A Journey in Financial Improvement
Best Practices
May 16, 2018

IDPH
Iowa Department of Public Health

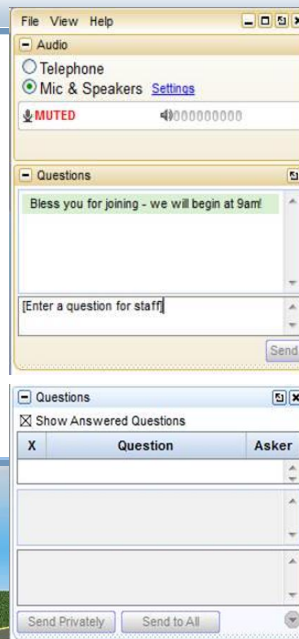## Iowa Rural Hospital Learning Opportunity Program

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

HOMETOWN HEALTH

Iowa Rural Hospital Learning Opportunity Program

Webinar Etiquette

- All attendees are in "Listen Only" mode
- Questions or comments?
  - Open "Questions" pane in dashboard.
  - Type in comments or questions.
  - Comments will be monitored throughout webinar.
  - Questions will be addressed at end of the webinar.

Iowa Rural Hospital Learning Opportunity Program

Webinar Resources

- This webinar will be recorded and emailed to you to share with others on your team.
- Handouts are available for download in the Handouts pane and will be emailed out to attendees after the webinar.
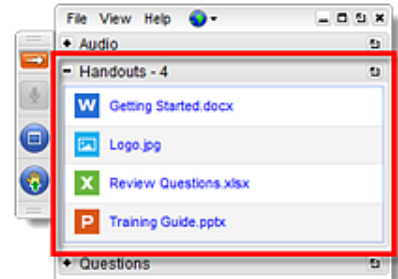
Iowa Rural Hospital Learning Opportunity Program
Continuing Education

As an IACET Authorized Provider, HomeTown Health, LLC offers CEUs for its programs that qualify under the ANSI/IACET Standard. HomeTown Health, LLC is authorized by IACET to offer **0.1 CEUs** for this program.

In order to obtain these units, you must:
- Attend webinar/view recording in its entirety
- Pass online quiz with 80% or better.
- Complete webinar evaluation.

Following this webinar, all attendees who have viewed the recording in its entirety will receive an email with a link to the quiz and evaluation.

Anyone that misses the webinar can view the recording online, posted on the program Dashboard, for CEUs.

Iowa Rural Hospital Learning Opportunity Program
Continuing Education

HTHU provides over 300 courses online, over 170 Webinars a year, and various live training conference and workshops. Accredited Education from the *International Association for Continuing Education & Training* (IACET). (Who accepts the IACET CEU? Full list at www.iacet.org)

- American Association of Respiratory Therapy
- American Board of Medical Microbiology
- American Society for Clinical Laboratory Science
- American Society for Quality
- American Speech-Language-Hearing Association
- Board of Certified Safety Professionals
- The Child Care Development Associate National Credentialing Program
- Clinician's View (Occupational, Speech, and Physical Therapy)
- Federal Emergency Management Agency
- Georgia, Massachusetts and Ohio Board of Nursing
- Georgia Professional Standards Commission
- Human Resources Certification Institute (for their Professional in Human Resource Designation)
- National Association of Rehabilitation Professionals in the Private Sector
- National Association of Social Workers
- National Board for Certification in Occupational Therapy, Inc. (NBCOT)
- National Council for Therapeutic Recreation Certification
- National Registry of Emergency Medical Technology (EMT)
- National Registry of Microbiologists
- National Society of Professional Engineers
- Society for Human Resources Management
- State of Georgia, FL and Iowa Board of Professional Engineers
- The American Association of Integrative Medicine
- The American College of Forensic Examiners Institute
- The American Council on Pharmaceutical Education
- The American Psychotherapy Association
- The International College of The Behavioral Sciences
- The National Board for the Accreditation of Occupational Therapy (NBCOT)

ACCREDITED IACET PROVIDER

Iowa Rural Hospital Learning Opportunity Program
Group Participation

Are you on this webinar with a group?

If so, please enter:
first/last names and email addresses
of those in attendance with you in the Questions Pane.

