Flexibility Key to Revenue Cycle Management Vendor Selection

When choosing a healthcare revenue cycle management and business intelligence analytics vendor, providers should consider how products can be customized.

January 03, 2017 - With thousands of healthcare revenue cycle management and business intelligence analytics vendors in the market, how does a provider organization decide on just one?
According to Robert Creaven, CMPE, MPA, Executive Vice President of Operations at Allied Physicians Group, finding a vendor that shares the same vision with the healthcare organization is key to selecting not only a revenue cycle management vendor, but a partner.

“If you’re going to be using a cookie-cutter platform or something that is sort of an analytics-in-a-box, you’re stuck with what you’re stuck with,” he recently told RevCycleIntelligence.com after his pediatric organization partnered with Dimensional Insight, a business intelligence analytics and solutions company, in November.

“But finding a revenue cycle management partner who understands who you are, what you’re trying to accomplish, and is willing to go down that road with you is vital.”

As public and private payers steadily implement more value-based reimbursement programs, healthcare organizations, like the pediatric organization Creaven works at, have adopted or are considering implementing more vendor-sponsored revenue cycle management and business intelligence analytics platforms.

A Black Book survey from September found that revenue cycle management outsourcing is expected to increase in 2017 because of declining claims reimbursement rates and value-based care models. About 59 percent of providers and 86 percent of hospitals said their organizations plan to do away with some inefficient medical billing processes in the next year.

Another 90 percent of small, independent practices also reported that they are not financially or technically prepared for value-based reimbursement challenges.

With many healthcare organizations looking to replace ineffective revenue cycle management processes or adopt new solutions, many are facing the daunting task of deciding on a vendor or in-house service. But Creaven noted that an organization’s size might point to the answer.

“We have 35 locations with 150 providers spread out over Long Island, New York City, and upstate New York,” he said. “We always knew, just by the way we are set up, that we need a professional revenue cycle management company and an analytics platform to help us run our business effectively and operationally be streamlined.”

“Instead of doing that all in-house, we have always looked for a reputable business partner to help us with those functionalities.”
Allied Physicians Group also decided against in-house solutions because of the operational and financial challenges associated with in-house projects.

“Because of our size, the number of patients we see, the amount of claims we process, and the space requirement for our corporate offices, it would be quite an endeavor,” he pointed out. “Taking on that burden has never been something that the partners have wanted to bring upon themselves.

While in-house solutions may be costly, revenue cycle management and business intelligence analytics solutions are generally not cheap. When deciding on a vendor-run solution, about 83 percent healthcare organizations considered cost as the top factor in the selection process, according to a March peer60 survey.

However, Creaven emphasized that vendors with high ratings and proven results may be worth the investment. Presented results was also the second highest factor in revenue cycle management vendor selection in the peer60 survey.

“The main factor was that we knew they were a highly-rated platform. We understood that they were a platform we could trust and use,” he said.

High ratings for Dimensional Insight also stemmed from the vendor’s willingness to work with Allied Physicians Group and customize a platform for their pediatric organization.

“There was nothing cookie-cutter about it,” he stated. “They never showed us anything and said this is what this screen is going to look like, so take it or leave it. They were willing to invest the time and energy to build this platform, which is a wide-spectrum platform analytically. They were willing to build it for us from scratch. We couldn’t walk away from that kind of offer.”

The second factor in the selection process at Allied Physicians Group was how the business intelligence analytics platform coordinated with the legacy revenue cycle and clinical management systems.

“The other main factor for us, though, was our partnership with ALN Medical Management,” said Creaven. “They already had a relationship with Dimensional Insight and they sort of brought Dimensional Insight to us during our courting with them to become our CM partner.”

Finding a flexible revenue cycle management and business intelligence analytics platform was also important to Allied Physicians Group because of their specialized care. One of the organization’s main specialties is pediatrics.
“This platform allows our divisions to track the bread and butter of pediatrics, which is keeping our patients in the door when they should be in for their regularly scheduled appointments and keeping them healthy and out of other costly medical care,” stated Creaven.

