

RBMA BULLETIN

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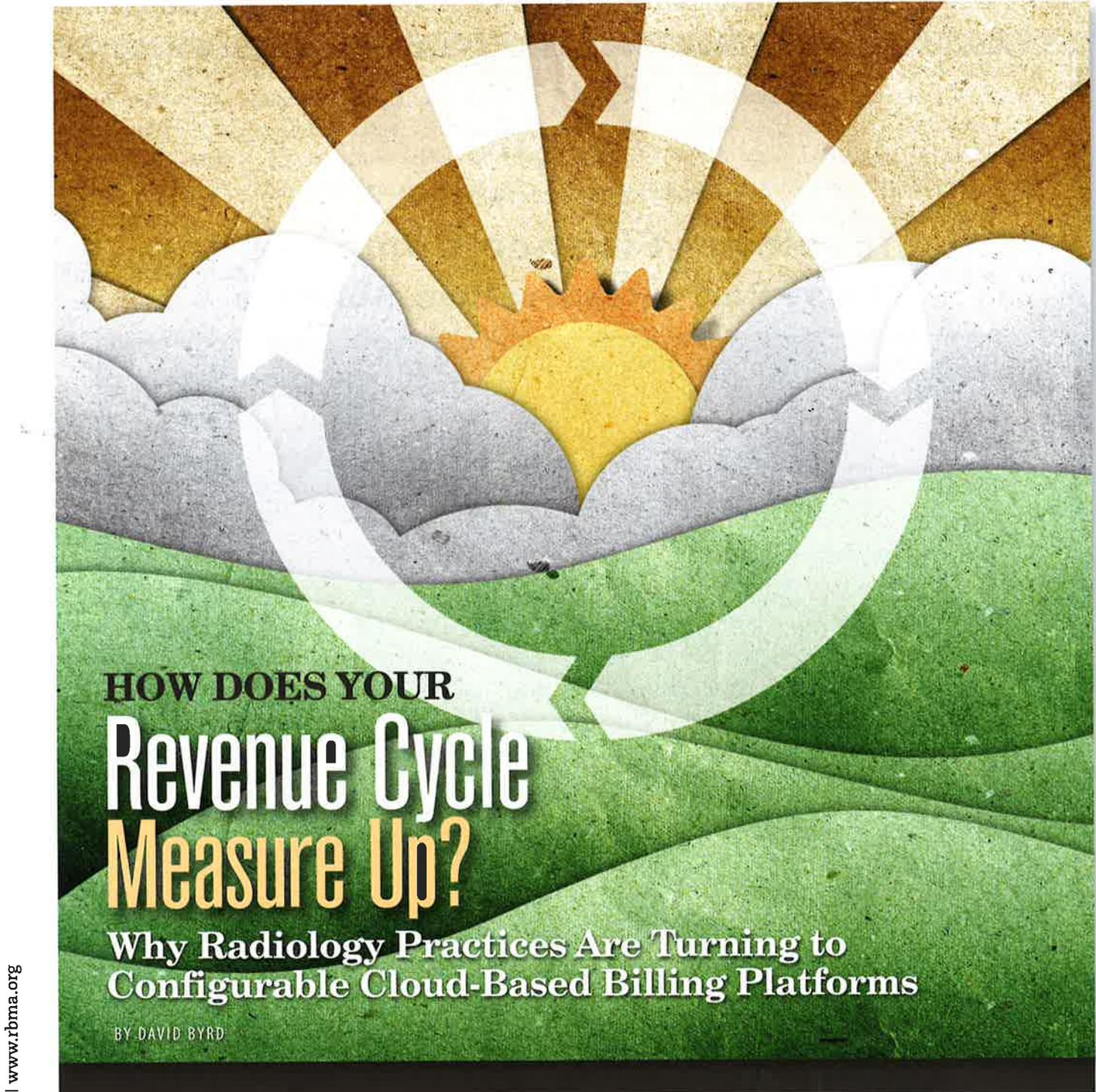
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HOW DOES YOUR REVENUE
CYCLE MEASURE UP?

Why Radiology Practices Are
Turning to Configurable
Cloud-Based Billing Platforms



HOW DOES YOUR Revenue Cycle Measure Up?

Why Radiology Practices Are Turning to Configurable Cloud-Based Billing Platforms

BY DAVID BYRD

It is estimated that radiology practices lose as much as eight to 10 percent of their income due to billing and claims processing errors. Radiologists in particular are more susceptible to reimbursement delays, providing complex and costly diagnostic procedures that are subject to increased scrutiny and third party payor denials.

While there are many factors contributing to revenue erosion, the most common factors include lack of communication between clinical and financial staff, coding errors and omissions, and not keeping current with regulatory and medical billing rules.

Many practices are realizing that to effectively optimize revenue capture and ensure compliance, real-time coordination and sharing of data is required between all points of care, from patient pre-registration to receipt of payment. Delays in getting timely access to accurate information at any point in the care continuum can negatively impact profitability.

