# From charge capture to claim submission: A key capabilities checklist

Rapidly changing reimbursement rules and care delivery models are having a profound effect on how your health system is compensated – and this considerably accelerates the need for claims and billing systems with more advanced functionality than traditional systems. This checklist is designed to help you identify such next-generation solutions. Following is a list of the key system, service and partner capabilities for you to consider in a transformative claims and billing system.

Net revenue increases from charge-level audits

**$450,000**

to nearly

**$1 million**

## Comprehensive pricing and charging strategy

Never before have mainstream media headlines been more attune to health care prices than in the past three years. The following are key partner capabilities to assess that will help you establish and drive a solid pricing strategy:

- A defensible pricing strategy must take into account regional and national market dynamics, peer pricing and your own payor contract provisions. A consulting partner should be able to gather and analyze this data for you, plus make recommendations for pricing adjustments to increase net revenue.
- Technology to link your item and pharmacy masters to the chargemaster allows a complete picture of your pricing strategy in action. This enables an analysis of acquisition costs against target markups and actual charges. The comparison should include billable and non-billable items, along with supplies and pharmaceuticals.

- Chargemaster reports should be able to compare specific items in various departments and drive consistency. For large health systems, an enterprise chargemaster solution can enable a corporate chargemaster to govern all facilities.
- The chargemaster also should provide scenario modeling to quantify the net revenue impact of pricing scenarios and create an audit trail for the reasons behind pricing changes.

Be confident in the defensibility of your pricing strategy while achieving net revenue goals with nThrive expertise in health care service pricing and technology solutions. nThrive provides benchmark data that covers more than 95 percent of charges and models health system-specific contracts. We utilize proprietary data to restructure your prices to improve net patient revenue while supporting the industry move towards transparent pricing.

## Close process gaps to capture missing revenue

On average, 3 to 5 percent of reimbursable charges are never billed due to revenue cycle gaps. As margins continue to shrink and ICD-10 adds complexity, capturing all revenue due becomes more important to maintaining revenue cycle performance. Key components of a system that can help include the following:

- Chargemaster reports that identify coding exceptions, missing items, pricing variations, non-covered items and other compliance exceptions. A best-case scenario is the ability to compare 100 percent of your chargemaster items against an industry best-practice list to assist with locating missing items and under-priced items.
- Clinical documentation improvement program that increases clinical staff knowledge of the importance of accurate documentation to the revenue cycle. A solid program should provide a robust technology tool and training to assist coders in managing questions and answers for clinical staff to increase efficiency across both departments. When properly implemented, the program can lead to a return on investment as much as four to 10 times the initial investment.
- Charge capture program that identifies your missed patient charges on a pre-bill basis by reviewing 100 percent of patient bills for missing charges, over charges and coding errors. These audits allow your organization to capture more revenue and increase compliance, creating a safety net to help eliminate billing issues and rework. This process also can be implemented on a post-bill review basis.
- Technology to establish a direct link between your item and pharmacy masters and chargemaster to identify supply and pharmaceutical items that may not have a correct corresponding charge.

nThrive is committed to helping hospitals and health systems identify missing revenue sources and correct them. With advanced technology solutions and industry experts to assist with establishing new processes, revenue cycle improvements are both gained and sustained.

## Charge-level bill audits

The hallmark of a transformative claims and billing solution is one that applies data intelligence to correctly process every claim in compliance with the latest payor rules and clinical practice guidelines. Following is a select group of capabilities that will accelerate your best practice charge-level auditing process:

1. Audits at the charge level for both inpatient and outpatient claims
2. Automatic prioritizing and routing of problematic bills to specific people or departments when errors and omissions are identified
3. Automatic checks for ICD-10 compliance
4. Easy access to a comprehensive and current charge-level rules database that is updated regularly with alerts and training available on-demand

> Claims Management is a cornerstone product in our business office. We have over 120 users in our facility. When questions come up in billing, they're distributed back to the front offices and revenue departments so staff can provide feedback in the solution in real time."
>
> **CHARLES REITANO, VICE PRESIDENT OF REVENUE CYCLE, COOPER UNIVERSITY HEALTH CARE**

> Our charge capture program is essential to the financial health of Bon Secours Health System and the nThrive* solution is a vital part of that program. In one year alone, nThrive helped us identify $3.92 million in missing charges that we would not have captured otherwise."
>
> **JOHN WHITESEL, SENIOR FINANCIAL CONSULTANT, BON SECOURS HEALTH SYSTEM**

5. Expertise to define, implement and support best practice business processes that leverage the new technology to support long-term success
6. The ability to prevent systemic errors and omissions through root cause analysis and correction, including identification and resolution of charge and coding issues prior to claim creation
7. Data integration with the patient accounting system to streamline processes

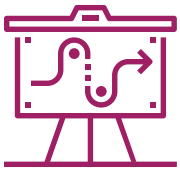
nThrive does what a thousand nurse auditors can't—reviews 100 percent of patient bills using clinical guidelines from multiple sources. The average net revenue increase for a 150- to 249-bed hospital is more than $450,000, a number that rises to almost $1 million for facilities with 400 to 699 beds.

