

4 Tips for Smoother Hospital Billing

With new health reforms changing the scenario of how illness is coded in the new ICD-10 system and patients billed, hospitals are facing challenging times. The biggest challenges are how to file claims to payers, and how to decrease the denial claims, and increase reimbursements in a timely manner. This Revenue Cycle Management (RCM) can be tackled in very efficient yet effective ways to fix the billing system

1. Review the System:

Before making any changes a review of the current process needs to be ascertained. Find out where the loopholes are. Most times the problem lies in error codes. It is an underlying fact that up to 80 percent of medical bills will contain errors. Wrongly assigned CPT codes and the consequently wrong revenue codes add up to the increase in claim denials. Once this is fixed, you will immediately see a drastic drop in rejected claims

2. Staff Education:

In order to ensure that all accounts are up to date and all information entered is correct and in-line with current coding systems, the staff handling the coding and billing information need to be made aware of the changes and be educated on the constantly changing rules and regulations. This can be done with the help of workshops or with specialized training sessions and should be part of the budget preparation. Refresher courses should be initiated every six months to both physicians and administrators. Prevention is better than cure!

3. Create Patient centric payment Options:

In today's world of economic ups and down, both patients as well as physicians undergo stress. Very often patients are unable to pay their medical bills, which ends up in medical practices at hospital losing revenue. Patients also find payment of hospital bills complicated. If presented with an approach whereby bills are broken down into what the actual services cost, what the insurance coverage for the specific ailment, and how much if at all, out of pocket expense will be present, makes it simpler for the patients to have an understanding of what they can and cannot afford. Further, offering flexible and customizable payment plan options will help in improving [patient collections and satisfaction](#).

4. In house or Outsourcing Billing options:

Both have their own pros and cons. With the in-house billing, time and effort is spent on trainings and regular updates and upgrades required by both people and IT systems which could be expensive in the long run, as you may not have people to spare. Outsourcing billing is seeing a major up-trend in hospitals given that physicians and administrators now wish to concentrate on their patient's satisfaction, given the Value Based Payments (VBP) system which is now being encouraged as part of the ACA as against the Fee -for-Service Payments (FFS)

Being proactive about putting in place an efficient [hospital billing](#) practice will in time help eliminate costly billing errors, and thus help more effective patient care.