

# Optimizing Your Revenue Integrity Program: Objectives, Strategies, Staffing, and Performance

---

A WEBINAR PRESENTED ON OCTOBER 18, 2023



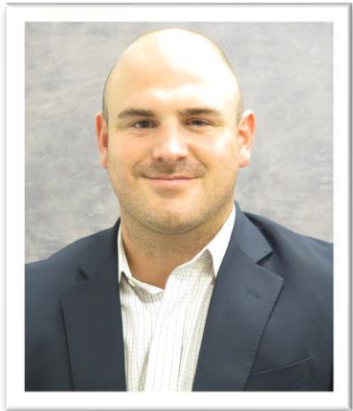
National Association  
of Healthcare Revenue Integrity



## Presented By



**Caroline Znaniec, MBA, MS-HCA, CRIP** is a Managing Director and Protiviti's healthcare revenue cycle practice leader. She has extensive professional consulting and industry experience in healthcare. She has experience serving in industry roles such as corporate compliance officer and corporate director of revenue integrity for integrated health systems. She is a recognized industry speaker and author in the areas of revenue integrity; revenue cycle transformation; regulatory compliance; electronic health record design, implementation, and optimization; and data analytics. Caroline is a NAHRI Advisory Board Member and Leader of the Mid-Atlantic Chapter.



**Joe O'Malley** is an Associate Director in the Protiviti Chicago office and Protiviti's Revenue Integrity solution leader. He has over 13 years of healthcare finance and revenue cycle management experience, leading projects to maximize net revenue and decrease revenue leakage through implementing industry-leading practices in clinical documentation, charge capture, denials management, and accounts receivable reduction. He has also presented at healthcare organization conferences/roundtables and published healthcare thought leadership pieces.

# Learning Objectives

- At the completion of this educational activity, the learner will be able to:
  - Define the core functions and concepts of revenue integrity
  - Explain best practices for optimizing a revenue integrity program
  - Identify key focus areas for a revenue integrity program

# Session Outline

- Definition of revenue integrity
- Key components of revenue integrity
- Key strategies to achieve revenue integrity
  - Defining scope
  - Aligning staffing
  - Understanding interdependencies
  - Tools/guidance
  - Auditing/monitoring
- Top initiatives in revenue integrity today

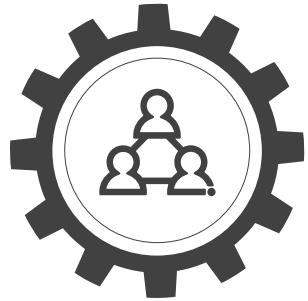
## Defining Revenue Integrity

- The basis of revenue integrity is to prevent recurrence of issues that can cause revenue leakage and/or compliance risks through effective, efficient, replicable processes and internal controls across the continuum of patient care, supported by appropriate documentation and application of sound financial practices that can withstand audits at any point in time
  - NAHRI's definition of revenue integrity  
<https://nahri.org/membership/ethics>

## Polling Question 1

- To your knowledge, does your organization have a revenue integrity function?
  - A. Yes
  - B. No
  - C. I don't know

# Key Components of Revenue Integrity



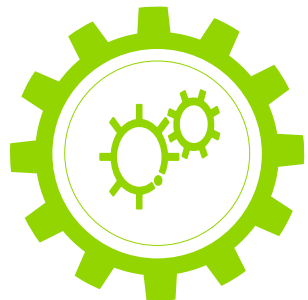
## People: Identifying Those Who Impact Revenue

- Clinical auditors
- Charge description master (CDM) coordinators
- Clinical documentation specialists
- Billing/finance specialists
- Certified medical coders
- Payer/contract specialists
- Strategic/analytical experts



## Workflow: Assess Current & Desired Future State Workflow

- Clinical/charge capture
- CDM maintenance
- Documentation/coding
- Net revenue improvement
- Compliance
- Payer strategy
- Denials management
- Overall process improvement



