
Shoring Up Your Revenue Cycle Process

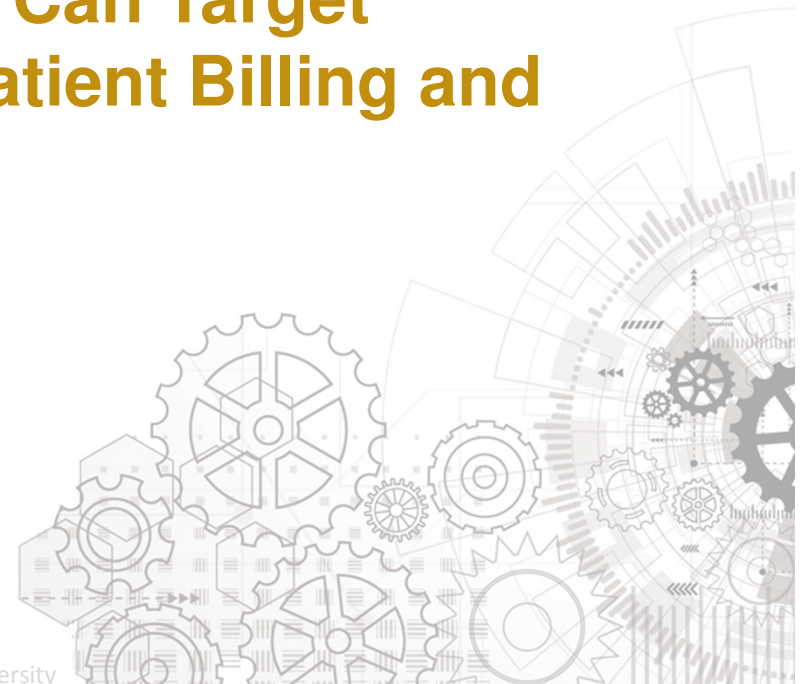
How Value Stream Analysis Can Target Opportunities to Improve Patient Billing and Hospital Reimbursement

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Purdue Healthcare Advisors
REGENSTRIEF CENTER FOR HEALTHCARE ENGINEERING

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Panel Presentation

Panelists:

Andy Aldred, Pharmacist, Cameron Memorial Hospital

Will Fox, PT, Pulaski Memorial Hospital

Dawn Gabrich, MS, LAT, ATC, Woodlawn Hospital

Wendi O'Hair, RN, Putnam County Hospital

Facilitator:

Melanie Cline, RN, MSN, Senior Advisor, Purdue Healthcare Advisors

Workshop Outcomes

On our agenda

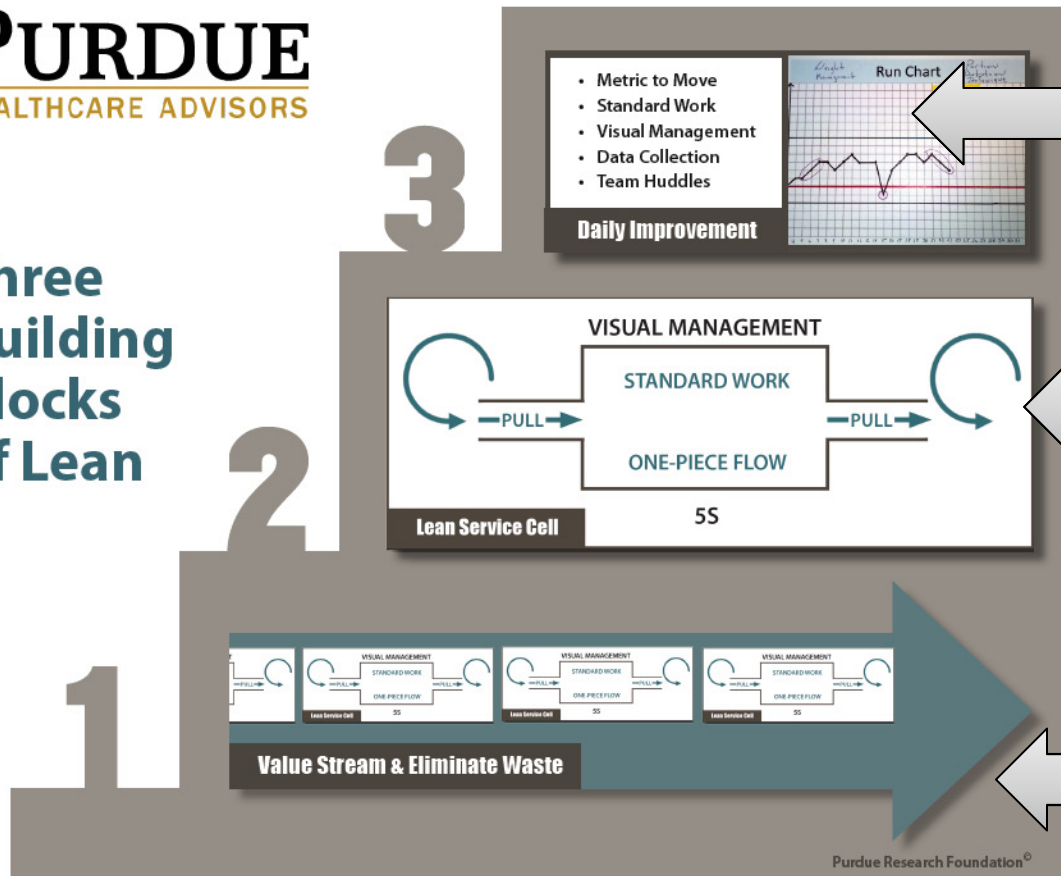
1. Introduce the multi-year **Lean Healthcare Transformation Initiative**, which involves quality-improvement training, coaching and event facilitation for 14 hospitals aimed at improving care delivery while systematically reducing cost, and is funded by the Indiana State Office of Rural Health (INSORH) through the Medicare Rural Hospital Flex Grant Program.
2. Define a **Value Stream Analysis (VSA)**.
3. Discuss the challenges and breakthroughs of **four Critical Access Hospitals** who performed value stream improvement work associated with the revenue cycle.
4. Share the results of four **Advanced Lean Practitioner (ALP)** candidates who worked with revenue cycle value streams.

