Billing Department: Staffing & Structure for Sustainability

CPCA Billing Manager Conference
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Presented by:
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Overview ~ Obstacles for a Successful Billing Department

- Staffing community health centers with highly trained & knowledgeable staff can be a difficult task.

- Health care reform & the present state of the economy presents significant staffing challenges, such as experiencing:
  - Reduction in workforce & benefits
  - Hiring freeze
  - Bonus payment suspension
  - Number of other cost saving measures that affect your ability to attract & retain talent

Getting Started

- Department structure
- Finding the right people
- Characteristics
- Hiring
- Distribution of duties

Building the Billing Department Infrastructure

- Do we have staff members attending to every aspect of the revenue cycle?
- Can each aspect be monitored & performance measured?
- Do we have the appropriate number of staff members?
- Are staff members focused on the correct tasks?
- Have staff members been trained for their specific responsibilities?
- Are competency assessments in place & feedback provided regularly?
- Do we have staff members under correct reporting relationships?
Assess Your Billing Department Structure

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Attract & Recruit the Right People

- Identify the required people skills, competencies & experiences
- Identify people you need to achieve your organizational / departmental goals & who will best fit into the culture of your organization
- Create profiles of the skills & competencies that are needed for the business
- Over time, these competencies will intertwine with performance reviews, succession planning & recruitment strategies

Pitfalls to Avoid in the Hiring Process

- Use a variety of tools & resources to generate the most qualified & experienced pool of candidates possible
- Thorough background check & reference check before making offer
- Carefully review resume to identify potential red flags
- Do not blindly promote from within
- Avoid hiring out of desperation
  - Don’t settle or hire too quickly ~ just because a job has been open for a while, don’t rush to fill it.

Developing a Job Description

- Focus on the duties, responsibilities & skills necessary for the job – not who you want to fill the empty chair
- Job analysis
  - Gather information to identify job content in:
    - Essential job functions
    - Working conditions
    - Education needed
    - Reporting relationships
    - Physical requirements
    - Qualifications (skills & experience)

Purposes of a Job Description

- HIRINGS
- ORIENTATION
- SAFETY
- LEGAL
- COMPENSATION
- EVALUATION
- TERMINATION
- PROMOTION

Developing a Job Description, cont.

- Job description writing
  - List necessary requirements
  - Focus specifically on job content
  - Describe working conditions and physical requirements
  - Note minimum education and experience needed
  - Allow for flexibility
  - Seek expert human resources advice
Characteristics of Billing Staff

- Detail-oriented
- Good time management skills
- Independent worker
- Strong communication skills
- Persistent with the work at-hand

What is the correct staffing ratio?

- No cookie-cutter
- Data gathering (historic & future workflow volumes)
- Comparison & analysis of peers & industry benchmarks

What is the correct staffing ratio, cont.?

- Key considerations:
  - Degree of automation within the Department
  - Level of training & expertise of staff
  - Payer mix
  - Services offered to patients

What is the correct staffing ratio, cont.?

- Example:

<table>
<thead>
<tr>
<th></th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Billing FTE per 100,000 claims</td>
<td>10</td>
</tr>
<tr>
<td>Claims per biller</td>
<td>10,000</td>
</tr>
</tbody>
</table>

Rightsizing Staffing Levels

- Why rightsize?
  - Satisfied staff = satisfied patients/customers
  - Involves management of knowledge workers
    - Intellectual capital required to do the job
    - Make sure to establish acceptable workloads
    - Ensure effective service & quality of work
  - Labor market limits organization’s ability to recruit qualified staff
    - Difficult to find skilled workers with expertise in community health center billing
Rightsizing Staffing Levels, cont.

- Multiple generations at work
  - Varying beliefs, values, work ethic, approach to changes & technology
- Staff are the infrastructure & support for provider productivity
  - Avoid providers performing administrative & non-clinical tasks
- Ensure:
  - Appropriate staffing levels
  - Skill mix
  - Staff assignment & workload

Significance of Measuring Staff Performance

- Align staff performance with organizational goals
- Set department goals & individual goals
- Include objective measures related to key functions of each job role
- Target areas for further education & training
- Work with staff to identify some productivity metrics
- Track performance & provide frequent & timely reporting of the performance measures
- Reward high/good performers

Measuring Performance

- You can only manage that which you can measure.
- Quality
  - How well do staff perform the work?
  - Accuracy
  - Effectiveness
  - Error rates
  - Customer satisfaction

When identifying performance measures...

- Are the measures trackable on a monthly basis with data from existing reports?
- Are the measures simple to calculate & understand?
- Benefits:
  - Focuses management decision-making on the value of increasing labor expenses to increase collections
  - Provides management with an incentive to ensure billing staff work closely with provider staff to obtain information needed to get claims paid
- Disadvantages:
  - May not accurately reflect staff performance for those who provide a combination of billing & other office work

Measuring Performance, cont.

- Quantity
  - How much work do staff produce?
  - Volume of payments posted
  - Number of claims processed (successfully)
  - Volume of patient billing-related calls/questions answered
  - Accounts receivable outstanding
  - Net collection %
  - Accounts receivable over 90 days
  - Customer service calls per staff
Measuring Performance, cont.