## Technology: Optimize Workflow, Tools, & Reporting

- Optimize data analytics and reporting
- Understand and validate data components for optimal utilization
- Ensure consistency across reporting tools
- Automate EMR capabilities where possible

# Key Strategies to Achieve Revenue Integrity

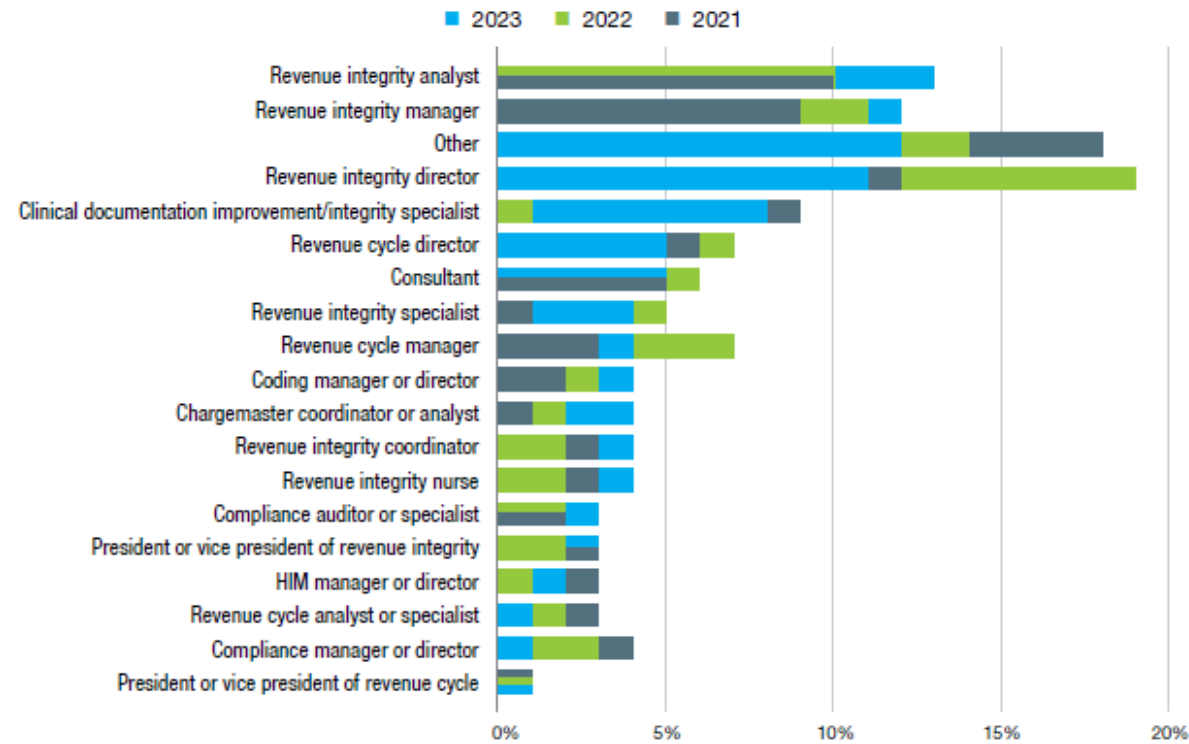
- Define scope and objectives
  - Determine focus: Hospital, professional providers, or both
  - Develop a program charter to document authority, standards, and guidelines
- Identify stakeholders and interdependencies
  - Collaboration with revenue cycle, internal audit, and compliance stakeholders
  - Development of a revenue integrity committee and committee charter
- Monitor performance and communicate
  - Continuous monitoring of key performance indicators
  - Provide results of activities and correction actions taken
  - Report performance to executive leadership



# Discussion of Example Structure

REVENUE INTEGRITY WEEK 2023

Figure 1. Which best describes your title?



