2021 is not far off, so the time to start training is now.



Jennifer Swindle, CPC, CIC, CPMA, CEMC, CFPC, AAPC Fellow, CICA, RHIT, CCS, CCS-P, CDIP, AHIMA-Approved ICD-10-CM/PCS Trainer, is Salud's Vice President of Quality and Service Excellence

FREE AAHAM WEBINAR FROM SALUD'S MEGAN VEACH



Tuesday, July 14, 2020
11:30 am – 12:30 pm CT

This is an online event.

Call-in credentials will be emailed to registrants on Monday, July 13, 2020

CMS Updates to Telehealth due to COVID-19 Pandemic

Megan Veach, Salud's coding and compliance manager, will present a webinar on coding changes for telehealth services to the American Association of Healthcare Administrative Management's Illinois chapter on July 14 from 11:30 am to 12:30 pm CT. The webinar will take a comprehensive look at the CMS updates that have been made for telehealth codes since March 1st to help attendees fully understand what is needed to appropriately file professional charges.

Listeners will learn about the newest CMS updates on billing/coding of Telehealth services during the Public Health Emergency.

- Current CMS updates regarding COVID-19 Codes
- In-service on New Telehealth and Telemedicine Procedures under COVID-19
- Insight into steps to be taken to comply with new regulation

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