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LEADERSHIP IN ACTION: OPTIMIZING DEFINING MOMENTS

Metrics: If You Don't Know Where You're Going, How Are You Going to Get There?

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Metrics: If You Don't Know Where You're Going, How Are You Going to Get There?

Maggie Palmer
September 19, 2016

Objectives

1. How to articulate the relationship between credentialing, enrollment and revenue cycle management and why metrics play an important role.

2. How to define, track and trend your metrics.

3. How to use your metrics to:
   a. Show you are revenue producing; and/or
   b. How to request more resources; and/or
   c. How to highlight and present your successes to leadership.

Goals

In order to define your department and it's accomplishments (or need for resources) it is vital for hospitals, health systems and managed care organizations to identify those credentialing metrics that are important to your organization and revenue, and implement the right tools and benchmarks that you want to measure your performance against.
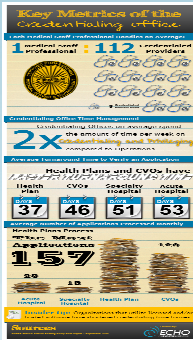
Slide 1: Goals

Goals

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Another consideration is to compare your performance to your industry peers.

Slide 2: Key Industry Metrics

Key Industry Metrics

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* Infographic courtesy of Echo, a Healthstream company

Slide 3: Key Industry Metrics

Key Industry Metrics

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On Average, the ratio of MSPs to all credentialing staff (credentialed medical staff and practitioners) is one to 112.

Ratio	Count	Mean	Percentile		
			25th	Median/50th	75th
# of MSPs to All Credentialed Staff	638	1/112	1/261	1/180	1/109

Average Number of Applications Processed Monthly & Typical Turnaround Time to Verify Completion by Type of Facility

Facility Type	Count	Average Number of Applications Processed Monthly		Typical Turnaround Time to Verify Application as Complete (in days)	
		Mean	Median/50th	Mean	Median/50th
Acute Hospital	453	28.21	20.00	52.79	45.00
Specialty Hospital	30	14.97	9.00	50.70	45.00
Health Plan	13	156.88	155.00	36.92	35.00
Credentialing Verification Organization (CVO)	16	119.75	90.00	45.63	45.00
Physician Practice	16	49.54	20.00	46.67	30.00

Technology: Use of software by MSP offices appears to result in much greater efficiencies in both time spent and human resources required

- Data show that the turnaround time to verify applications reduces significantly for those facilities that utilize licensed and/or hosted software. For example, Health Plan (85%) and Managed Care (71%) facilities are more likely to utilize licensed and/or hosted software than other types of facilities; and results show they process more applications, verifying them as completed and ready to go to committees more quickly.

*Source: NAMSS Medical Services Staffing Study Final Results, September 2009

Goals

Understanding that provider credentialing and enrollment is no different than other aspects of your revenue cycle, as a matter of fact it is the foundation that provides start of the revenue stream.
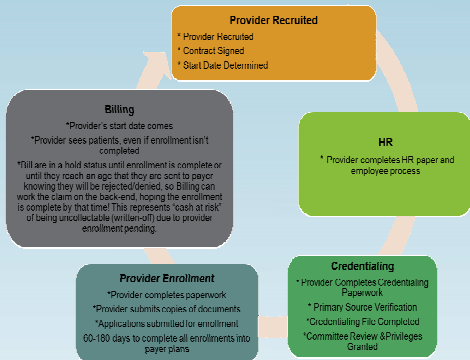
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Background: Credentialing and Enrollment

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Background of Credentialing and Enrollment and the part it plays in Revenue Cycle Management.

Revenue Cycle

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Provider Recruited
* Provider Recruited
* Contract Signed
* Start Date Determined

HR
* Provider completes HR paper and employee process

Credentialing
* Provider Completes Credentialing Paperwork
* Primary Source Verification
* Credentialing File Completed
* Committee Review & Privileges Granted

Provider Enrollment
* Provider completes paperwork
* Provider submits copies of documents
* Applications submitted for enrollment 60-180 days to complete all enrollments into payer plans

Billing
* Provider's start date comes
* Provider sees patients, even if enrollment isn't completed
* Bill are in a hold status until enrollment is complete or until they reach an age that they are sent to payer knowing they will be rejected/denied, so Billing can work the claim on the back-end, hoping the enrollment is complete by that time! This represents "cash at risk" of being uncollectable (written-off) due to provider enrollment pending.

Metrics: Credentialing and Enrollment

Provider Credentialing & Enrollment Metrics.
Developing internal metrics and external comparison on how you stack up.