Source: 2023, 2022, and 2021 State of the Revenue Integrity Industry Survey

# NAHRI Recommended Job Descriptions

Position	Role
Director	Responsible for the daily operations of the program
Manager	Responsible for the development, coordination, implementation, and oversight of the revenue integrity function
Senior Analyst	Responsible for directing activities of revenue integrity
Analyst	Responsible for performing daily activities of revenue integrity

*Note that while NAHRI recommends the roles and responsibilities published, the roles may not present an all-inclusive list of needed roles and responsibilities*



# Discussion on Primary Function

Figure 2: This is a primary function of our revenue integrity department/program

	2023	2022	2021
Chargemaster maintenance	82%	71%	66%
Correcting claim edits	55%	53%	52%
Charge capture	54%	52%	58%
Chart auditing	47%	41%	47%
Charge reconciliation	46%	44%	41%
Price strategies/methodologies	44%	N/A	N/A
Education	43%	48%	48%
Price transparency compliance	43%	N/A	N/A
Claims auditing	40%	36%	34%
Denials management	38%	39%	39%
Claims/payment reconciliation	29%	28%	31%
Decision-support functions	27%	30%	27%
Clinical documentation integrity	26%	23%	22%
Coding	25%	18%	33%
Internal audit	25%	31%	32%
Quality	19%	22%	22%
No Surprises Act compliance	18%	N/A	N/A
Patient billing	18%	21%	25%
Insurance verification	16%	16%	18%
Managed care/payer contract management	14%	14%	20%
Registration functions	13%	12%	14%
Patient admission status	13%	N/A	N/A
Financial counseling	8%	17%	17%

Figure 3. Our revenue integrity department/program provides support, but it's not a primary function

	2023	2022	2021
Charge reconciliation	49%	45%	43%
Denials management	45%	38%	53%
Charge capture	43%	40%	31%
Decision-support functions	42%	44%	36%
No Surprises Act compliance	37%	N/A	N/A
Claims auditing	37%	40%	47%
Coding	35%	40%	34%
Price strategies/methodologies	35%	N/A	N/A
Education	34%	37%	33%
Internal audit	34%	36%	37%
Quality	33%	33%	30%
Correcting claim edits	33%	30%	25%
Clinical documentation integrity	29%	32%	38%
Price transparency compliance	29%	N/A	N/A
Managed care/payer contract management	28%	33%	29%
Patient billing	27%	21%	23%
Claims/payment reconciliation	27%	32%	34%
Chart auditing	27%	30%	28%
Patient admission status	24%	N/A	N/A
Financial counseling	12%	8%	15%
Registration functions	9%	16%	18%
Chargemaster maintenance	8%	18%	17%
Insurance verification	7%	12%	16%

Source: 2023, 2022, and 2021 State of the Revenue Integrity Industry Survey

## Polling Question 2

- What are the primary functions of your revenue integrity function?
  - A. CDM pricing and maintenance
  - B. Charge capture and reconciliation
  - C. Coding and billing edit resolution
  - D. Denials management
  - E. All of the above

# NAHRI Staffing Algorithm

## KEY:

- **IP** = Number of facility inpatient discharges
  - One part-time non-managerial staff member per 15,000 annual discharges
- **OP** = Number of facility outpatient visits, including emergency services
  - One part-time non-managerial staff member per 150,000 annual visits, or
  - One part-time non-managerial staff member per 10 clinical departments
- **P** = Number of non-facility providers (i.e., billing on an HCFA 1500)
  - One part-time non-managerial staff member per 75 providers
- **TS** = Teaching status
  - Multiply total staffing from above by 0.15

**REVENUE INTEGRITY PROGRAM STAFFING ALGORITHM:**  
 $(IP + OP + P) \times TS = \text{Number of recommended revenue integrity non-managerial staff}$