INSORH Grant Skill Progression

Three Years of Skill Building

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Three
Building
Blocks
of Lean



Complete building blocks with Lean Daily Improvement (LDI)

Build skill to make lean process improvements through Rapid Improvement Events (RIEs)

Advance skill to Value Stream Analysis (VSA) and Management

Defining a Value Stream Analysis

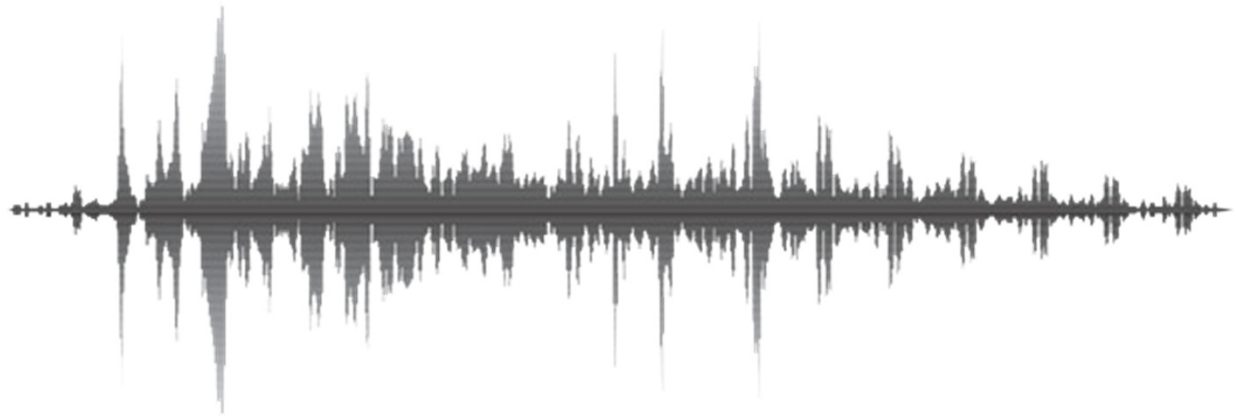
What is a Value Stream?

1. A value stream is the big picture or end to end process needed to deliver a complete service or product to the customer.
2. A value stream consists of all the actions, both value – add and non – value add, that are required to deliver a service or product from time of order to delivery.
3. A value stream allows us to understand the **Voice of the Customer** and the **Voice of the Process**.
4. It starts and stops with the customer:
 - Start: Customer has a need
 - End: Customer’s need has been met

Defining a Value Stream Analysis

Voice of the Customer and Process

1. Understanding the **Voice of the Customer** (VOC) tells us what is expected
2. Understanding the **Voice of the Process** (VOP) tells us what we are capable of doing
3. Understanding both allows us to identify what we need to do to change our processes to meet the needs of our customers



Defining a Value Stream Analysis

Value Stream examples

- **Emergency Department**
 - Registration – Triage – Assessment (RN/MD) – Plan of Care Determined – Discharge/TOC
- **Revenue Cycle**
- **Med / Surg**
- **Perioperative Services**
- **Cardiovascular Services**
- **Supply Chain**
- **Ambulatory Care Setting**
 - Physician Office
 - Patient Visit
 - Other Patient Services
 - Population Health
- **Behavioral Health Setting**
 - Emergency Services
 - Outpatient Therapy
 - Substance Abuse Treatment Program

The Value Stream chosen for your facility should be driven by executive leadership input with consideration of strategic needs of the organization/community.