Iowa Rural Hospital Learning Opportunity Program
Agenda
May 16, 2018

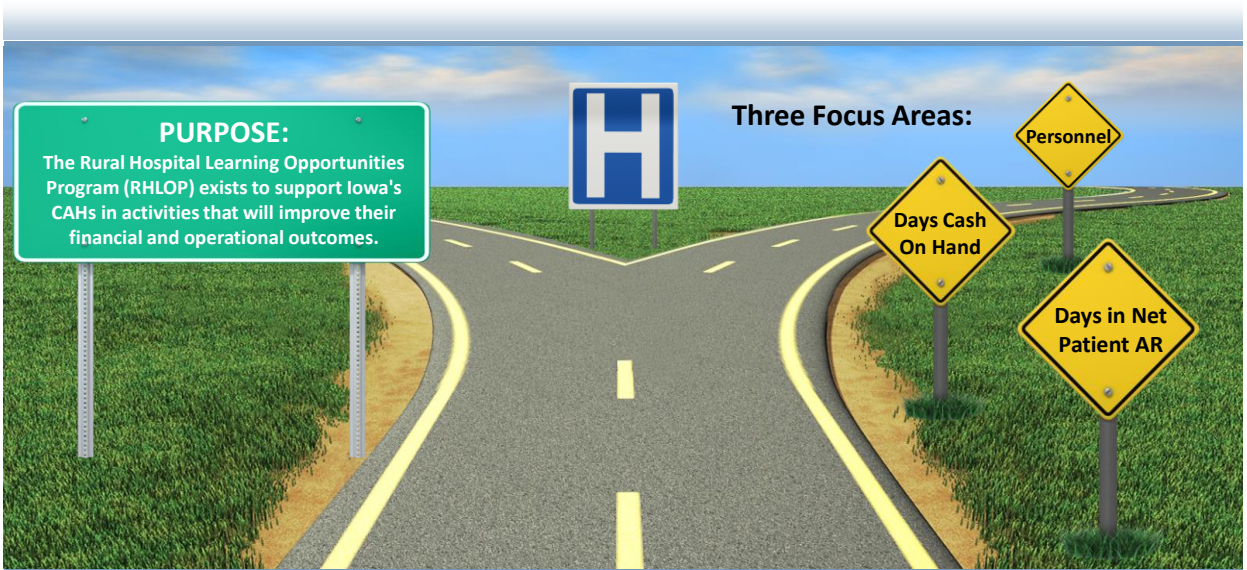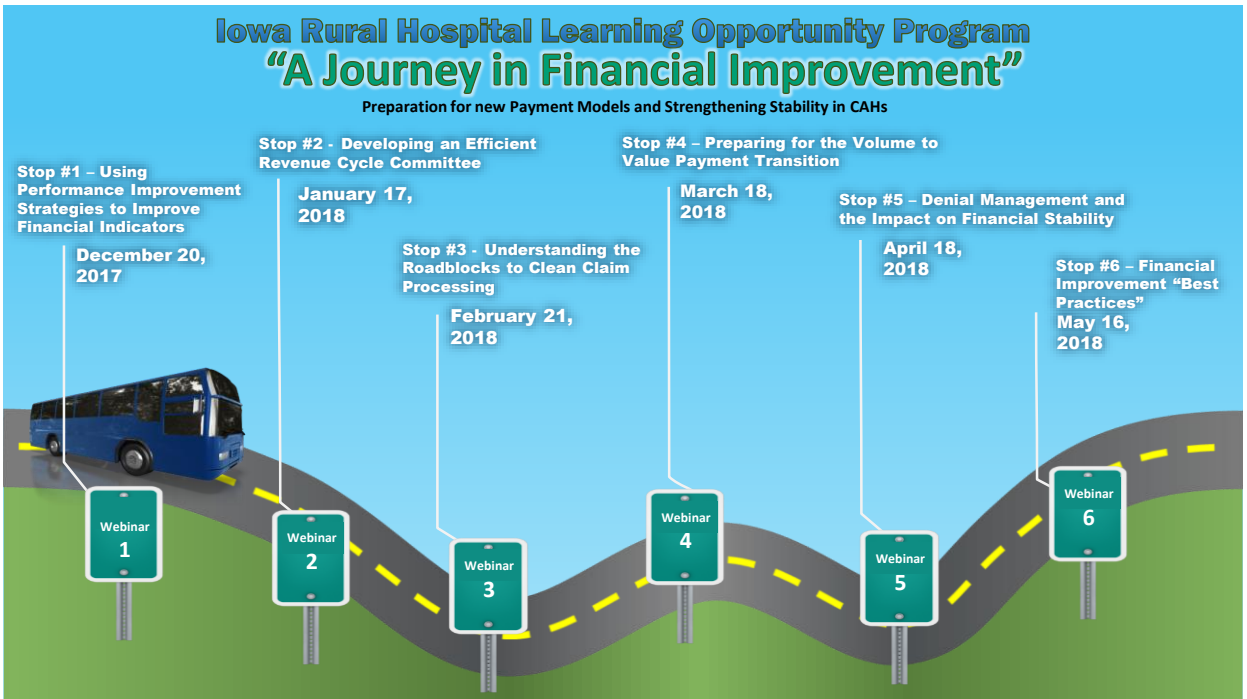|	
Welcome & Introductions	Evelyn Leadbetter, MPA
Using Performance Improvement Strategies to Improve Financial Indicators	Sandy Sage, RN
Upcoming Events & Resources	Evelyn Leadbetter, MPA

Disclosure of Proprietary Interest

HomeTown Health does not have any proprietary interest in any product, instrument, device, service, or material discussed during this learning event.

The education offered by HomeTown Health in this program is compensated by the HRSA FLEX Grant 2017-2018 Rural Hospital Learning Opportunities Program, Iowa Grant # 5888CA04.

PURPOSE:
The Rural Hospital Learning Opportunities Program (RHLOP) exists to support Iowa's CAHs in activities that will improve their financial and operational outcomes.

Three Focus Areas:
- Personnel
- Days Cash On Hand
- Days in Net Patient AR

Iowa Rural Hospital Learning Opportunity Program
Program Goals

Iowa Rural Hospital Learning Opportunity Program
"A Journey in Financial Improvement"
Preparation for new Payment Models and Strengthening Stability in CAHs

Stop #1 – Using Performance Improvement Strategies to Improve Financial Indicators
December 20, 2017

Stop #2 - Developing an Efficient Revenue Cycle Committee
January 17, 2018

Stop #3 - Understanding the Roadblocks to Clean Claim Processing
February 21, 2018

Stop #4 – Preparing for the Volume to Value Payment Transition
March 18, 2018

Stop #5 – Denial Management and the Impact on Financial Stability
April 18, 2018

Stop #6 – Financial Improvement "Best Practices"
May 16, 2018

Webinar 1
Webinar 2
Webinar 3
Webinar 4
Webinar 5
Webinar 6

Win a $100 Amazon Card!!!

Listen to all six webinars (live or online), then take the post-test and evaluation. You will be entered into a drawing to win. Drawing to be held June 4th.

