ASC Financial Health

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Revenue Cycle Management

Scheduling

Ensure all CPT codes and Implants are added at the time of scheduling

Insurance Verification

Verify all CPT codes and implants are a covered benefit

Know LCD & Clinical Policies per payer

Pre-Authorization

Verify all CPT codes and implant require authorization

Obtain authorization prior to performing procedure

Registration

Obtain insurance card copies

Verify data entry is correct

Point of Service Collections

Collect copay/coinsurance/deductibles at TOS

Medical Records

Obtain H&P and supporting records to perform the case

RCM Processes

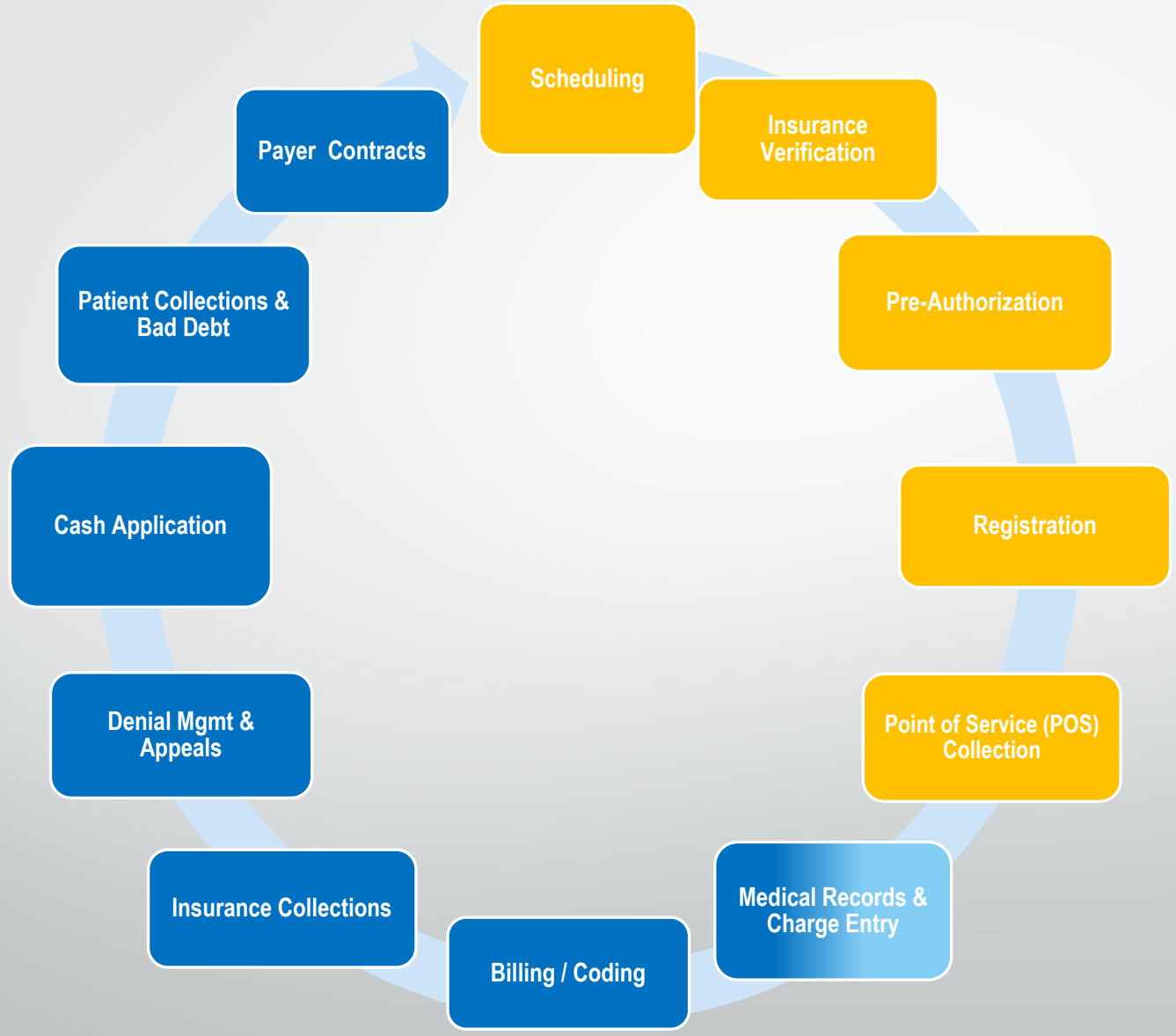
Create Foundation for Success

- Clean Claims
  - Correct demographics
  - Focus on insurance payers and contracts
- POS Collections
  - Estimate correctly at TOS
  - Use all CPT Codes scheduled with Implants
- Physician Engagement
  - Schedule with on-line tools
  - Support for upfront collections
  - Support for timely documentation and billing

Policies and Procedures

- Create scripted processes for all team members to follow
- Everyone works together
- Escalation process
- Drive accountability
- Identify trends and create workflows to mitigate same errors in the future
- Leverage reports and data

Revenue Cycle Management



RCM Gaps & Solutions

Billing/Coding

- **Gap:** Scheduling codes often differ from what is ultimately dictated and coded, leading to billing errors and delays.
- **Solution:** Implement a scheduling-to-coding reconciliation process to review discrepancies daily and provide feedback to schedulers, ensuring alignment between scheduled procedures and actual services performed.

Insurance Collections

- **Gap:** Inconsistent follow-up cadence and lack of payer-specific strategies result in delayed or missed payments.
- **Solution:** Establish a 7–14-day follow-up cadence, prioritize high-dollar accounts, and use dashboards to track productivity and payer-specific escalations.

Denial Management & Appeals

- **Gap:** Denials are often addressed reactively and lack root cause tracking, leading to repeat errors.
- **Solution:** Implement a denial tracking system by payer and reason, with a dedicated specialist to analyze trends, identify root causes, and ensure timely, well-supported appeals.

Cash Application