Hospital Goals

What did each hospital focus on?

- **Cameron Memorial Hospital**

- The goal of the Revenue Cycle Value Stream is to reduce the time to reimbursement by reducing the number of claim errors, denials and the number of unbilled claims while reducing bad debt due to uninsured patients.

- **Pulaski Memorial Hospital**

- PMH value stream focused improving revenue by reducing hospital claim denials one of the highest strategic priorities of the hospital's 2017 goals.

- **Putnam County Hospital**

- Value stream work focused on improving revenue cycle performance by eliminating claim errors and improving standardization of the charge master.

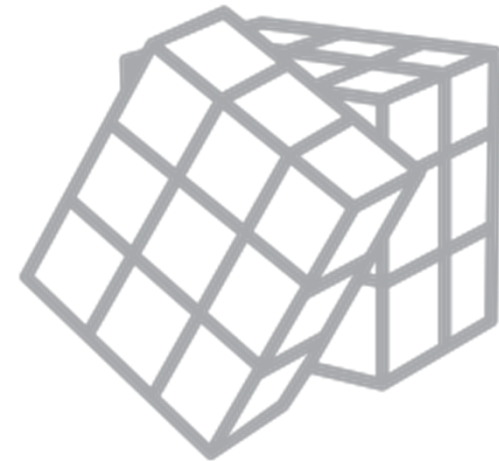
- **Woodlawn Hospital**

- Denied Claims; AR \geq 120 Days; AR Days; Patient Satisfaction with Ease of Registration; Upfront Collections

Challenges & Breakthroughs

Questions to panel

- What challenges did you face as you moved toward your goals?
- What aspect of lean was the most difficult to implement?
- Describe one of your “Aha!” moments?

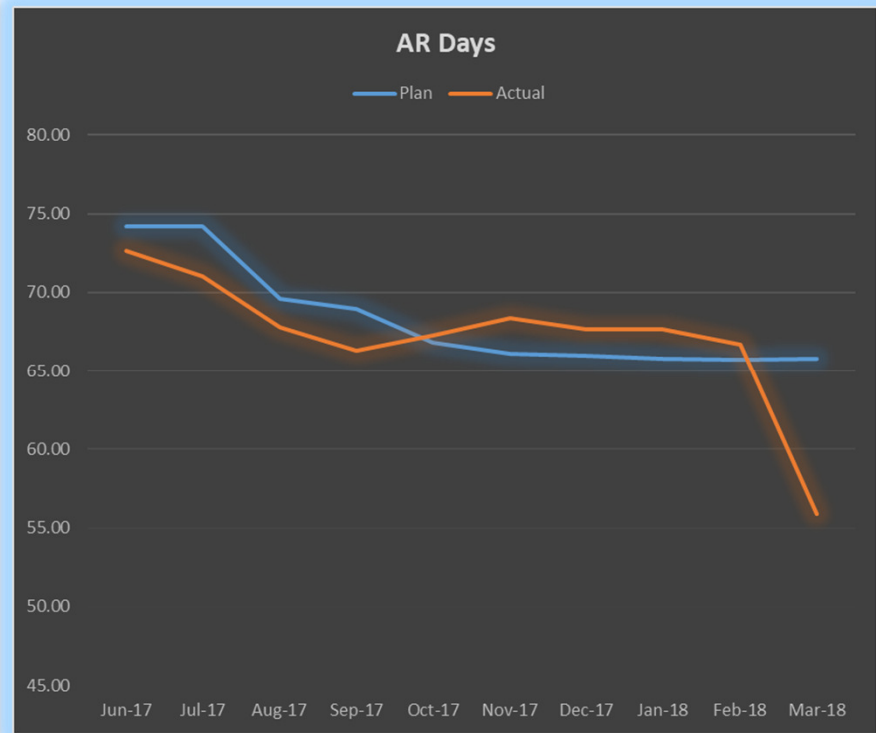
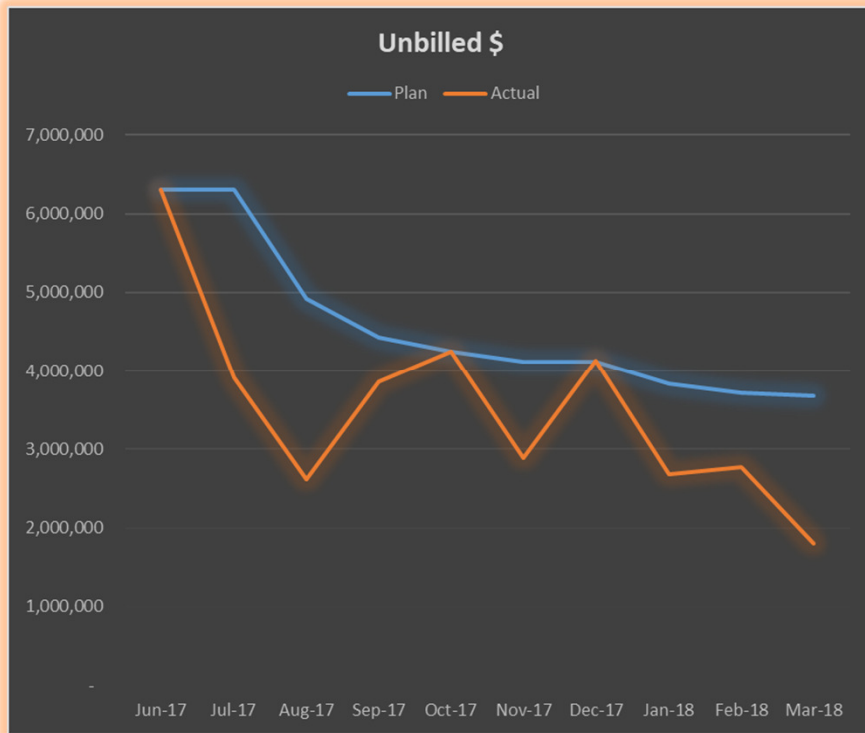