As a result, leading radiology providers are turning to new configurable, cloud-based revenue cycle management platforms to help facilitate real-time data exchange and communications, reduce billing inefficiencies, ensure regulatory compliance, and improve cash collection.

Interoperability Transforms RCM Performance

Historically, RCM technology has focused primarily on automating billing functionality and processes. Compounding the difficulty of the automation process is the fact that radiology practices often need data housed in multiple information systems to manage the billing and RCM function, and these systems are frequently not integrated. Even when integrated, systems are typically hard-coded, which is difficult both to maintain and implement when a new source needs to be accessed.

Next generation RCM technology platforms use cloud-based technology to ensure real-time interoperability and seamlessly integrate and share data across a variety of applications and systems in the care continuum to help improve accuracy, process efficiency, and profitability. The easy configurability of cloud computing platforms removes technology barriers, making it easier to gather and share information and achieve a level of integration that transforms RCM performance.

In the past, practices and departments wanting to connect and exchange data between two separate technology platforms were often faced with building costly custom interfaces. Today, the evolution in cloud technology makes it possible for practices to take advantage of Web services to readily create and manage connections between separate systems. Rather than being static and unidirectional in nature, Web services create a two-way digital “conversation” between systems that ensures continual accuracy.

Radiologists can now have a virtual system of record through their revenue cycle management platform regardless of where the data originates. Through hub technology, the RCM platform aggregates information from third-party applications and existing systems to create a fully integrated RCM, while individual departments are able to continue working in the systems they use daily without costly interfaces or upgrades. This interoperability enables a “coupling” of systems regardless of source, operating system, or programming language.

Cloud-based RCM platforms capture and validate all necessary information, whether it comes from RIS, PACS, or CPOE systems, and communicates requisite information back to these systems. This framework reduces workload on billing staff by eliminating duplicate data entry and allowing

more self-service functionality. It also increases cash flow by automating error processing and expediting reimbursement and patient payment.

Toward this end, cloud-based RCM platforms also improve the value of practice management, EMR, PACS, RIS, and CPOE systems by embedding RCM functionality such as payor edits, eligibility checking, and error processing directly into the systems being used at referring physicians’ offices, resulting in cleaner claims, accelerated cash flow, and improved revenue collections.

Catch Errors in Real-Time

Falling behind in maintaining mandatory system updates is one of the top causes of slower or improper reimbursement and reduced cash flow. With continually changing payor edits and new electronic transaction and regulatory requirements, traditional billing systems are difficult to keep current.

Cloud computing makes it possible to automatically provide ongoing software updates, changes in standards, and payor edits instantly with no down time or disruption to providers so that the system is always up to date with the most recent requirements.

Next generation platforms also integrate real-time claim validation software that provides detailed checks for HIPAA compliance, embedded payor clearinghouse rules, validity of CPT, HCPCS, and ICD codes, medical necessity, and age and gender-specific procedures.

With an RCM platform that is current and integrated in real-time with all relevant systems wherever they reside in the healthcare continuum, everyone is running the same automated error processing, and staff are alerted to problems early to help ensure clean claims, reducing delays and increasing cash collections.

Cloud Business Intelligence

Successful radiology practices realize that keeping track of performance indicators and business metrics such as days in receivables outstanding, aged trial balance, net revenue, cash and other important indicators that identify workflow trends and processing bottlenecks, is critical to monitoring and improving performance.

Cloud-based RCM platforms that support clinical and financial information exchange are needed not only for effective revenue capture and management, but to serve as a radiology practice’s business intelligence (BI) hub without having to invest in additional systems or IT resources.

Radiology practices able to quickly gather and act on granular insights to facilitate decision making can address any issues proactively when it counts, before they become problems.

With BI in the cloud, information is structured in a way that's easy to understand. Data visualizations like charts, gauges, and dashboards make it simpler to evaluate BI information to find answers. With data accessible in the cloud, practices can generate reports and perform analytical operations that support core business and revenue cycle management decisions such as:

- Procedure volumes by modality
- Expected sales by modality
- Percentage of billed sales by payor
- Turn-around time by radiologist
- Patient satisfaction
- A/R performance for large balance claims
- Overlooked claims not billed
- Net collectible value
- Collection bottlenecks
- Collections less than expected net revenue

The availability of cloud-based BI and analytics helps foster greater collaboration and teamwork among decision-makers, and enables users to easily share data and insights.

The cloud also makes BI affordable, so medical practices can actually take advantage of their intelligence to ensure profitability and a competitive advantage.

The lengthy amount of time and effort typically spent gathering data and compiling reports can now be spent on working toward root cause resolution. With greater visibility into the real issues and underlying causes of the revenue cycle, practices are better able to improve financial performance and protect operating margins.

Cloud-based RCM platforms position diagnostic service providers to meet the growing demand for interoperability. Their enhanced functionality results in greater operational efficiency and decision making, leading to long-term financial gains and allowing providers to focus on their mission to provide world class healthcare.)))



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