- Timeliness
  - How quickly do staff work?
  - Timely filing & payment collections
  - Denial management follow-up
  - Response time to patient billing inquiries

Productivity Benchmarks

<table>
<thead>
<tr>
<th>Task</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of claims billed electronically</td>
<td>&gt; 75% (100% for payers who are able to accept e-claims)</td>
</tr>
<tr>
<td>Lag time from date claim posted to date claim submitted</td>
<td>Same day or 24 hours</td>
</tr>
<tr>
<td>Number of claims pending an edit/suspense report</td>
<td>&lt; 2% of claims</td>
</tr>
</tbody>
</table>

Productivity Benchmarks, cont.

<table>
<thead>
<tr>
<th>Task</th>
<th>Benchmark per hour*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charge entry without registration</td>
<td>55-75</td>
</tr>
<tr>
<td>Payments posted manually</td>
<td>75-125</td>
</tr>
<tr>
<td>Refunds</td>
<td>10-13</td>
</tr>
<tr>
<td>Account follow-up by phone</td>
<td>6-12</td>
</tr>
<tr>
<td>Account follow-up and appeal</td>
<td>3-4</td>
</tr>
<tr>
<td>Account follow-up claim status &amp; rebill</td>
<td>12-60</td>
</tr>
<tr>
<td>Self pay follow-up</td>
<td>10-13</td>
</tr>
<tr>
<td>Patient account inquiries</td>
<td>15-18</td>
</tr>
</tbody>
</table>

Training Reality

- Desired by all but accomplished by few
- Typically no formal training
- No dedicated trainers
- "Ask another staff member"

Benefits of Training

- Consistency in processes
- Increased staff productivity & efficiency
- Staff, provider & patient satisfaction
- Basis for job performance evaluation
- Decrease in errors
- Positive impact on revenue
- More...
**Goal in Designing Training**

- Design & implement training program
- Limited:
  - Time
  - Expertise to develop lesson plans & materials
  - Trainers
- Based on documented policies & procedures

**Limits**

- Decide on training curriculum
- Dissect by major categories
  - Customer service
  - Billing Department processes
  - Practice Management System
  - Compliance
- Resist temptation to encompass more than you can handle

**Course Content**

- Accumulate material
  - Exists albeit in an unorganized fashion
- Policies & procedures
  - Review documents to verify current accuracy
  - Develop new policies if necessary to comprehensively address billing department processes

**Course Content, cont.**

- Detailed guidance, continued:
  - Practice management system guidelines
  - Customer service protocols & expectations
  - Regulatory requirements
  - Coding and payer requirements
  - Patient registration & sliding fee guidelines
  - Insurance verification processes
  - Telephone communications
  - Confidentiality
  - Charge & appointment reconciliation
  - Payment plans

**Course Content, cont.**

- Written, compliance driven policies & procedures
  - Undocumented leaves room for interpretation
  - Detailed guidance
    - Billing third-party payers
    - Credit balances
    - Insurance follow-up
    - Small balance adjustments
    - Budget plans
    - Bad address
    - Patient correspondence

**Course Content, cont.**

- Payer-provided information
  - Utilize payer materials to educate staff
    - Claim instructions
    - Utilization guidelines
    - Follow up & appeals processes
- Interview staff
  - Request documentation from staff
    - Cheat sheets
    - Sticky notes
    - Screen shots
  - Utilize what information you can & document useful instruction from staff
Course Content, cont.

- Patient communication
  - Collect documents given to patients
    - Health center brochure
    - Financial policies
    - Copies of statements

- Practice management system vendor
  - Enlist your vendor in providing ongoing materials to supplement training
    - Instructional manuals
    - Training discs
    - Training database
    - Competency assessments
  - Step-by-step instructions – less narrative the better

Lesson Plan Development

- Sequential outline of course
- Details topics being covered
- Instructional aides needed
- Reference handouts used
- Method of instruction
- Length of the topic
- Planning tool...work in progress
- Final product will be a detailed roadmap

Training Sessions

- Dedicated time – no distractions
- Continue tailoring materials
- Supplement with outside training when appropriate
- Refresher classes
- Have fun

Competency Assessment

- Goal of training...competent, knowledgeable staff members
- Competency assessments
  - Ensure staff know their assigned duties & responsibilities
- Conduct prior to training, then periodically
- Create accountability for staff

Maintaining Sustainability of the Staff & Department

- Retain quality staff or face the “costs” due to turnover
  - Establish appropriate job functions & workflow design

- Recognition culture ~ involve staff in decision-making

- Elevate staff performance through quality & productivity goals

- Expand scope of responsibility

- Provide additional training opportunities (e.g., cross-train, certifications, continued education, etc.)

- Encourage career growth within the organization
Maintaining Sustainability, cont.

- Ongoing support for various systems (e.g., Practice Management & Electronic Health Record, etc.)
  - Provide bigger picture impacts, as well as, individual job role impacts
  - Offer multiple modes of training & support (pre-, during & post-implementation)
  - Ensure effective technology infrastructure is in place

- Provide constant, consistent & clear communication
  - Two-way/Interdepartmental
  - Expectations
  - Short-term & long-term goals
  - Opportunities

Maintaining Sustainability, cont.

- Readily available resources to address questions & issues
  - Access to Manager/Supervisor, manuals, policies & procedures, electronic references, etc.

- Routine assessment, trending & analysis of key performance measures & ratios
  - Sustain a culture of accountability

In Summary: Importance of a Successful Billing Department

- Getting cash in the door for the organization in an efficient & timely manner

- Remember:
  - Focus on productivity & teamwork
  - Monitor performance against benchmarks
  - One size does not fit all
  - Experience & depth of expertise can set you apart
  - Technology & tools are only as good as the user
  - Communication is key

The only constant is change.

~ Anonymous

Questions?