The Results

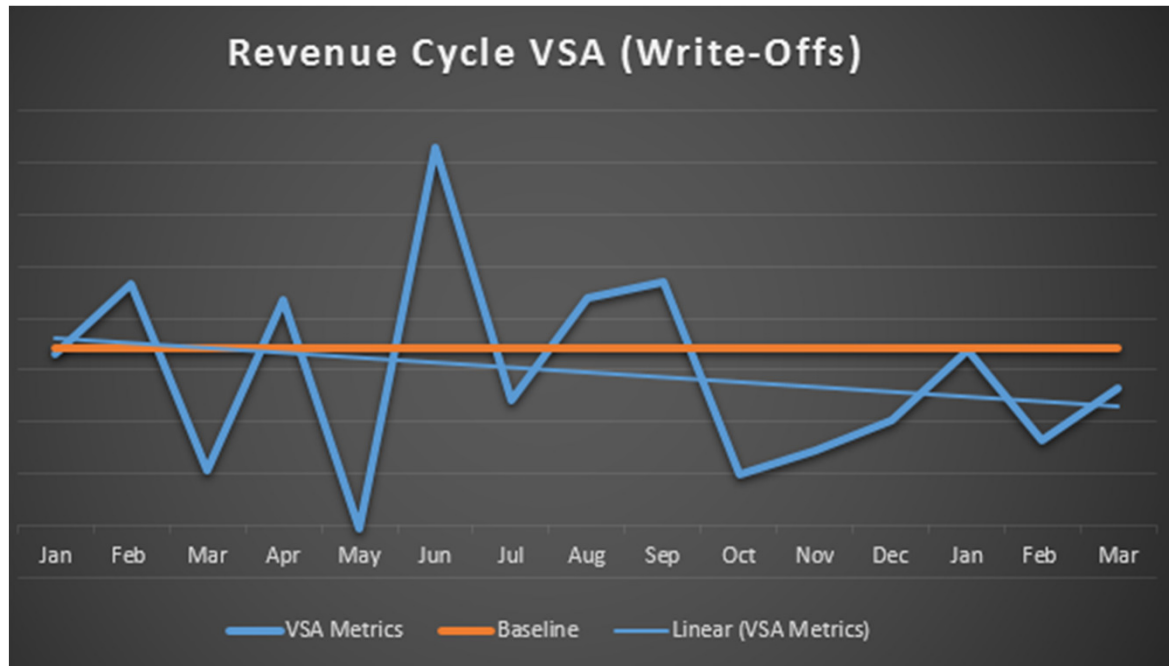
Questions to panel

- What were your results?
- Were they the results you were hoping for?
- How do you plan to sustain the gains?