In addition, the customized platform allowed the pediatric organization to open payer-provider dialogues about quality programs. Oftentimes, pediatric providers need to remind payers that quality programs designed for adult medicine will not fit with pediatric care.

“When it comes to these quality programs, it’s always a bit iffy,” he said. “We can’t be held culpable to a measure you have because you’re trying to monitor what 65, 70-year old patients do.”

“Pediatrics is not where the cost-savings are, generally. Our population is not the most expensive population, so they don’t focus in on it. They just sort of attach whatever quality programs they have to everybody and it just doesn’t work that way.”

He added, “Never mind, one of the other facets is that pediatrics is not as simple as one patient coming one at a time and that patient is singular to themselves. We have mothers and fathers bringing in four or five kids at any one particular time. Within one family, we have four or five different patients wrapped up into that family.”

Using the Diver platform from Dimensional Insight, the healthcare organization could prove to payers what quality programs fit their practice.

“This tool definitely helps us be able to run any one of a million different reports to get any kind of view we need to either dispute or verify whatever the payers are saying when it comes to these quality programs,” he stated.

Implementing the vendor-sponsored business intelligence analytics platform also had its benefits. The organization became more data-driven, which the Allied Physicians Group CEO, Gary Mirkin, MD, anticipates will increase revenues, reduce operational costs, and establish best practices among providers.

Since the platform draws in data from practice management and EMR systems, Allied Physicians Group was able to quickly identify specific business processes that could be more efficient as well as clinical procedures that could improve care.

Creaven added that the platform allowed the executive team to view any revenue cycle management aspect, including productivity measures, as general overviews, graphical overviews, basic one-line items, or one-line statement summations.
But the beauty of the platform, according to Creaven, is that users can dive off of any singular data point and continue to go deeper into the data to find the root cause of revenue cycle management issues.

Beyond the business-related overviews key to improving financial health, the pediatric organization was also able to better monitor key quality and productivity measures at each of its 35 locations.

“For the first few years of life, there are a lot of scheduled critical wellness visits on which we get measured,” he said. “Our quality numbers are based on making sure that our patients are coming in, coming in on time, coming in as scheduled, and keeping our patients healthy and out of hospital systems and costly other medical exams.”

“We have a section in the platform that tells us what patients are the ones who have already passed their wellness visit,” he added. “So, their wellness visit is past due. You need to call them up and get them in the door because this is critical not only to the quality of care we are providing for our patients, but for meeting all the quality measures that we set out for our organization.”

But the platform was not just designed for general revenue cycle management operations. The platform also includes a more provider-focused aspect that allows each of the locations to improve business operations.

“Our physician partner owners use it to make sure that the division that they are responsible for is healthy, profitable, and doing the best that they can,” he explained. “They don’t look at the overall corporate picture so much as much as they look at what’s going on within the four walls of their practice.”

“But then you also have the office managers who work at each of those divisions,” he continued. “There’s a separate section just for them that focuses on appointment types, appointment types needed, patient demographics, and all sorts of information that is pertaining to their day-to-day operations. The platform provides the information that they need to make sure that the schedules are filled, through-put is happening, they’re getting enough business through the door to generate profits.”

Moving forward, Creaven emphasized how selecting the most appropriate vendor will continue to improve their revenue cycle management strategies, especially with the level of flexibility they have to customize their business intelligence analytics platform.

For example, Allied Physicians Group plans to include their payroll, accounts payable, and cost center data in their platform in 2017.
“This is only the beginning for us,” he said. “Everything we would ever need to know about our business, about our separate divisions out there, will be all in one place. Now, I don’t need to go to separate platforms to find out about payroll, benefits, current PNL statements, or cost expenses that our divisions are spending money on. That’s all going to be in one centralized place for us.”

The healthcare organization also plans to continue their relationship with the business intelligence analytics vendor because of their willingness to customize platforms and grow with the organization.

“They’re becoming much more than just a revenue cycle management platform for us,” Creaven stated. “They are becoming a true healthcare business analytical platform and that’s going to prove to be invaluable in the years to come.”