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## 5 Tips to Improve Your Revenue Cycle Management

A 2018 HIMSS Analytics [survey](#) found that more than 76% percent of health systems found denials to be their biggest revenue cycle challenge with revenue integrity (36.8%) and self-pay (34.2%) following.[i] Fast forward to 2020, and these issues are still the same. With today's challenges for behavioral health agencies, one has to watch getting overwhelmed with the to dos of the revenue cycle process and missing the goal. Taking an aerial view can be helpful in building a strategy on the important points to consider in managing your revenue cycle.

Our 5 tips can help you focus on the top activities for a positive impact to your agency's revenue line.

### #1 Focus on the Upfront Process

Registration: Is a lack of coherent processes and staff training at Registration backing up the workflow in your office?

Not adhering to a strict order of steps at intake, i.e., copying ID and insurance cards, verifying up to date contact information, etc. can lead to mistakes with billing and claims filings which negatively impact your agency's performance.[ii] When booking

appointments, make sure front office and call-center staff collect and accurately input client insurance information. At least one week before the appointment, utilize a financial clearance team or internal process and verify insurance on all scheduled appointments. Later, during face-to-face registration, ensure staff check for expired client identification and insurance cards following a basic registration checklist.[iii] Basic checklists at the registration desk can make a significant difference in keeping your team on track and organized and giving clients a reliable sense of service and organization.[iv]

Combine these simple steps with staff re-education, emphasizing the importance of accurate insurance data, and how much errors can cost the organization. Just 10 more minutes spent by front-end registration staff can eliminate several hours wasted on follow-up work on preventable denials and unnecessary claim resubmission. [v]

## #2 Watch Your Workflow and Catch and Correct Errors Real Time

In the billing department, workflow is key. It must be tight and understood by the billing managers with change managed in a controlled process. The implications of adopting revenue cycle workflow changes or additional tools need to be vetted with the stakeholders who do the billing work. As Ron Wince, CEO of MyndShft Technologies said, “it can mean the difference between achieving the return that was anticipated or just becoming an expensive notepad where work continues to happen outside the system under the old workflow.” Along with workflow, catching and correcting errors as soon as possible (that’s the real time) is critical in preventing long delays in payment on the back end.

It’s easy to overlook parts of a claim when you’re processing many in a given day. But if you can identify some of the more common mistakes medical billing specialists make,

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you can try to avoid them. Here are some of the most common mistakes made when filing a claim:

- Entering incorrect information for the provider (name, address, contact information, etc.)
- Entering incorrect information for the client (name, sex, date of birth, insurance ID information, etc.)
- Entering incorrect information for the insurance provider (policy numbers, address, contact information, etc.)
- Inputting the wrong codes or confusing codes such as CPT codes, place of service codes, or ICD-10 codes
- Entering too few or too many digits for ICD-10 codes
- Inputting mismatched treatment and diagnostic codes
- Forgetting to input codes at all for services performed by a physician or another healthcare official

Again, every piece of information on a claim must be accurate for it to be processed correctly. CPT or Revenue Code accuracy is critical. Be sure to familiarize yourself with all the relevant codes as well as client, provider, and insurance information prior to filing a claim. [vi]

## #3 Employ Software Solutions and Tools to Leverage Your RCM

Software and tools to manage your revenue cycle management software as well as online client portals are the best way forward in streamlining client communication and payments. Data collection is key and analyzing trends in your client metrics, i.e., rates of visits, occurrences of episodes, payment rates, etc., can help your agency make data-based decisions when it comes to updating technologies and services. And housing all accounts receivable information in one central place can make the client intake, billing, and payment processes more efficient.

