INTRODUCTION

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Learning objectives:

- What is Next Generation Revenue Cycle?
- How to evaluate Revenue Cycle performance to move toward Next Gen Revenue Cycle
- Understanding concepts related to true Innovation to enhance revenue optimization
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Goals

Solve problems that plague the industry and cause lost net revenue by:

- Removing human variability and errors
- Providing the controls and monitoring capabilities to first materially improve and then sustain local environments
- Establishing common vision for the organization overall; not just in Revenue Cycle
Next Generation Revenue Cycle
The industry has been talking since early 2012 about next generation revenue cycle.

- “Fundamental shifts in healthcare delivery and payment are dramatically affecting how organizations do business and the revenue cycle environment must adapt to the shift from fee-for-service to value-based payment models. Shrinking reimbursement, narrowing margins, changes in service demand are all requiring providers to be more efficient and demands for data are soaring.” Healthcare Finance 2014

- As coverage expansion by way of Medicaid and health insurance exchanges continues to roll out, leaders must not only change the way they approach care delivery but also the way they bill and collect for patient services.
In order to change the paradigm, you have to understand the paradigm. Below are some of the more significant obstacles limiting organizations’ ability to effectively solve the revenue cycle management (RCM) puzzle.

1. Executive leadership is shortsighted
2. RCM practitioners unaware of possibilities
3. Point solutions – no holistic approach
4. Lack of independent vision
5. Perception that the status quo can’t be changed
6. Delusional dependence on comparative analysis
How do we move from current state operations to “Next Gen” Revenue Cycle?

- “...organizations need to do a self-assessment to determine their readiness for a next generation revenue cycle system.” HFMA, 2014

- “...And before organizations attempt a transition to a new system, they must establish a common vision for how they want to serve patients (clinically and operationally) in the future.” Ernst & Young.
Innovation defined:

Noun
1. The introduction of something substantially and meaningfully new
2. A *radically new* idea, *method*, or device
NEXT GENERATION REVENUE CYCLE

Leading reasons why RCM projects fail

1. Failure to properly understand the value principle of “how many, how much?”

2. The emphasis on local optimization projects that have some improvement but fail to improve overall performance

3. Too much reliance on a core “Big Box” solution
What can you do to take advantage of these tools and techniques to optimize your revenue cycle performance?

**CALL TO ACTION**

What can you do?

1. Perform an assessment of current operations and technology. *You can’t get to an improved position if you don’t know where you are.*

2. Develop a business case to support change. Work to determine the effort involved, but prioritize based on the ROI to be gained.

3. **TAKE ACTION:** The worst thing you can do is nothing. If there are real opportunities to make improvements, then those opportunities should be pursued.
Questions
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