



Strategic Interventions: May

The Strategic Interventions newsletter is meant to provide your hospital's financial leaders with practical and effective ideas for improving your finances. They are meant to provide actions to take to improve your hospital's identified long-term financial aims and interests. They may come from industry experts in the form of simple reminders of the "tried and true," new ideas, or shared best practices from other hospitals – and are meant to provide you and your team with check points along the way during the “journey to financial improvement.” This month, we'll be looking at the area of strategies for success in financial improvement.

Strategic Interventions: *Financial Improvement: Strategies for Success*

I have had the pleasure of working in the healthcare revenue cycle for 18 years. I have seen hospitals bought, sold, closed; I have witnessed them struggle and flourish over the years. With regulations being imposed daily, and weekly, hospital staff have continuously soldiered on and have worked hard to keep their hospitals open. Through my experience and many professional relationships, the one thing that I have witnessed time and time again that healthcare professionals and hospital employees have in common is that they strive to do whatever they can to keep their hospital open. They want to provide good care to the family, friends, and community they serve.

The question is always, how can we do it better? How can we improve our public service? The answer is, one process at a time. Does that mean that you can only work on one area at a time? Not at all. You need to create an environment of purpose with one shared goal: to succeed and continue to provide quality care for your community. Come together as a team from every department and work together to improve your revenue cycle. If the revenue cycle is efficient, compliant, and well run, you will meet that goal while also maintaining an organization that is financially viable.

Let's talk strategy. Let's talk priorities.

Bring your team together and discuss strategy. Find your top three to five processes that need to be improved. You may not know what those are yet, so here are some ways to determine priorities:

1. Start at the back-end of the revenue cycle in the business office.
2. Determine why claims are not being processed or paid.

3. Identify where in the revenue cycle the process breaks down.
4. Choose the processes that are negatively affecting your cash flow.

Process Improvement: Tips for creating effective teams

Once you have chosen the top processes that need improvements, create a team to work on each of them. Here are some tips for creating those process improvement teams:

1. Have a manager or director that knows the process lead the team. They can help to successfully break down any barriers that the team might encounter (time to meet, time to collect data, staff resistance, etc.).
2. Include staff that are involved in the day-to-day working of the process.
3. Include staff affected by the process.
4. The number of staff involved will vary for each team, do not put so many people on the team that you are unable to make good decisions on process improvements.
5. Choose staff with positive attitudes and a willingness to make changes.

Planning for Success

Have each team identify issues and goals for their process improvements. Set realistic deadlines and expectations. Each team should report their progress to the Revenue Cycle Committee each time the committee meets. Any difficulties the team encounters can be discussed in your meeting, and be sure to celebrate your successes!

Once a process has been changed, do not forget to continue to monitor the process to ensure the changes are continuing to make the desired improvements. If more changes should be made, continue to have the original team participate and include others as needed.

Breaking down walls between departments, encouraging group collaboration, and maintaining a common goal and purpose will help you improve your cash flow, decrease your AR days, as well as assist in keeping your hospital in your community for years to come.

If you have questions or other items related to this article, please contact Sandy Sage at sandy.sage@hometownhealthonline.com. In addition, if you have best practices related to financial improvement and strategies for success, we invite you to share what has worked for your hospital!

Provided by the Iowa Department of Public Health and HomeTown Health through the HRSA Critical Access Hospital FLEX Grant 2017-2018, Iowa Grant #5888CA04.