Virtual Conference & Closing

A Team Approach to Financial Improvement:
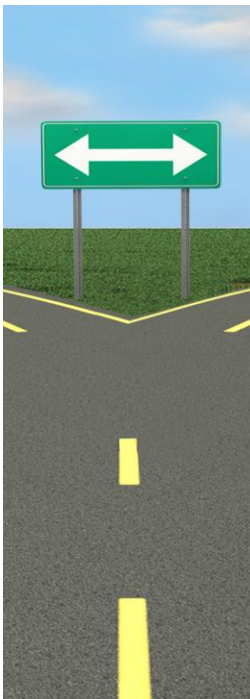
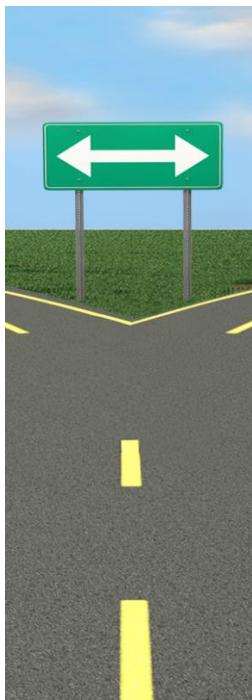Revenue Cycle Staff Online Conference:

July 24 from 2pm - 4pm
Eastern/ 1pm- 3pm Central

Closing Webinar
August 15
2:00pm Eastern

RHLOP Regional Meeting

Rural Hospital Learning Opportunity Program:
Regional Quality and Financial Improvement Meeting Agenda
August 2, 2018
Arrowwood Resort and Conference Center
A Team Approach to Financial Stability
-OR- A Day in the Life of a Quality Director

9:30am – 10:30am: Participant Registration

10:00am – 1:00pm: "A Day in the Life of a Quality Director" with Angie Charlet, ICAHN OR
10:00am – 1:00pm: "A Team Approach: Financial Stability" with Sandy Sage, HTH and Becky Tarr, MedPerformance
1:00pm – 2:00pm: Lunch and Population Health Forum Discussion

2:00pm – 5:00pm: Financial and Quality Cohort Participants – One-on-One or Small Group Sessions (For Financial and Quality Cohort Hospitals Only)
(*A member of the HTH team will reach out to you if you are a cohort hospital to set up individual meeting times.)
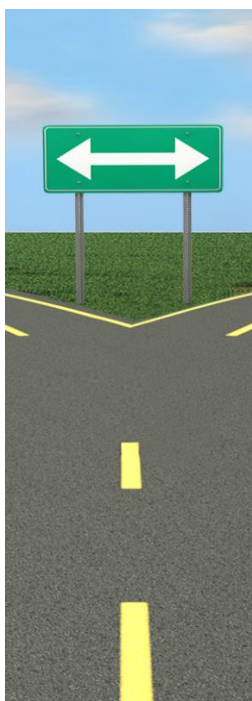
RHLOP Regional Meeting

August 2, 2018
Arrowwood Resort and Conference Center
1405 Highway 71, Okoboji, IA 51355

Register Now!
http://www.hometownhealthonline.com/event/iowaworkshop2018/
Please register by July 15, 2018
2 Attendees FREE from each hospital
(additional at $125 per person)

Note: Hotel is not included in the grant for this workshop.
However, if you would like to come in early or stay over
please contact Susan Wiese at susan.wiese@hometownhealthonline.com immediately!
Rooms are in demand and are available on a first come-first served basis.

Sandy joined the HTHU team in 2009 as an instructor and has developed many of the courses related to the revenue cycle. She has been a Registered Nurse for over 25 years, having begun her career as a clinical manager and in 2000 transitioned to the position of Revenue Cycle Analyst. Sandy has worked as a consultant for rural hospitals helping them with revenue cycle process development and Chargemaster compliance. She became a member of the HTH team in November of 2016. Sandy has been the Team Lead for the Small Hospital Improvement Program in Georgia and Florida and developed the Rev Up Your Revenue Cycle program for our hospitals. Her responsibilities include revenue cycle education, grant implementation and she will be working closely with our hospitals to help them succeed in this complex healthcare environment. A native of California, she moved to Georgia with her family at age 12 and now considers herself a Georgia girl. She has two grown daughters, Amber and Mallory and lives in Cochran, Georgia.

Sandy Sage,
Revenue Analyst

Learning Outcomes

Once you have completed this training, you should be able to:

- Describe how a Revenue Cycle meeting can help you break down silos at your hospital

- Identify best practices for the revenue cycle

- Identify steps to manage your denials

- Understand how your S-10 worksheet can affect your cash on hand

One size does NOT fit all.

Silos collaborating!

