

Revenue Cycle Hot Topics

2025 CAH Conference Shelly Cassidy & Hayley Prosser **Check In for this Session**



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Hot Topics 2025



What's Hot?!

- Compliance
- Shrinking Reimbursement
- Pre-Service
- Growing Self-Pay Balances





Compliance- All Eyes on YOU!



Governmental Payors

- Current Political Landscape
- Waste, fraud, abuse- top of mind for government
- What Does That Mean for Us?

Commercial Payors

- Enforcement of contract provisions
- Eyes on them also what does that translate to?

Informed and Empowered Consumers

- Financial Responsibility & Transparency
- Movement to Patient Advocacy
- Access to Information
 - Digital Health Tools
 - Reviews & Ratings
 - High Media Attention
 - · Social Media & Online Communities
- How can we Control This?





Compliance Action Plan

Compliance- Action Plan



- Rate your organization on good intent
 - Scale of 1-10
- Rate your organization on <u>evidencing</u> good intent
 - Scale of 1-10



Compliance- Action Plan



- Compliance matters to everyone!
- Be proactive and intentional
- Internal compliance plan for billing
 - Central documentation for policies, processes, procedures, workflows
 - Identify risk areas
 - Grid for Audits- Including all the things
 - Internal and External Audits
 - Common report form to Compliance
 - Conduct and document regular education
 - Create a strong culture of compliance



Consumer Driven Healthcare

Informed Healthcare Consumer



More Informed and Educated Patients

- Awareness of Required Transparency
 - Social Media
 - Ad- TV, YouTube, Reels

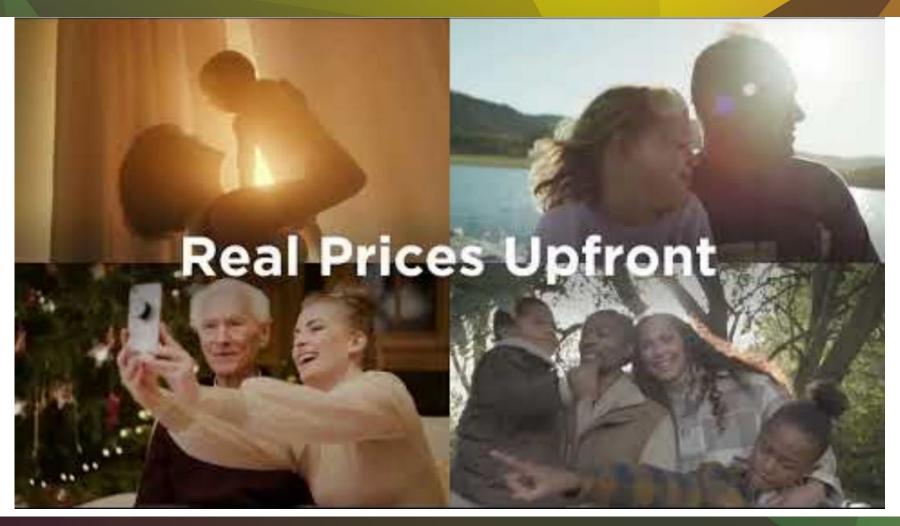
Why Patients Care

- High-Deductible Plans
- Creative Plans Design to Drive Care
- Restrictive Medical Policies
- Surprise Bills



Price Transparency-Renewed Focus





Price Transparency-Executive Order rura



The White House issued an **Executive Order** to increase enforcement of price transparency requirements

- Why?
 - Hospitals and health plans were not adequately held to account when their price transparency data was incomplete or not even posted at all

Benefits

- Estimated \$80 billion in savings for consumers, employers, and insurers
- Employer reduction of healthcare costs by 27% across 500 common services

Policy

- Promote access to clear and accurate healthcare prices
 - Increase enforcement of price transparency requirements
 - Identify opportunities to further empower patients with price information
 - Potential expansion of existing price transparency requirements

Price Transparency-Enforcement



Departments of Treasury, Labor, and Health and Human Services must "rapidly implement and enforce" the regulations, within 90 days:

- Require the disclosure of the <u>actual prices of items and services, not estimates</u>
- Issue updated guidance or proposed regulatory action to:
 - Ensure pricing information is standardized and easily comparable across hospitals and health plans
 - Update enforcement policies to ensure compliance with the transparent reporting of complete, accurate, and meaningful data

May 26th, 2025 Deadline



Reimbursement Shrinking!