Examples of some metrics to be discussed:
A. Calculating Days in Enrollment (DIE)
B. Pending Dollars due to Provider Enrollment
C. Calculating Par Percentage
D. Productivity measures of your team
E. Identifying and resolving quality issues in your credentialing/enrollment process

Presenting findings to leadership

Metrics: Credentialing and Enrollment

In a 2016 Echo/Decision Health Provider Enrollment survey more than three-fourths of the Healthcare Executives interviewed stated that reducing time to enroll was one of their top priorities for the coming year.
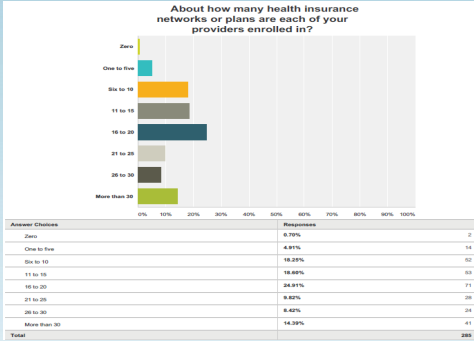

Metrics: Credentialing and Enrollment

In the same survey, nearly 1/4 of the provider enrollment professionals interviewed stated that their providers are enrolled between 16-20 health insurance networks or plans, with 15% having more than 30 plans for each provider.

Metrics: Credentialing and Enrollment

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About how many health insurance networks or plans are each of your providers enrolled in?

Answer Choices	Responses	
Zero	0.70%	2
One to five	4.91%	14
Six to 10	18.25%	52
11 to 15	18.60%	53
16 to 20	24.91%	71
21 to 25	9.82%	28
26 to 30	8.42%	24
More than 30	14.39%	41
Total		**285**

Metrics: Credentialing and Enrollment

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Additionally, nearly 80% of these executives stated that standardizing the enrollment process across all providers, regardless of care delivery location, health insurance network or geographic location was a **top concern.**

Metrics: Credentialing and Enrollment

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Calculating Days in Enrollment (DIE)

- If you have software, you should be tracking the day an application is submitted to a payer, each time a follow up is made and you should close that tracking when a number has been issued or the provider has been accepted by the payer.

- This gives you the individual DIE per payer plan, per provider.

Revenue Cycle

Knowing your PENDING DOLLARS due to provider enrollment is a key metric to communicate as part of your Enrollment process.

Revenue Cycle

PENDING DOLLARS EXAMPLE:

1 Provider sees 10 patients a day @ $300 per claim. (all with same payer) = $3,000

Over a month (20 work days) sees 200 pts. @ $300 = $60,000

Now imagine 10 providers = $600,000!

Metrics: Credentialing and Enrollment

Calculating Par (Participating) Percentage by start date

- As cash is written off by provider, having this checklist and reporting gives you a way to show if are being given enough time to complete provider enrollment prior to start date.

Metrics: Credentialing and Enrollment

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Calculating Par (Participating) Percentage by start date

- In your weekly reports to management you include the number of new starts you have had this week and also the percentage of completion of each provider in process.

Metrics: Credentialing and Enrollment

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Calculating Par (Participating) Percentage by start date
- Start with a checklist of:
  - All appropriate payers
  - Date you are notified that the provider will join your group.
  - Date you receive <u>all</u> required documents from provider.
  - Target Start Date.

Metrics: Credentialing and Enrollment

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Calculating Par (Participating) Percentage

- As you enroll with each provider and the provider becomes par (is participating), you would enter the date to show completion.
- This data becomes the basis for your reporting.

Metrics: Credentialing and Enrollment

Productivity measures of your team

- Turn Around Time – What should you be tracking
  - Date of request of application
  - Date application is sent
  - Request to return for processing
  - Start date of processing
  - Review by Dept Chief/Chair/Medical Director
  - Committee Dates
  - Applicant approval letter/notice

Metrics: Credentialing and Enrollment

Productivity measures of your team

- Turn Around Time – what does it tell
  - Time from receipt to final approval
  - Time from receipt to start date
  - Turn Around Time for each payer plan
  - Turn Around Time for each provider

Metrics: Credentialing and Enrollment

Example of Tool: Percentile Identification

Domains Tasks Identification

Operational Performance Criteria:
Number of Applications Processed Monthly = Over 100 apps/monthly
Facility Type = CVO
Facility Percentile Identification = 50th Percentile

Step 1: Based on the data presented in the Performance Domains and Tasks Data Tables section of the study, determine which criteria best defines your facility's operational performance. This user selected Number of Applications Processed Monthly and Facility Type.

Step 2: For each domain, make a list of the tasks that are performed in your MSSD.

