CENTRALIZING PATIENT ACCESS AND REVENUE CYCLE OPERATIONS:
Strategies for reducing costs and boosting patient satisfaction

As healthcare delivery models increasingly move toward Accountable Care Organizations (ACOs) and Patient-Centered Medical Homes (PCMHs), collaboration between hospitals and physician practices will intensify. Although these new care models promise to reduce costs and improve patient care, these benefits will only be realized if healthcare organizations begin to work together to operate more efficiently than they have in the past.

One simple change that can be implemented by aligned hospitals and medical practices is to centralize patient access and revenue cycle operations. If executed successfully, these centralized processes can almost immediately reduce expenses and increase patient satisfaction, as well as deliver benefits such as improved billing accuracy, fewer missed appointments and improved patient adherence to treatment.

Although the concept may seem straightforward at first glance, this transition requires careful planning that is inclusive of all relevant parties in the organization. This white paper will explain the benefits of a centralized patient access and revenue cycle workflow, as well as how to implement centralized processes with minimum disruption to current operations.

Patient and staff convenience

When a patient calls a physician practice that operates under the typical current decentralized workflow, a front desk employee will take the chief complaint, ask about insurance and offer appointment times. This is a relatively simple process, yet the information received usually is not shared with any other aligned healthcare organizations. If the patient needs surgery, for example, he or she often will have to call multiple practices or departments at the hospital, make individual appointments, and provide demographic, insurance and availability information during each separate phone call.

Compounding this unsatisfactory patient experience is the fact that staff members charged with answering patient phone calls usually are tasked with other office duties as well, including checking-in patients at the front desk, working through claims issues or answering patient billing questions.

By creating enterprise-wide patient access, processes can be streamlined for both patients and staff. Patients only need to call one phone number to schedule all of their appointments — and only need to provide their demographic and insurance information once. Higher patient satisfaction rates often are experienced, and many organizations that have consolidated patient access see a resulting increase in patient satisfaction scores.

Consolidating staff in one centralized location eliminates the distractions of a busy practice or hospital floor, which allows employees to concentrate simply on receiving patient phone calls. Meanwhile, staff in the hospital or practice can focus on patient relations or collections. Not surprisingly, this kind of consolidation usually reduces the number of staff members necessary on the phone and improves productivity. At one major hospital system in the Northeastern United States, for example, centralizing patient access staff reduced staffing needs by about 30 percent in that service area.

Another benefit of centralizing patient access is that organizations can create more standardized registration and scheduling procedures and ensure that employees are collecting all necessary information. When staff are spread out among multiple offices under separate management protocols and using various practice management systems, they are likely to capture information differently. This can cause billing problems downstream. Ensuring that all employees are collecting data in a standardized way helps increase the quality of data captured. In turn, by increasing quality upfront, claims denials should be reduced on the back end.

One simple statement
The efficiencies of centralization are not just confined to patient registration and scheduling, but can also include patient billing and collections. Many successfully aligned organizations have transitioned to sending patients a single consolidated patient statement that includes all hospital and physician services.

In the current decentralized process, patients seen for a surgical procedure usually will receive a bill from the hospital for the stay, as well as professional bills from the surgeon, the anesthesiologist, the radiologist and any other caregivers involved in the service. Patients who receive all of these statements often have difficulty determining which services are covered or not covered by insurance, how much they owe to the hospital, and how much they owe to each physician. It is not only confusing and frustrating for the patient, it can be expensive for the organization to mail multiple statements and collect on those invoices.

By contrast, when a centralized billing office mails a single consolidated patient statement, patients can see all the charges for their surgery on one bill. It is much easier to determine how much of the service insurance covers, and how much each provider is owed. In addition, patients receive just one phone number to call with questions.

From the organizational standpoint, staffing costs can be reduced by centralizing collections employees rather than tasking people in multiple locations with collecting multiple bills. Consolidation also allows supervisors to ensure that they are following standardized collection policies and procedures. Organizations will immediately reduce paper, printing and mailing costs by sending out only one statement. Furthermore, as emerging healthcare delivery models dictate a shift toward bundled payments, centralizing a revenue cycle office will help streamline distribution.

Managing change
The main challenge in shifting to centralized patient access and revenue cycle operations is the difficulty releasing control of those employees from the practice locations. Many practice administrators hesitate at the idea of allowing off-site employees to interact with patients and control their physicians' schedules. Moreover, many staff members are reluctant to alter registration, scheduling and collections processes that have been in place for years or decades.

Understandably, they are concerned about processes moving off-site to a centralized facility. In addition to worries about job security, they often fear that giving up control will create more challenges for their practice or department. The less integrated the organization as a whole, the more heightened these doubts tend to be. It is for these reasons that any shift toward centralized patient access and revenue cycle management must include the participation of all affected revenue cycle, billing, provider and information technology (IT) staff.

As organizations plan a shift to centralization, they need to determine how the new process will be designed and governed. Leadership will need to engage the appropriate people in the design so they understand the various

department and practice goals, challenges, obstacles and business needs. While it is not reasonable to expect that every participant's concerns will be resolved, each participant must at least have a voice and an understanding of why the organization is making the shift. This type of open process tends to collapse some of the most common barriers to implementation.

A governance structure for the patient access and revenue cycle operations also will need to be determined. Leadership must establish who will have the authority to make changes and how they will measure improvement and accountability. Inclusion is important here, as well. If all parties feel that they have some influence over the governance, their concerns about relinquishing control may be alleviated.

Getting everyone at the table

Ultimately, centralizing access and revenue cycle processes becomes a billing and collections initiative. In addition to a hospital's human resources director, revenue cycle leadership for professional and hospital charges needs to be engaged. Other key leaders to consider include a hospital staff member responsible for patient access or patient relations, and administrators from the larger physician practices aligned with the organization. IT leadership will also need to be included because centralizing these processes will be greatly dependent on technology.

Although centralization should not be an IT-driven project, one ideal time for an organization to centralize its patient access and revenue cycle is during the implementation of an enterprise-wide electronic health record (EHR). If the EHR implementation encompasses the hospital and physician-level patient registration, scheduling, billing and collections, the organization already will be analyzing workflows, staffing levels, policies and procedures. With so much change going on, what better time for an organization to consider how to more closely integrate these processes?

Avoiding productivity slowdowns during these transitions is crucial to successful execution. Before an organization makes the shift to centralization, leaders will need to establish productivity, billing and collections targets. Once the processes are centralized, leaders must monitor benchmarks to identify problems quickly and address them with the appropriate staff members or departments — before they lead to delays in cash flow.

It is possible to phase into a centralized environment rather than jumping in all at once. For example, a hospital could launch centralized registrations, appointments and statements and then invite physician practices to join the following quarter. During the planning phase, leaders will need to decide whether to pursue a "big bang" or phased approach.

Centralization: The spirit of collaboration

The future of healthcare delivery is headed toward collaboration and integration. The most complex challenge facing healthcare organizations will be determining how to efficiently improve the clinical experience, patient care and outcomes. Centralizing patient access and revenue cycle operations is a significant cultural shift, but it can be an effective and rewarding first step toward care collaboration.

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