@gapingvoid
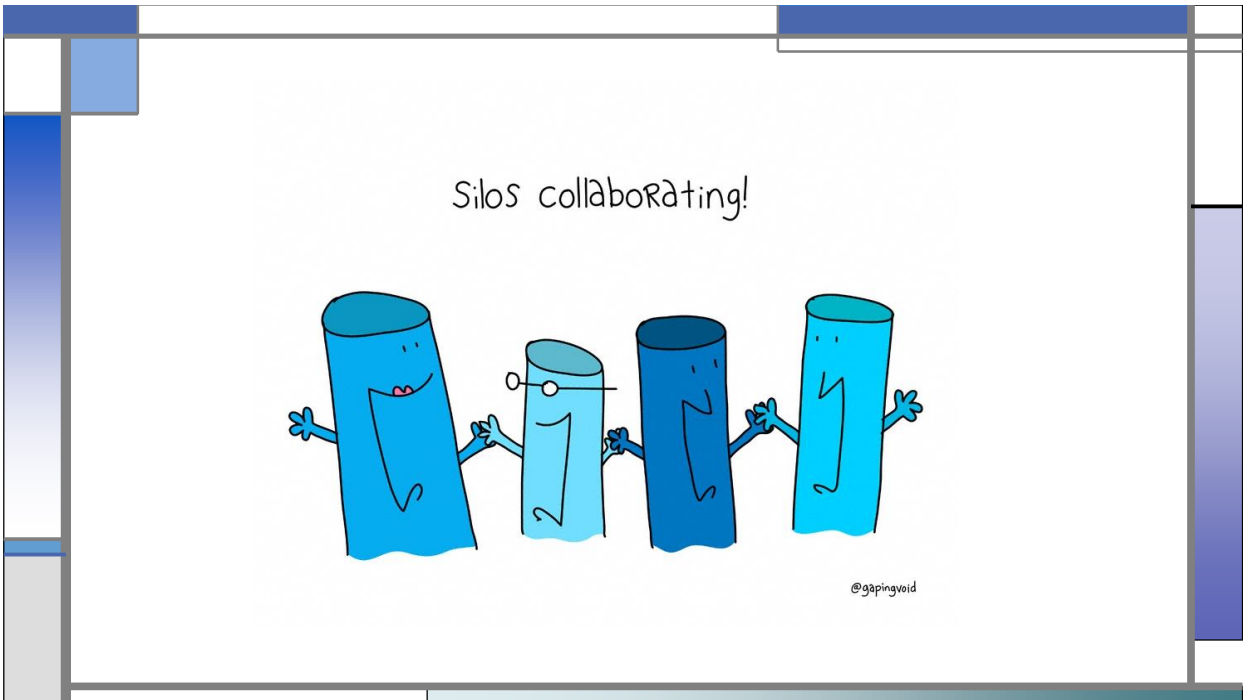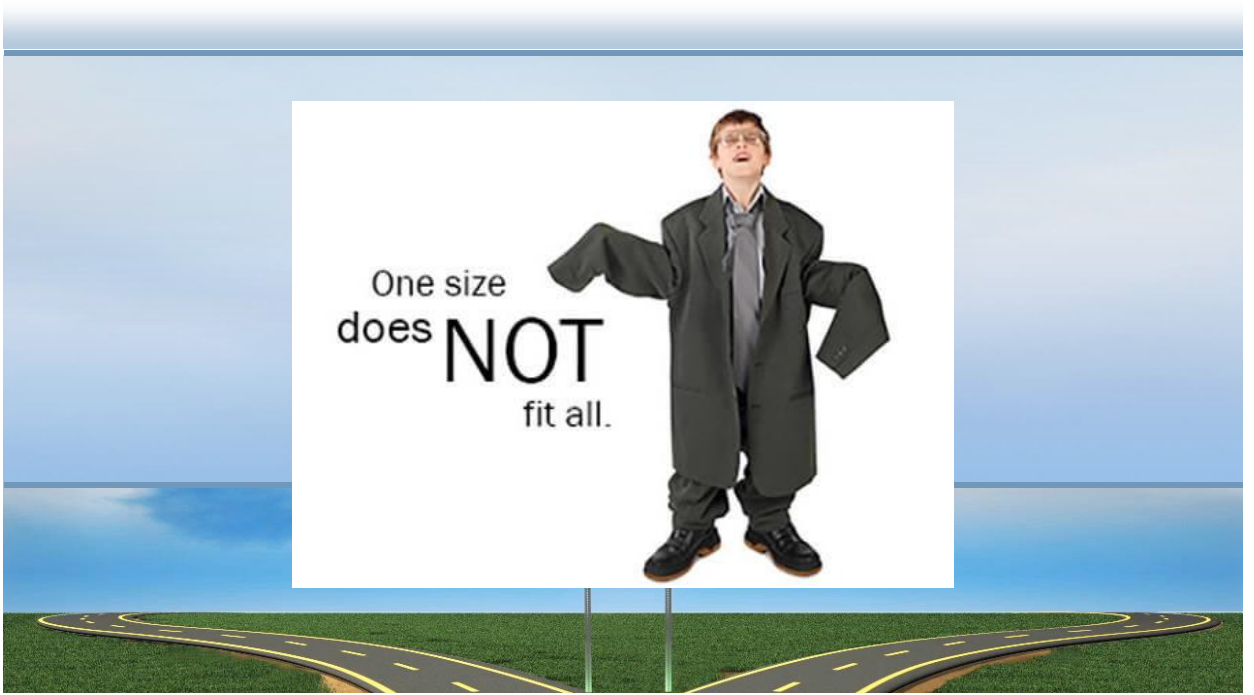
Revenue Cycle Meetings

Meetings are a MUST!!

- Start with one big meeting including all revenue cycle department managers.

- Explain to all the importance of collaboration and cooperation!

- Decide on a core group for routine meetings.

- If necessary make meetings mandatory initially.

Revenue Cycle Meetings

- Clinical and Financial departments need to listen to each other and learn from each other.

- Always focus more on the process than on the people.

- Remember that every process you change will affect at least one person you don't think it will affect.

Listening = Learning

Poll Question

Survey Comments

If you could make an improvement to your RC team, what would it be?

Make it Action focused

Improve communication

Need a more systematic way to focus on denial management

more active and willing participation of other departments

Faster turnaround for implementation of new processes

more interaction with the revenue producing dept managers

Revenue Cycle Meetings

- Start with weekly or at a minimum bi-weekly meetings with your core revenue cycle group.