Insurance Reimbursement Shrinking

- Why the Shift?
 - Complex Contract Loads
 - Reimbursement & Medical Policies
 - Line-Item Bundling
 - Level of Care Adjustments
 - Contract Enforcement
 - Payor Al Utilization
- Getting Paid?
 - Doesn't Mean You Got Paid Right!



Top Reimbursement Audit Findings



1. Incorrect Contract Loads

- Facility
 - BlueChoice Vs. Network Blue
 - UHC
 - Ambetter
- Professional
 - Incorrect MPFS Utilization (UHC in Particular)
 - Ambetter- Rarely Right

2. MA & VACCN Paying Previous Interim Rates

- RHC is especially critical to get rates updated
- 3. Workers' Compensation "PPO" Discount
 - High Discounts! Ranging from 5% to 25%
- 4. Professional Fees Paid in Full
 - Money left on the table



Top Reimbursement Audit Findings



5. Multiplan Paying Hospital Claims on Professional Fee Schedule

Load is "per TIN, not NPI"

6. Labor Epidurals

Different Reporting Requirements Per Payor

7. Outpatient Charges Billed On Inpatient Claims

Reimbursement Differential- Medicare Advantage, VA, Medicaid

8. Medicare Advantage Method II and CRNA Passthrough

Payment Incorrect or Amendments Not In Place

9. CRNA Professional Fee Calculation

Calculator Is a Must!

10. GF Modifier

Often Missing!

Real Life Examples!



BCBS Adjudication of Q5121 (Avsola):

- Actual Allowable: \$347
- Expected Allowable: \$12,487
- NO denial, CO-45 Contractual
- Patient received injection three times over a few months, resulted in loss \$36,420

UHC Contract Load

- Loaded in contract at 87%, actual contract rate was 96%
- Incorrect load spanned over an 8 year period
- Estimated loss for one year was \$365,000 (\$3 million loss over 8 years)
- UHC only adjudicated 12 months back due to contract language

Reimbursement Validation Key Elements for Accurate Analysis



Data Sources

- Zero Balance Report
- Payment & Adjustment Reports
- Payment Variance Modules

Identification

- Claims Adjusted In Full
- Professional Fees Paid in Full
- Hospital Claims- % of Charges (Simple Formula)
- Professional Claims- Easy to Spot Trends

Payor Insights

- Verify Contract Load
- Opportunities for Contract Re-Negotiation

Tolerance Thresholds

- Define Reasonable Variance Thresholds
- Investigate Repeat Outliers





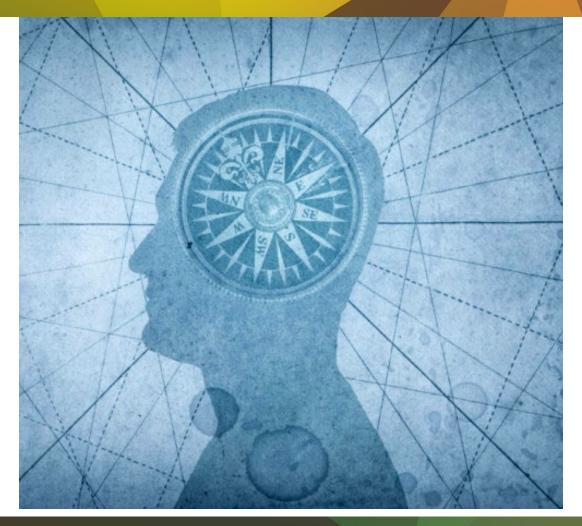
Mind Shift!



So Much More Than Just "Prior Auth"

Why the Mind Shift?

- Payor Shift from Prior Authorization to Medical Policy Review
- Restrictive Benefit Plans
- Complex Eligibility
- High Out of Pocket Costs



Financial Clearance



Mind Shift \Longrightarrow **Financial Clearance**

What Does This Mean?

- A Team That Performs:
 - Eligibility & Benefits
 - Medical Necessity Clearance (Prior Auth, Med Policy Review, etc)
 - Propensity to Pay
 - Pre-Payment
 - Good Faith Estimate
 - Scheduling Once Cleared

Centralize



• Why?

- Cross Coverage
- Breaks Down Department Silos
- Singular Team Ownership
- Multidisciplinary Team
 - Clinical and Financial



Tactical Tips!