- **Gap:** Payments are posted inconsistently or with errors, leading to misapplied funds and inaccurate reporting.
- **Solution:** Centralize and automate cash posting with daily reconciliation, spot audits, and trained staff to ensure accuracy and adherence to payer rules.

Patient Collections & Bad Debt

- **Gap:** Patient balances are pursued too late in the cycle, and statements lack clarity or follow-up.
- **Solution:** Implement point-of-service collections, upfront estimates, and early-out efforts, with automated reminders and third-party agency support as needed.

Payer Contracts

- **Gap:** Lack of contract management leads to underpayments, missed escalation timelines, and poor negotiation leverage.
- **Solution:** Maintain a digital contract repository with key terms flagged and perform quarterly audits and annual renegotiation analyses to optimize reimbursement.

Key Metrics That Drive ASC Financial Performance

Must-Watch Monthly Metrics

- **Charge Lag: Goal is < 2 days**; delays mean missed opportunities for timely filing.
  Recommendation: Run weekly charge lag reports and meet with coding and clinical teams to address any documentation delays. Optimize Coding and Billing workflows, identifying any bottlenecks. Same day coding for high dollar cases.
- **AR > 90: Should be <15% of total AR**; high % suggests deeper workflow issues.
  Recommendation: Segment AR by payer, financial class, and aging buckets weekly. Prioritize follow-up on high-dollar or aging claims and establish daily worklists for staff. Enhance denial management, conduct root cause analysis.
- **Claim Follow-Up Efficiency:** Best Practice: Claims should be touched within 7–14 days and bi-weekly thereafter.
  Recommendation: Implement a policy with the revenue cycle management team to initiate claim follow-up within 14 days of submission and maintain consistent follow-up every 15 days until resolution.
- **Collection Rate:** Should align with monthly cash goals.
  Recommendation: Set monthly cash collection targets based on expected revenue. Use historical performance to forecast and monitor shortfalls early.
- **Denial/Credit Trends:** Identify patterns; unworked credits can trigger audits.
  Recommendation: Track denials by payer, category, and reason weekly. Schedule regular credit balance reviews to process patient refunds and avoid payer scrutiny.

When you watch the right metrics, the money follows.

THANK YOU!