- Determine goals for the information you will be tracking

- Track performance against goals

- Invite other departments as data indicates

- Have quarterly multi-department meetings to keep everyone in the loop.

Revenue Cycle

- Each area affects both AR days and Cash on Hand.

- Finding best practices for each area of the revenue cycle will help your financial bottom line.

- Collaboration with other hospitals helps, no need to reinvent the wheel!
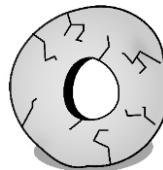
Scheduling

Best Practice

1. Check benefits and determine patient financial responsibility prior to date of service.

2. Contact patient and notify them of their responsibility and give them payment options.

3. Collect prior to date of service when possible.

LUCAS **LC** COUNTY
HEALTH **HC** CENTER

An Affiliate of ⊞ UnityPoint Health

Request an Appointment

Have you ever received services at Lucas County Health Center?

Yes ▼

Under what name were you treated?

Includes a place for insurance information and test they need scheduled.

This is great for pre-registration and scheduling!

HENRY COUNTY HEALTH CENTER
CARE YOU TRUST. COMPASSION YOU DESERVE.

Best Practice – Upfront Collections

- Financial Counselor reviews all scheduled procedures
- Contacts all patients with an estimate of the amount due prior to service.
- Started collecting ED co-pays in November which has increased upfront collections.

Registration

Best Practice

- Use scripting for upfront collections.
- All staff should be consistent when collecting.
- When possible include prior balances.
- Have multiple payment options.
- Best collecting phrase: *How would you like to pay for that today?*

VAN DIEST
MEDICAL CENTER
Our Focus is You

Van Diest Medical Center is a Preferred Provider for

- Blue Cross/Blue Shield
- Coventry/First Health
- Hawk-I
  - Amerigroup of Iowa
  - AmeriHealth Caritas of Iowa
  - United Health Care - United Community Plan
- Health Alliance
- Health Smart
- Iowa Medicaid (traditional)
- Iowa Health Link (Iowa Medicaid Managed Care)

Related Documents

Van Diest Financial Assistance Application

Keokuk Area Hospital

Plain Language Summary

- English
- Spanish
- Arabic
- Chinese
- French
- German
- Hmong
- Korean
- Laotian
- Somali
- Serbo-Croatian
- Vietnamese

Financial Assistance Policy

- English
- Spanish
- Arabic
- Chinese
- French
- German
- Hmong
- Korean
- Laotian
- Somali
- Serbo-Croatian
- Vietnamese
- Provider Listing

GREATER REGIONAL
MEDICAL CENTER

If you do not have insurance please contact the Greater Regional Business Office to make financial arrangements. If you need assistance with your medical bills the forms and instructions for our financial assistance plan can be found here: Financial Assistance Form PDF

Financial Assistance Form PDF   Billing Information PDF   Patient Advocate Services PDF

Please feel free to call the Greater Regional Business Office with any questions pertaining to your bill or insurance at 641-782-3538 or email at cashier@greaterregional.org.

Registration

Best Practice

Ask, Don't Tell !

Teach employees to ask for patient information instead of telling them what you already have in the system.

VIRGINIA GAY HOSPITAL
A Healing *tradition*
Clinics, Home Health, Nursing & Rehab

Their website has every IRS requirement covered related to the Financial Assistance Policy in simple, easy to understand language.

GMHC
Guttenberg Municipal Hospital & Clinics

Best Practice

Payment Options

GMH offers these payment options:

- Cash
- Check/money order
- Debit cards
- Credit cards: Visa, MasterCard, Discover& American Express
- Automatic bank transfer
- Care Credit (some restrictions apply—call 563-252-1121 for more information)

If you are concerned about your hospital bill, we have other options, which we can discuss with you, such as payment arrangements or assistance through our Charity Care

Best Practice

Once a year Amnesty program around tax time.

Negotiate a one-time discount for those with large balances making small payments.

Balance Owed	Minimum REGULAR Monthly Payment Required
$1.00 - $49.99	Payment in full (100%)
$50.00 - $100.00	33% of the monthly balance
$100.01 - $250.00	25% of the monthly balance
	10% of the monthly balance
$250.01 - $750.00	8% of the monthly balance
	7.5% of the month balance
$750.01 - $1200.00	5.5% of the monthly balance, to be paid in full within 18 months
$1200.01 - $2000.00	
$2000.01 or greater	

Payments received that are below the minimum payment amount noted above will be returned to the patient with a letter of explanation.

Financial Assistance Plain Language Summary

Sliding Fee Scale

Financial Assistance Application

Authorization to Release Information

Please ensure you have the following compiled and completed:

- SIGNED and completed application
- Copy of current Federal Tax Return
- Copies of last 3 pay/social security stubs
- Copies of last 3 bank statements

If you have questions regarding financial assistance please contact the HMH Business Office at 712.364.3311.

Best Practice

AR Days

High dollar claims are billed within 1-3 days
Multiple edits in claim scrubbers to stop any
claims with errors and allow clean claims to pass
through the system quickly.

Poll Question

Denial Management

BEST PRACTICE EXAMPLE

A large hospital decided that they needed to work on their denials. They have a centralized business office so they had to find a way to collaborate so that they could understand what was being denied and so they could determine how to manage those denials.

Denial Management

Steps they took:

- Used the CARCs (Claim adjustment reason codes) to separate denial by type.

- In each type they sorted by payer and then by denial dollars.

- Each denial type was evaluated as avoidable or not avoidable.

- Selected top 10 avoidable denial reasons with the most financial impact.

- Met 3 times monthly (2 one hour and 1 two hour meeting)

Denial Management

- First monthly meeting was used for identification of the most recent denials.