Online portals allow clients to check-in or reschedule appointments, access health records, resolve outstanding balances, request refills, and message doctors empowering clients to take a larger role in their health and wellness. A lack of digital solutions stagnates the revenue cycle, impairs client/provider communication, and reflects poorly on your office. [vii]

## #4 Put in Place Written Financial and Charge Capture Policies

A formal charge-capture policy is a must have for all agencies. When charges are posted more than five days after the client visit or discharge, the risk for lost revenue rises. Documentation gets misplaced, and memories of the clinical visit fade. For establishing the timeframe for late charge write offs, select a lag day's value that allows roughly 95 percent of charges to be posted prior to the initial claim generation step. This measure helps identify opportunities to improve revenue capture, reduce unnecessary cost and inefficiencies and accelerate cash flow.[viii] If your organization is lacking a detailed financial policy, your staff (and clients) may not have the guidance they need to keep documentation, invoicing, and payments on time and secure. Financial policies paint a clear picture of the billing process including how and when it is the client's responsibility for outstanding balances as

well as what happens when claims are denied, and how to communicate insurance requirements and copayments. [ix]

## #5 Study Billing and Coding Trends

It is important to assign the role and responsibility of studying new codes and billing procedures. You can guard against coding mistakes by staying up to date on the latest medical billing codes. Billing codes change over time to accommodate modifications in healthcare regulations, new treatments, and payer requirements. A designated coordinator for these activities can work with providers *and* clients to optimize care under the new value-based model. Billing, coding and collecting are the three most important procedures in revenue cycle management and they impact the bottom line of any agency, so vigilance is key here. Set regular goals to measure the monitoring of billing and code trends as this impacts your workflow changes and updates to your existing protocols. [x]

Agencies can take small, manageable steps to improve the reimbursement collection percentage. How behavioral health organizations adapt to both value-based payment models and mounting demand for revenue metrics will forge the future of revenue cycle management. These five areas of concentration can help us all move vigilantly forward.

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[i] Smith, Jonce, (2018). "5 Tips for Revenue Cycle Management". *Becker's Hospital Review*, June 5th, <https://www.beckershospitalreview.com/finance/5-tips-for-hospital-revenue-cycle-management-success.html>

[ii] "5 Smart Tips for Improving Revenue Cycle Management" (2020). *ReferralMD*, <https://getreferralmd.com/2017/12/5-smart-tips-improving-revenue-cycle-management/>

[iii] Smith, Jonce,(2018). "5 Tips for Revenue Cycle Management". *Becker's Hospital Review*, June 5<sup>th</sup>, <https://www.beckershospitalreview.com/finance/5-tips-for-hospital-revenue-cycle-management-success.html>

[iv] "5 Smart Tips for Improving Revenue Cycle Management" (2020). *ReferralMD*, <https://getreferralmd.com/2017/12/5-smart-tips-improving-revenue-cycle-management/>

[v] Smith, Jonce,(2018). "5 Tips for Revenue Cycle Management". *Becker's Hospital Review*, June 5<sup>th</sup>, <https://www.beckershospitalreview.com/finance/5-tips-for-hospital-revenue-cycle-management-success.html>

[vi] "Course 8: Medical Billing Errors" (2020). *Medical Billing and Coding Online*, <https://www.medicalbillingandcodingonline.com/medical-billing-errors/>

[vii] "5 Smart Tips for Improving Revenue Cycle Management" (2020). *ReferralMD*, <https://getreferralmd.com/2017/12/5-smart-tips-improving-revenue-cycle-management/>

[viii] Smith, Jonce,(2018). "5 Tips for Revenue Cycle Management". *Becker's Hospital Review*, June 5<sup>th</sup>, <https://www.beckershospitalreview.com/finance/5-tips-for-hospital-revenue-cycle-management-success.html>

[ix] "5 Smart Tips for Improving Revenue Cycle Management" (2020). *ReferralMD*, <https://getreferralmd.com/2017/12/5-smart-tips-improving-revenue-cycle-management/>

[x] "Course 8: Medical Billing Errors" (2020). *Medical Billing and Coding Online*, <https://www.medicalillingandcodingonline.com/medical-billing-errors/>