Step 3: Based on the criteria and percentile selected to define your MSSD's operational performance, record the data points that correspond to each task per domain.

Step 4: Calculate the average across the tasks performed within each domain. Then calculate the overall average of the criteria used to define your MSSD's operational performance.

Step 5: Next calculate the total overall average of the criteria used to define your MSSD's operational performance.

Step 6: Sum the totals within each domain and then sum the total overall to determine your MSSD's staffing ratio.

Decision Average: CVO – 211.49
Logic: Closest to what we actually do, since we are a CVO more often than the number of files we produce.

Metrics: Credentialing and Enrollment

Productivity measures of your team

- % of temporary/rush privileges
  - Appropriate
  - Inappropriate

Metrics: Credentialing and Enrollment

Productivity measures of your team

- % of late reappointments
  - By practitioner
  - By process

Metrics: Credentialing and Enrollment

Provider Credentialing & Enrollment Metrics. Identifying and resolving quality issues in your credentialing/enrollment process

- HP denials/rejections
- Data entry errors by field
- Process errors
- Late expirables

Metrics: Credentialing and Enrollment

Assessment of Resources
- Time Study for staffing levels
- Dollars attached to automating
- Reductions associated with going paper-less

Metrics: Credentialing and Enrollment

- NAMSS tools available on their website with a Staffing Resources Page that includes information on how to tell your story along with the report, resource template and presentation template http://www.namss.org/Membership/MemberCenter/SurveysResources/StaffingRatiosSurvey.aspx

Metrics: Credentialing and Enrollment

Dollars attached to automating:

Return on Investment: To calculate exact monetary savings figures needed to justify your software purchase, you will need a quote from your vendor of choice.

Be sure to ask any software vendor you are considering for a Return on Investment Analysis in addition to a quote. They might also have online tools available

Metrics: Credentialing and Enrollment

Example of ROI on time:

Your Practitioners & Staff:

- Number you enroll with health insurance plans: 100
- How many provider enrollment applications do you complete per practitioner per year? 25 (1500 annually)
- How many provider enrollment staff: 2
- What is the average hourly wage of your provider enrollment staff? $17

Metrics: Credentialing and Enrollment

Example of ROI on time:

Your Process:

- How many hours do you spend completing one provider enrollment application: Currently 1.5

Metrics: Credentialing and Enrollment

Example of ROI continues:

Your Process:
- How many hours do you spend completing one provider enrollment application: Currently 1.5 (with automation your time savings would be 1.2 hours)

- How many hours do you spend monitoring applications (follow-up)? Currently: 3 (with automation your time savings would be 1.5 hours)

Metrics: Credentialing and Enrollment

Example of ROI continues:

Your Process			
Your Process	*Currently*	with automation	*Your Savings*
Average hours spent per provider per form:	4.5	1.8	2.7
Total hours spent completing applications per year:	11,250	4,500	6,750

Metrics: Credentialing and Enrollment

Online paperless ROI calculators:

http://www.instanetsolutions.com/paperless-savings-calculator/

http://www.efactusa.com/roi.html

Metrics: Credentialing and Enrollment

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Transitioning to Paperless

- Create transition plan.
- Seek management approval.
- Create a policy on paperless credentialing and go through approval process.
- Set a start date.

Metrics: Credentialing and Enrollment

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Transitioning to Paperless

- Communicate plan to staff and educate them on the process.
- Communicate plan to all departments.
- Implement plan on start date.

Metrics: Credentialing and Enrollment

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Things to consider:

- Create a policy to send provider documents electronically, unless printing them is a hardship for provider.

- Send and store reports electronically, not via paper.

Metrics: Credentialing and Enrollment

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Things to consider:

- Filing Cabinets and space they consume
- Printing Costs – consider emailing paperwork
- Staff time to file and retrieve files
- Cost of off-site storage & retrieval
- Cost of Archival and destruction of documents when no longer needed

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Metrics: Credentialing and Enrollment

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Presenting findings to leadership

- Familiarize yourself with the data.
- Practice your "elevator Speech"
- Be prepared to "sell" the findings
- Know your resources

Result

Impact: Credentialing and Enrollment Metrics

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What good are all these metrics and why do I need them? WITHOUT them:

- You can't show you produce revenue.
- You can't show you need additional staffing.
- You can't show you need additional tools, such as software to do your job effectively.
- You can't show the impact to reducing cash at risk – pending dollars due to provider enrollment.
- You can't show the impact of rushing providers and late notice of starting providers (lead-time is needed for enrollment so you don't write-off money).

Metrics: If You Don't Know Where You're Going, How Are You Going to Get There?

Questions and discussion