- Second meeting was held to discuss any trends or process issues identified

- Third meeting was held to discuss process changes, payer issues and appeals statuses.

- CFO pleasantly surprised that denials decreased dramatically.

Denial Management

You have to start somewhere

- Use your system to run reports from the remits to identify your claims adjustment reason codes.

- That will give you a starting point for being proactive in managing your denials.

CARCs

CARC	Description	Denial Type	Department	Denial Category
1	Deductible Amount	Information	Patient Liability	Patient Liability
2	Coinsurance Amount	Information	Patient Liability	Patient Liability
3	Co-payment Amount	Information	Patient Liability	Patient Liability
4	The procedure code is inconsistent with the modifier used or a required modifier is missing. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Modifier
5	The procedure code/bill type is inconsistent with the place of service. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Procedure
6	The procedure/revenue code is inconsistent with the patient's age. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Procedure
7	The procedure/revenue code is inconsistent with the patient's gender. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Procedure
8	The procedure code is inconsistent with the provider type/specialty (taxonomy). Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Procedure
9	The diagnosis is inconsistent with the patient's age. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Diagnosis
10	The diagnosis is inconsistent with the patient's gender. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Diagnosis
11	The diagnosis is inconsistent with the procedure. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Diagnosis
12	The diagnosis is inconsistent with the provider type. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Coding	Diagnosis
13	The date of death precedes the date of service.	Preventable	Billing	Claim Error
14	The date of birth follows the date of service.	Preventable	Billing	Claim Error
15	The authorization number is missing, invalid, or does not apply to the billed services or provider.	Preventable	Financial Clearance	Authorization
16	Claim/service lacks information or has submission/billing error(s) which is needed for adjudication. Do not use this code for claims attachment(s)/other documentation. At least one Remark Code must be provided (may be comprised of either the NCPDP Reject Reason Code, or Remittance Advice Remark Code that is not an ALERT.) Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.	Preventable	Billing	Missing Information
18	Exact duplicate claim/service (Use only with Group Code OA except where state workers' compensation regulations requires CO)	Information	Duplicate	Duplicate

Iowa Medicaid Denials

CARC	Description
CARC 18	Exact Duplicate Claim
RARC N52	Claim processed or is secondary
CARC 27	Expenses incurred after coverage terminated
CARC 252	Attachment/Documentation required
CARC 45	Charge exceeds fee schedule or maximum allowed
CARC 8	Procedure code inconsistent with provider type
CARC 208	NPI Not matched
CARC 197	Precertification/Authorization missing
CARC 29	Timely filing limit expired
CARC 256	Service not included for coverage in the contract

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An Affiliate of UnityPoint Health

better
TOGETHER

The Hospital of Choice for Patients and Staff
A QUARTERLY PUBLICATION FROM LORING HOSPITAL **SUMMER 2018**

Watch for Your New Medicare Card

Just a reminder that anyone enrolled in Medicare will receive a new Medicare card sometime between this April and next. The new card will not change your benefits! Once you receive your new card, burn or shred your old card and use only the new one. Questions? **Call 712-662-7105.**

Bring your new card to Loring Hospital at your next appointment.

MEDICARE HEALTH INSURANCE
JOHN L SMITH
1EG4-TES-MK72
HOSPITAL (PART A) 03-01-2016
MEDICAL (PART B) 03-01-2016

Best Practice:
Communicate with Community

DNFB

"Discharged Not Final Billed"

Includes:

• Accounts that have not been final coded

• Accounts that have not dropped in to the billing system

Auto Bill Hold – Average 3-5 days

DNFB

- Accounts that are discharged but not final billed make a big impact on AR days.
- DNFB causes:
  - Late Charges
  - Delinquent physician documentation
  - Transcription delays
  - Unanswered queries
  - Increased coding requirements

DNFB

Things to consider:

- Physicians
  - Find ways to improve communication with physicians.
  - Don't overwhelm with multiple charts
  - Create a system that gives up-to-date delinquency information
  - Revisit your query process
  - Don't allow charts to age as it makes it difficult to remember clinical information

DNFB

Things to consider:

- Coders
  - Are coders up to date with needed education?
  - What is delaying coding completion?
  - Can other departments help in the process?
  - Is communication related to missing or late charges efficient between departments?
  - Are you tracking DNFB accounts?

DNFB

Tracking Benchmarks –

- DNFB dollars
- Percent of charts DNFB
- Delinquencies by physician
- Number of outstanding queries

- Create physician scorecards

Poll Question

Medical Records

Pella Regional Health Center

Medical records are maintained by Health Information Management (HIM). HIM is available from 7:30 am - 4 pm, Monday – Thursday, 7:30 am to 3 pm Friday, excluding holidays. The HIM Department is located on the main level of the hospital near the Business Office.

To obtain a copy of your medical records:

- Download and complete the Authorization to Release Health Information FROM Pella Regional (PDF), *clearly stating the dates of service, the specific type of record(s) desired* and all other information indicated on the form.

- Download and complete the Authorization to Release Health Information TO Pella Regional (PDF), *clearly stating the dates of service, the specific type of record(s) desired* and all other information indicated on the form.

Includes directions on how to complete requests and price per page.

Cross-Functional Collaboration

Dignity Health – Best Practice

- Working accounts you will need to check with other areas to resolve edits.

- **Overtime Project to reduce unbilled accounts**
  - Include other departments (coding, charging etc.) to be in the room when working accounts
  - Real time answers can be used to correct claims
  - Focus on ways to avoid future claims edits. (apply modifiers in HIM/Coding related to CCI edits)
  - Make sure that your edits are up-to-date in the billing system

Back-End Collections and Write-Offs

HENRY COUNTY HEALTH CENTER
CARE YOU TRUST. COMPASSION YOU DESERVE.

