

BILLING

Improvement Area: Strategic Planning to Achieve “Best Practice” Results

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Quick tips to enhance an already-efficient billing operation... make the leap from performing well to “best practice”

In most industries, business executives are used to the terms and processes associated with strategic planning. However, few medical practices seem to either have a plan or even utilize these tools. Strategic planning plays an essential role in the long-term viability of most businesses by providing a baseline for desired business growth in a format designed to incorporate both issues and opportunities affecting the achievement of business goals.

While your practice may not require a formal strategic planning process or plan, it is a positive exercise to have at least annual discussions of the overall strategic growth objectives of the practice. This will ensure all owners and staff are mindful of the intended direction and results. Your overall practice strategic planning discussions should include items such as, but not limited to, the following:

- What are the core values, mission, and vision of the practice?
- What are the core services provided by the practice, and what is the strategy to continue to grow those services? How does the practice want to grow?
- What are the ancillary services or service lines, and how will those grow?
- How large does the group want to be (e.g. number of shareholders or locations)?

In addition to being part of the overall practice strategic plan, an A/R Process Strategic Plan is an excellent tool to ensure the achievement of “best practice” results. The concept of developing the plan is to provide a long-term, project-oriented A/R improvement-processing tool. In addition to daily and monthly reporting, analysis, and management activities, the “best practice” business manager also needs to keep one eye on how those results and activities are fitting into the practice’s long-term improvement goals. The easiest way to start such a plan is to develop a “project listing” addressing the multiple facets of A/R management. Examples of projects and groupings might be:

Monthly/Annual Projects

- Coding, billing, staff performance, and other audits
- Targeted collection projects and results analysis
- Pre-month-end procedures performed both by staff and management (e.g. write-off reviews/approval/adjustments)
- Month-end report review and analysis
- Managed-care contract reimbursement analysis and renegotiations
- Procedure and diagnosis code table updates
- Fee-schedule analysis and price increase or standardization

A/R Area-Specific Projects

- Insurance Verification process (i.e., developing an insurance company grid for authorization/pre-certifications required, co-pay amounts, and deductible limits by plan; or expanding the process to include collection of unmet deductibles/coinsurance and/or outstanding balances from previous visits)
- Training needs schedule by area and staff member
- Insurance company table review for maximization of electronic billing
- Review of appointment scheduling process by service line, staff, or room to reduce patient wait times and increase visit capacity

System/Process Automation Projects

- Automated patient demographic/insurance entry and/or charge posting through hospital interfaces
- Automated contractual adjustment of \$0 pay items upon charge entry
- Automated payment posting
- Payment variance reporting by managed-care contract
- Denial posting implementation (manual or automated) or reporting improvement for use in collections to replace paper EOBs
- Implementing an automated collection module
- Managed-care contract reimbursement analysis and renegotiations

The above list is in no way intended to be all-inclusive but rather to provide a framework for the grouping of strategic, long-term projects, which may be ongoing, one-time, or at staged intervals. In addition to the project listing itself, the inclusion of the team members involved, expected duration, detailed steps and expected due dates, and other pertinent project-management data should be incorporated.

Whether following a formal strategic-planning process or simply adapting some of the tools used in the process, strategic-planning concepts can enhance your ability to improve the performance of your A/R process and achieve “best practice” results. Ideally, the most benefit is gained when the A/R process and overall practice strategic plans complement each other and provide management direction toward anticipated growth goals.)))

To learn more about author Colin G. Ball, CCAT/CPAT, see our Contributors section on page 5.