Tactical Tips!

- Benefit Verification Prior to Obtaining Prior Authorization
 - Patient may not have benefits to cover the service, even if a prior auth is obtained!
 - Payor's eligibility/benefits and prior auth departments are often disconnected
- Pre-Determination
 - Inquire if medical policy applies and if per-determination is allowed
- Prep Providers for Peer-to-Peer Reviews
 - Provide medical policy!
- Matrix of Contract & Payor Policy Provisions
 - Type of IP criteria utilized
 - Allowance to bill patients for non medically necessary services via waiver

ABN FAQ



ABN Frequently Asked Questions:

- Can I use ABNs for MA Patients?
 - No, ABNs are only for traditional Medicare Patients
- When Can I Not Issue an ABN?
 - Medically Unlikely Edit (MUE)
 - Coerce patients in an emergency or under great duress
 - Charge for part of a service when payment is made via a bundled payment
 - Medicare covered items or services
- Can I Pre-Fill ABNs
 - Yes, but if using pre-printed, clearly indicate on the ABN which portions of the preprinted information are applicable to the patient
- Can I Use an ABN For Inpatient Stays?
 - No, utilize HNN forms

Insurance Waivers



Commercial & Medicare Advantage

- Develop Waiver
 - Submit Claim to Payor
 - No Way to Communicate the Signed Waiver to Payor
 - Typically Denied to Provider Liability
 - Know Contractual Language
- Self-Pay Elect Form
 - Safest!
- Payor Driven Waivers
 - Some Medicare Advantage plans have their own waiver that must be approved PRIOR to services being performed
 - Aetna MA-Preservice Organization Determination



Self Pay: To State the Obvious It's Growing



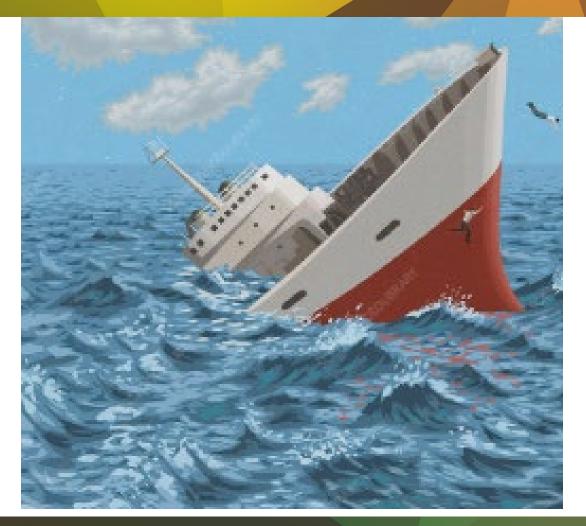
- More Revenue = More Self-Pay
 - As gross charges increase, higher self-pay percentage result
- High-Deductible Plans Are the New Normal
 - Increasing deductible and out-of-pocket amounts
 - 45% increase in post-insurance balances since 2020
- Uninsured- True Self-Pay
 - Impact of Medicaid Disenrollments



Self-Pay: A Call to Action



- Self-pay is now a core pillar of financial performance
- Not addressing self-pay will sink your ship!
- No longer an "add on" duty



Tips to Address Self-Pay



To Outsource or Keep In-House?

- Current Trends
- Key considerations for Third-Party Partners
- What to weigh before keeping it internal

Small Town Realities

- Balancing act- How to Collect and Not Tick off The Community
- Awkward Comingling You're calling patients you also sit next to at church

Patient-friendly Payment Options & Consistent Follow Through

- Ditch internal long-term financing
- Offer realistic, short-term in-house plan
- Offer long-term solutions- Creative Options

Monitor Self-Pay KPIs closely

Details to Follow

Tips to Address Self-Pay



Pre-Service Work

- POS Collections
- Pre-Service Estimate Financial Counseling

Communication

 Use Resources to connect with your audience



Self-Pay KPIs- A Few to Consider



- Focus on Ratios, Not Just Raw Dollar
 - A/R Days
 - Percentage Over 90 & 180
 - Percentage Revenue to Gross
 - Collection Percentage to Total Self-Pay A/R
 - Agency Listings/Performance
 - Collection Percentage True Self Pay & SP after Insurance
 - Bank Loan Stats
 - Point of Service Collection Percentage