Best Practice – Back-End Collections

HCHC uses an Early-Out company that processes their statements from Day One allowing their billers to concentrate on working denials and outstanding AR.

Best Practice Tips

- AR should be worked at 30 days not 60-90 days

- Develop ticklers as reminders to work accounts

- Don't allow accounts to age out without attempting to collect while viable

- Don't leave difficult accounts until "later"

- Create reports for accountability

Write-Offs

Do you know what is being written off?

- Contractual adjustment accuracy
- Medical necessity
- Line item write offs
- Small balance adjustments
- Unverified amounts

Reporting Adjustments

- Create multiple adjustment codes that define why accounts are being written off.
- Report payment percentages
- Develop thresholds for write off approvals
- CFO should know where the money is NOT being collected

Metric	Formula	Value	Month	Month
Total amount billed	Total Monthly billed	Quantifies billing and is indicator for future collections		
Total amount collected	Total Monthly collected	Use as a tool against collection goals, shows rev cycle performance		
Collected to billed ratio FYTD	Amt Coll FYTD Amt Billed FYTD	Measure efficacy of collecting from 3rd party payers		
% AR Aging	AR > 90 days Total AR Balance	Measures timeliness of collecting before the 90 days aging point		

KNOXVILLE
Hospital & Clinics
YOUR CORNERSTONE TO HEALTH

Employs a clinical/financial liaison that has 30 years experience in multiple areas of the hospital. She works with clinical departments on charge capture/reconciliation in addition to other multi-department issues.

Clarke County Hospital

An Affiliate of **UnityPoint Health**

The C.A.R.E Channel

The C.A.R.E Channel can be viewed on channel 16.1 in all of our patient rooms, registration areas, waiting areas, break rooms and ER bays. Our goal is to create a relaxing and comforting environment for our patients and their families.

C.A.R.E stands for Continuous Ambient Relaxation Environment®. The C.A.R.E Channel's intent is to reduce hospital noise and improve patient experience. The C.A.R.E Channel is produced to comfort patients and families by offering a full 24-hour cycle of imagery and music to support the circadian rhythm, enhance sleep, and to reduce the day-to-day hospital noise.

Cash on Hand

Cost Report S-10 Worksheet

DSH funds

For FY 2019, CMS proposes to continue incorporating uncompensated care cost data from Worksheet S-10 of the Medicare cost report into the methodology for distributing these funds. Specifically, for FY 2019, CMS proposes to use Worksheet S-10 data from FY 2014 and FY 2015 cost reports in combination with insured low income days data from FY 2013 cost reports to determine the distribution of uncompensated care payments.

RHLOP Hospitals

S-10 data for RHLOP Hospitals

- 3 of 17 showed no Medicaid shortfalls
  - 1 reported Medicaid Gross charges $6.9m with Medicaid net revenue of $40m

- Only 1 reported receiving government grants, appropriations or transfers

- No CHIP activity reported for any of the 17

RHLOP Hospitals

The S-10 worksheet will directly impact your reimbursement and cash on hand!

It should portray a true representation of your uncompensated costs!

RHLOP Hospitals

S-10 data for RHLOP Hospitals

- 10 of the 17 reported NO charity care for insured patients (this can affect your CCR)

- Of the 7 reporting insured charity, uninsured charity ranged from 3-76% of total charity charges

- No other indigent program activity was reported

RHLOP Hospitals

S-10 data for RHLOP Hospitals

- 9 of 17 reported NO Medicare bad debt expense
- 1 hospital reported ZERO bad debt
- 15 of the 17 are registered on the OPAIS website as active 340B participants

S-10 Worksheet

- Misreported or unreported information can lead to expulsion from the 340b program.
- Many participating in the 340b program are not reporting charity care that Congress expected them to report. This will affect your participation in the program.
- The S-10 will also determine your uncompensated care payments from Medicare. (DSH)

CAH Financial Indicator Report

http://www.flexmonitoring.org/publications/annual-financial-indicator-reports/

CAH Financial Indicator Report

- April 2018 Release

- Based on 2016 Cost Reports

- FLEX Monitoring Team - Rural Health Research Center

- Report gives comparative values related to other US CAHs

Flex Monitoring Team | University of Minnesota
University of North Carolina at Chapel Hill
University of Southern Maine

Profitability Indicators

- Total Margin measures the control of expenses related to revenue
- Cash Flow Margin - ability to generate cash from services
- Return on equity – Net income generated by equity investment
- Operating Margin – control of operating expenses related to operating revenues

State	Total Margin	Cash Flow Margin	Return on Equity	Operating Margin
	%	%	%	%
US	2.74	6.99	5.32	0.93
IA	3.98	9.69	6.33	1.91

Liquidity Indicators

- Days Cash on Hand – Number of days you can operate with no revenue
- Days in Net AR – Number of days it takes to collect receivables
- Days in Gross AR – Measures revenue cycle performance

State	Days Cash on Hand	Days in Net AR	Days in Gross AR
	Times	Days	Days
US	77.72	51.34	48.91
IA	147.71	52.79	38.98

Cost Indicators

- Salaries to Net Patient Revenue – the percent of patient revenue that are labor costs

- FTEs by adjusted Occupied Bed – The number of full-time employees per each occupied bed

- Average Salary per FTE – Measures the price and mix of labor

State	Salaries to Net Pt Revenue	FTE per Adj OB	Avg Salary per FTE
	%	FTEs	Dollars
US	44.9	5.61	56,197
IA	42.5	5.37	54,573

Revenue Indicators

- Outpatient to total revenue – Percent of revenue that is outpatient

- Patient Deductions – The allowances and discounts per dollar of revenue

- Outpatient Cost to Charge – cost per dollar of charges

- Medicare Acute Inpatient Cost per Day – Average daily cost

State	OP to Total	Patient Deductions	OP Cost to Charge	Inpt Per Day Cost
	%	%	%	Dollars
US	77.74	43.46	0.45	2592
IA	82.13	39.00	0.48	2682

Floyd Valley Healthcare
An Avera Affiliate

It's A Girl!