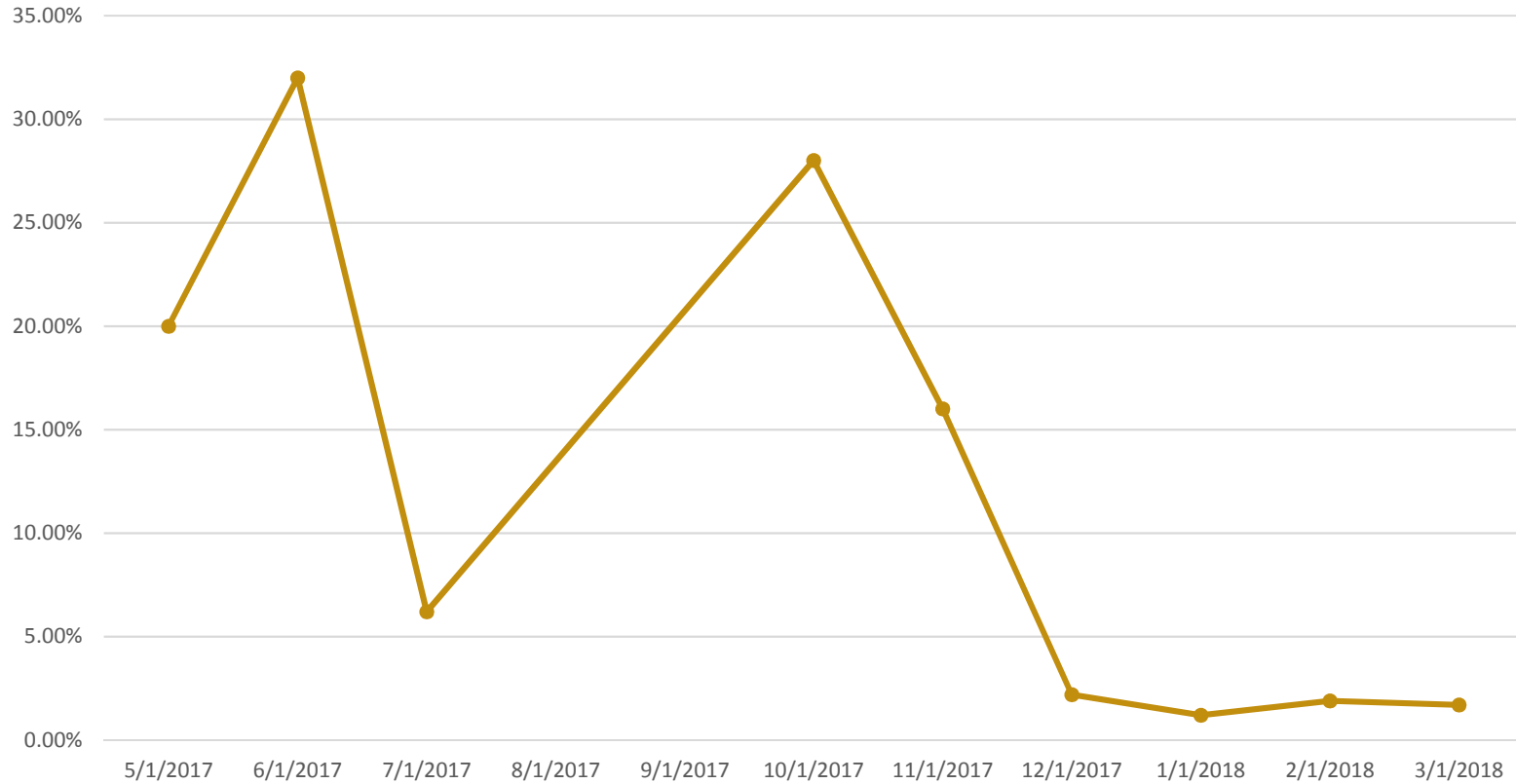


Cameron Memorial Hospital Metrics



Pulaski Memorial Hospital Metrics

Error Claims



Putnam County Hospital Metrics

- Denied Claims (Decreased 22%)
- AR \geq 120 Days (Decreased by 23%)
 - AR Days (Decreased 1 day to 46 days)
- Patient Satisfaction with Ease of Registration (Improved 3%)
- Upfront Collections (Increased 18%)

Woodlawn Hospital Metrics

Moving Forward

- 1) The program has been extended for another year, allowing PHA to help the 14 hospitals build their coaching model, establish lean offices, and develop lean leadership to sustain their work.
- 2) Grant funding also has expanded to allow PHA to recruit an **additional five (5) hospitals** for a 2019 cohort program focused on establishing lean in their organizations. Express interest now; applications available in early September.



Questions?



Contact

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