**Example: Integrated Health System**

<b>IP</b>	19,150 annual discharges	=	0.64 FTE
<b>OP</b>	340,799 annual visits	=	1.14 FTE
<b>P</b>	150 employed professionals	=	1.00 FTE
<b>TS</b>	AHA major teaching status	=	0.42 FTE
Total non-managerial		=	3.20 FTE
Managerial oversight		=	1.00 FTE
<b>Total staffing</b>		=	<b>4.20 FTE</b>


**Example: Community Health System**

<b>IP</b>	10,014 annual discharges	=	0.33 FTE
<b>OP</b>	328,250 annual visits	=	1.09 FTE
<b>P</b>	50 employed professionals	=	0.33 FTE
<b>TS</b>	No teaching affiliation	=	N/A
Total non-managerial		=	1.75 FTE
Managerial oversight		=	1.00 FTE
<b>Total staffing</b>		=	<b>2.75 FTE</b>

Source: <https://nahri.org/resources/nahri-recommended-revenue-integrity-job-descriptions>

# Understanding Interdependencies

## REVENUE CYCLE METRICS INTERDEPENDENCE



REVENUE CYCLE MEASURE		BETTER PERFORMING MEASURE KPI		INTERDEPENDENCE TO OTHER METRICS																
				FRONT					MIDDLE				BACK							
Medical necessity check rate	100% governmental and top-managed care payers	X	X	X																
Point of service payment	> = 95%	X	X	X	X					X										
Clean claim rate	> = 95%	X		X				X		X									X	X
DNFB	4-6 days gross revenue	X		X				X		X	X	X	X		X	X	X	X	X	X

NAHRI Journal, July 2020

Example for discussion : DNFB is not meeting expected benchmarks

# Understanding KPIs and Benchmarks

## KPI

Provides the means to measure

- Calculates
- Quantifiable
- Understandable
- Provides focus

**DENIAL WRITE-OFFS AS A PERCENTAGE OF NET PATIENT SERVICE REVENUE (AR-6)**

**Equation:**

$$\frac{\text{Net dollars written off as denials}}{\text{Average monthly net patient service revenue}} = \frac{\text{Patient Financial System}}{\text{Income Statement}}$$

## Benchmark

Resulting measure to provide direction

- Compares
- Relatable
- Identifies variances
- Provides context
- Directional
- Actionable

**MAP Award for High Performance in Revenue Cycle: Physician Practice Winners**  
 Aggregated data from 5 MAP Award winners for High Performance in Revenue Cycle: Physician Practice

		Claim Denial Rates
Percentile	75	2.8%
	50	3.7%
	25	4.7%

# Common KPIs, Benchmarks, and Considerations

KPI	HFMA Benchmark
Aged Accounts Receivable >=90 days <sup>1</sup>	19.7%
Net Days in A/R <sup>1</sup>	36.5
Days in DNSP <sup>1</sup>	3.3
Bad Debt <sup>1</sup>	1.0%
Aged Accounts Receivable >=90 days <sup>2</sup>	11.5%
Claim Denials <sup>2</sup>	2.8%
Charge Lag Days <sup>2</sup>	1.9

<sup>1</sup> 2023 HFMA Map Award High Performing Hospital Winners 75<sup>th</sup> percentile

<sup>2</sup> 2023 HFMA Map Award High Performing Physician Winners 75<sup>th</sup> percentile

KPI	AHIMA Benchmark
Inpatient Coding Productivity	24/day
Ambulatory/Outpatient Coding Productivity	40/day
Emergency Department Coding Productivity	120/day
Ancillary Test Coding Productivity	240/day

KPI	ACDIS Benchmark
CDI Query Rate	30-40%
Physician Query Response Rate	90+%

KPI	NAHAM Benchmark
Point of Service Collections to Revenue	2%
Point of Service Collection Opportunity	60%