## Intelligence for regulatory decisions and compliant claims management

Another hallmark: it's supported by a dedicated team of researchers who are constantly studying payor rules and clinical coding guideline trends – plus interpreting the impact on the billing process. Very few vendors can claim such a solution. Following are key capabilities of a data-driven solution and partner:

1. The ability to research best practices for medical coding and billing compliance by quickly searching an extensive database that shares questions from health systems nationwide and responses from experts
2. A comprehensive database that informs your claims management edits and includes, at a minimum, the latest payor rules and codes, data extracted from your hospital's EHR and patient accounting system, payor-specific claim rules and other sources that support creation of clean claims
3. The ability to create custom claims edits based on your organization's business practices
4. Proprietary data that includes translations of payor rules to assist your staff with understanding their billing implications
5. Expertise and capacity for on-call guidance regarding coding and payor rule interpretation plus a team that advocates on your behalf with payors when rules aren't correctly implemented

Supported by nThrive's team of more than 200 clinical guidelines and payor rules experts, our solutions protect and increase net revenue even in an environment of uncertainty and declining reimbursement rates. Our library of claims edits is the industry's most comprehensive set of accurately interpreted payor rules and clinical practice guidelines, providing your health system with more than 28,000 edit checks in less than one-tenth of a second.



More than **28,000** edit checks in less than **1/10 of a second**

## Advanced claims management

Beyond managing the claims creation and submission process, an advanced claims system also should account for the following:

- **Clearinghouse services:** A clearinghouse that facilitates claims transactions with payors with different formats for claims, remittance status reports and other electronic files, as well as reconciliation to the claim level.
- **Advanced remittance and posting:** The key here is creating a sustainable process that brings visibility to the payment status of every single claim with a "no claim left behind" philosophy with a proven process to validate that no claim goes unprocessed or unpaid.
- **Direct to Medicare submission:** The ability for your billers to upload claims right into Medicare's Direct Data Entry (DDE) system for same-day submission. This includes the ability for billers to check for eligibility and make corrections directly within the Medicare system.

nThrive prefers and maintains a direct connection for electronic submission with all major payors, using third parties only when required by the payor or volume is extremely low. In addition, nThrive completes reconciliation at the claim level to drive accountability for each and every claim. From the moment a claim is exported by your health system to the point at which a claim is paid, there are no areas for a claim to be lost in the system. All exported electronic claims are accounted for from the point of export to the point of acceptance, payment or rejection, helping to expedite your cash flow.

## Support for growing organizations

Whether you're a stand-alone facility or part of a growing health system, making investments in technology systems that can scale for future growth strategies is just good business. Chargemaster management can be one of the most daunting revenue cycle tasks when combining organizations. Key aspects to look for include the following:

- A future-proof solution should be able to manage multiple charge description masters (CDM) simultaneously, including both institutional and professional.
- The process for users to request changes and additions should be automated to streamline the approval and update process.
- Advanced reporting is key to enforcing compliance across all your facilities. The ability to access enterprise-level reports and drill down to facility-specific data is essential to identifying outliers and correcting issues.
- A best practice pricing list with which to compare your chargemaster will assist in uncovering errors and omissions.

Manage and maintain an accurate, comprehensive and compliant chargemaster for organizations of all sizes. The solution links chargemaster files to an industry leading proprietary catalog with more than 390,000 line items (including supplies and pharmaceuticals) that provides best practice charging information, benchmarks, regulatory documentation and coding research to optimize chargemaster management.

## Partner capabilities and expertise

The level of expertise and commitment to excellence in support, training and problem resolution are critical to your long-term success. Key considerations include:

1. Proven vendor implementation staff and planning, timeline reports and training materials and programs
2. A U.S.-based customer service support team with established hours and easy access comprised of health care professionals, including doctors, nurses, administrators and/or attorneys versed in health care law with experience in coding, billing and remittance management software/applications
3. A documented ongoing staff training program
4. The ability to provide on-site training for health system staff
5. Proven security access based on user function (i.e. administrator, biller, collector etc.)
6. Minimal demand on health system facility resources for implementation and ongoing maintenance
7. An established user community with user group events and an online community for secure networking and collaboration between different organizations

> Our reason for selecting nThrive* over other vendors as our partner in this initiative became more and more clear to the organization as the implementation progressed. The enthusiasm between the nThrive team and our staff helped to foster the overall acceptance of the Clinical Documentation Improvement Services program and enhanced productivity within the involved departments."
>
> **PATRICIA WOODS, DIRECTOR OF CASE MANAGEMENT, COMMUNITY HOSPITAL ANDERSON**

## Track record for positive financial impact

Revenue cycle partners must have examples of customer successes, including clear measures of positive financial outcomes. These include reduction in the number of A/R days, improvements in net cash flow, dollar amount of newly identified missing charges and other key metrics.

nThrive clients have realized significant revenue performance improvements, including:

### Cincinnati Children's Hospital Medical Center

- Decrease in A/R days from 50.1 to 43.6 in one year
- $21.8 million in accelerated cash flow in one year

### Phoebe Putney Memorial Hospital

- $12 million in lost charges identified in one year
- $1 million in additional net revenue collected
- Corrected charge errors affecting 23 percent of labor and delivery patients

### Community Hospital Anderson

- Financial benefit of $1,629,066 within 12 months
- Physician clinical documentation improvement program adoption rate of 97 percent

Make certain that your selection team has covered these eight key metrics to ensure that you choose the right vendor to support your health system's continued financial performance.

> When nThrive says that they're going to do something, they deliver. They have enabled us to continue our focus on patient-centered care."
>
> **PEGGY DEMING, EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER, UNIVERSITY HEALTH SYSTEM**

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From patient-to-payment,℠ nThrive empowers health care for every one in every community.℠