Born: April 24, 2018 at 4:14 AM

Weight: 8 lbs 1 oz

Length: 20 inches

Hair Color: Black

Eye Color: Dark

Location: Floyd Valley Healthcare

Questions?

Contact Sandy Sage, RN

Sandy.sage@hometownhealthonline.com

or email

hthtech@hometownhealthonline.com

- http://www.healthcarefinancenews.com/news/revenue-cycle-leaders-share-top-3-ways-reduce-days-accounts-receivable
- https://www.ruralcenter.org/resource-library/best-practice-concepts-in-revenue-cycle-management-guide
- https://gallery.mailchimp.com/cb09edc20d550e3cb621eaf9b/files/d2866410-9c93-481e-99e6-2ac5c29689e7/FullStateMedians2016.pdf
- https://www.changehealthcare.com/blog/secrets-hiding-hospitals-revenue-cycle-metrics/
- https://dhs.iowa.gov/sites/default/files/SFY18_Q2_Report.pdf
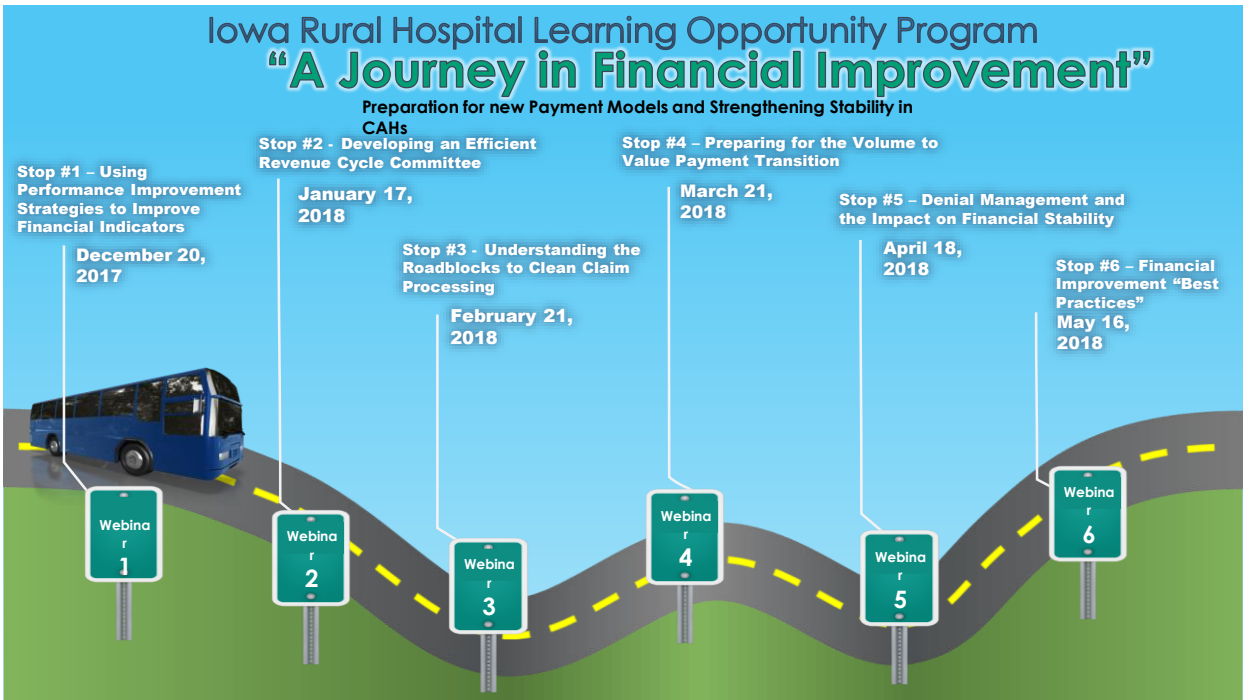
Learning Outcomes

Now that you have completed this training, you should be able to:

- Describe how a Revenue Cycle meeting can help you break down silos at your hospital

- Identify best practices for the revenue cycle

- Identify steps to manage your denials

- Understand how your S-10 worksheet can affect your cash on hand

Iowa Rural Hospital Learning Opportunity Program

Announcements
& Upcoming Events
Evelyn Leadbetter, Network Services Manager

Iowa Rural Hospital Learning Opportunity Program
"A Journey in Financial Improvement"

Preparation for new Payment Models and Strengthening Stability in CAHs

2018-2019 SHIP Grant Kickoff
May 30, 2018 1:30 pm CST

Dashboard & Resources

A recording of today's webinar, handouts & resources, and future webinars dates can be found on the Program Dashboard located at:
www.hthu.net/iowarhlop18

Don't forget about your CEUs!

Following this webinar, all attendees who have viewed the recording in its entirety will receive an email with a link to the quiz and evaluation.

Anyone that misses the webinar can view the recording online, posted on the program Dashboard, for CEUs.

Win a $100 Amazon Card!!!

Listen to all six webinars (live or online), then take the post-test and evaluation. You will be entered into a drawing to win. Drawing to be held June 4th.