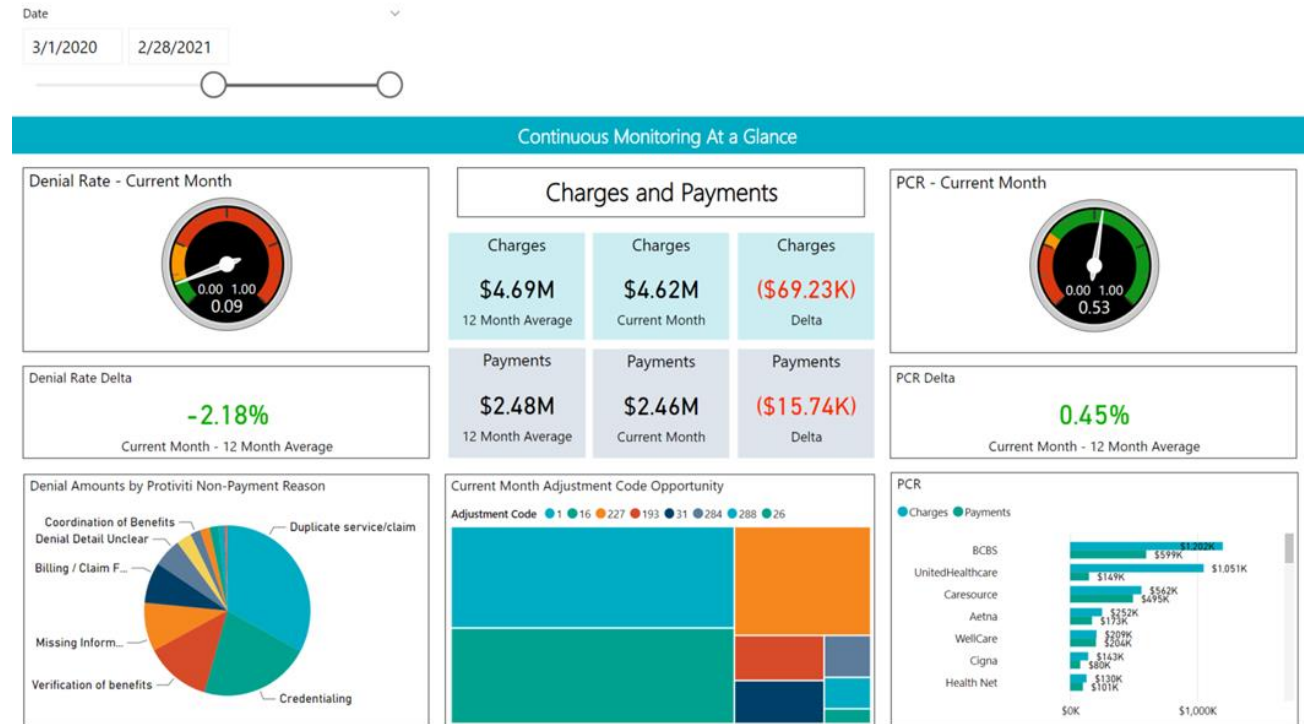


# Developing Internal Metrics

- Steps for creating internal benchmarks:
  - Determine what will be measured
  - Identify the relevant KPIs
  - Review industry benchmarks
  - Adjust expectations and set interim benchmarks
  - Communicate benchmark expectations and underlying KPIs across stakeholders
  - Develop and maintain a dashboard to monitor and maintain visibility
  - Adapt as necessary

# Reporting on Performance

- Key considerations:
  - Be concise
  - Provide visuals
  - Identify the timeframe
  - Provide a comparison or trend
  - Indicate steps taken to inspire change
  - Highlight stakeholder collaboration



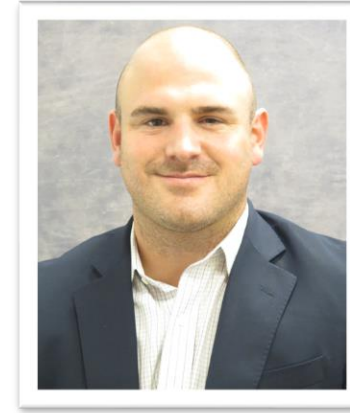
# Top Initiatives in Revenue Integrity Today

- CDM and charge capture standardization
- Charge capture automation
- Charge capture controls
- Documentation improvement
- Formal workplan development
- KPI development
- Denials management and payer integrity
- Process simplification
- Staff productivity and quality metrics
- Standardized workflows
- Upskill and reskill staffing

# Questions & Answers



***Caroline Znaniec, MBA, MS-HCA***  
Managing Director  
Protiviti



***Joe O'Malley***  
Associate Director  
Protiviti

**To Submit a Question:** Go to the Q&A box located in the lower left area of your screen. Type your question in the lower text box, then press your “Enter” key.

***Thank you for attending!***

**Continuing education credits are available for this program.**

Please visit the materials download page for the CE information, which includes a list of the credits available, their expiration dates, and the link to the program evaluation.

You must complete the evaluation within 14 days of the live program date in order to receive your credits or a general certificate of attendance:

<http://events.hcpro.com/materialspub.cgi?YHHA101823A>

*We kindly request that this link be forwarded to everyone in your group who attended the program.*

## This concludes today's program.

---

Be sure to register for our upcoming program:

### ***Unpack the 2024 OPPS Final Rule***

Thursday, December 14, 2023 | 1:00–3:00 p.m. Eastern

For information on this webinar event, please visit our website at: <https://hcmarketplace.com/2024-opps-final-rule>

# Copyright Information

- Copyright ©2023 HCPPro and the associated program speaker(s).
- The “**Optimizing Your Revenue Integrity Program: Objectives, Strategies, Staffing, and Performance**” webinar materials package is published by HCPPro.
- Attendance at the webinar is restricted to employees, consultants, and members of the medical staff of the Licensee. The webinar materials are intended solely for use in conjunction with the associated HCPPro webinar. The Licensee may make copies of these materials for internal use by attendees of the webinar only. All such copies must bear the following legend: Dissemination of any information in these materials or the webinar to any party other than the Licensee or its employees is strictly prohibited.
- In our materials, we strive to provide our audience with useful and timely information. The live webinar will follow the enclosed agenda. Occasionally, our speakers will refer to the enclosed materials. We have noticed that non-HCPPro webinar materials often follow the speakers’ presentations bullet by bullet and page by page. However, because our presentations are less rigid and rely more on speaker interaction, we do not include each speaker’s entire presentation. The enclosed materials contain helpful resources, forms, crosswalks, policies, charts, and graphs. We hope that you will find this information useful in the future.
- Although every precaution has been taken in the preparation of these materials, the publisher and speaker assume no responsibility for errors or omissions, or for damages resulting from the use of the information contained herein. Advice given is general, and attendees and readers of the materials should consult professional counsel for specific legal, ethical, or clinical questions.
- HCPPro is not affiliated in any way with The Joint Commission, which owns the JCAHO and Joint Commission trademarks; the Accreditation Council for Graduate Medical Education, which owns the ACGME trademark; or the Accreditation Association for Ambulatory Health Care (AAAHC).
- Magnet™, Magnet Recognition Program®, and ANCC Magnet Recognition® are trademarks of the American Nurses Credentialing Center (ANCC). The products and services of HCPPro are neither sponsored nor endorsed by the ANCC. The acronym MRP is not a trademark of HCPPro or its parent company.
- Current Procedural Terminology (CPT) is Copyright ©2022 American Medical Association (AMA). All rights reserved. No fee schedules, basic units, relative values, or related listings are included in CPT. The AMA assumes no liability for the data contained herein. Applicable FARS/DFARS restrictions apply to government use.
- For more information, please contact us at:

HCPPro, 233 N. Michigan Ave., 21st Floor | Chicago, IL 60601-5809

Phone: 800-650-6787 Email: [customerservice@hcpro.com](mailto:customerservice@hcpro.com) Website: [www.hcpro.com](http://www.hcpro.com)