Building Financial Strength in the Face of the Great Resignation

Maintaining Timely Payments in Spite of Persistent Staffing Issues

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Since the start of 2022, close to 1.7 million healthcare workers have left their jobs, equating to nearly 3% of the total workforce each month.[1] And it's not all frontline staff or clinicians, as revenue cycle teams have also been impacted. Becker's reports, "front-end revenue cycle staff, back-office specialists, coders, accounts receivable (A/R), and denial management experts are all in short supply."[2] According to one recent survey, 55% of healthcare finance leaders say they have a shortage of billing specialists and 42% said they have a shortage of patient follow-up staff.[3]

Payers, too, have been impacted by the "Great Resignation" and are struggling to replace headcount. This has exacerbated the issues for physician billing and has led to greater lag times in processes such as appeal review and approval. Combined with the rise in denials across all payers, these longer lag times can significantly impact a physician practice's cash flow.

Embracing a "new normal"

During the pandemic, both physician practices and payers pivoted to remote work environments to comply with social distancing guidelines. Today, many of those teams remain remote and virtual work has become the norm across the country. The result is that workers—especially those with the most experience—have significantly more employment options. They can essentially work for companies anywhere in the country, creating a highly competitive marketplace. This has driven up costs in the form of higher salaries, large sign-on bonuses, expensive contractors, and increased recruiting efforts. It has also required managers to spend more of their time conducting interviews and overseeing recruiting efforts. For physician practices and payers with limited staff, this has become a Herculean task.

92% of healthcare leaders report difficulties in attracting and retaining support staff.[4]

Experts predict that staffing shortages could plague the healthcare industry for some time to come. In other words, it may be years before physician practices are able to return to a pre-pandemic normal—if they ever do. That means physician practices need a new approach to the way they manage their revenue cycle, one that mitigates the impact of ongoing staffing shortages and gaps in expertise.

Where to begin

There are several strategies that physician groups can deploy to mitigate these challenges, with some requiring more work than others. Smaller groups may find it more difficult than larger groups simply due to a lack of resources and/or scale to distribute the costs. Partnering with other groups can help, but each practice must weigh the risks and benefits of that approach, especially when combining financial resources. The bottom line is that there is no one right answer for every practice. The best place to begin is by understanding the requirements—and the opportunities—that are available.

Expand recruiting efforts beyond the local community.

With so many revenue cycle experts now working from home, practices should begin nationwide recruitment efforts. This offers access to a broader pool of qualified candidates from which to choose, and potentially from a lower-cost geography.

Increase incentives.

Offering a low base wage and expecting staff to work hard to move up is a tactic that may have worked in the past, but no more. Physician practices need to consider increasing starting salaries to make their roles more competitive in the current seller's market. Attractive sign-on bonuses and expanded benefits such as more paid time off can help give a physician practice the edge when individuals are weighing multiple offers.

Fortify training capabilities.

The quality of a physician group's revenue cycle performance is directly correlated with the quality of its revenue cycle staff. First and foremost, the revenue cycle staff need to understand the impact that the quality of their work has on patients' experiences and ultimately the bottom line. Increased turnover will test the efficiency, effectiveness, and capacity of the onboarding and training program. Expanded and ongoing training for current staff should also be a requirement now, to mitigate preventable errors that lead to delayed payments and denials.

Stay on top of payer requirements.

As subscriber utilization increases post-pandemic, payers are denying more claims than ever before. Besides leveraging more sophisticated technology to identify potential claim issues and medical necessity checks, they also have increasingly complex requirements that often differ subtly from CMS. Combined with benefit plan differences within a given payer, this can make it challenging for revenue cycle staff to keep up. One way to approach this is to assign certain staff members to manage certain payers. This specialization can help practices reduce issues with preauthorization requirements and timely filing deadlines, for example.

Leverage automation technology.

One of the best ways to mitigate staffing shortages is for practices to reduce the need to replace staff in the first place. Investing in automation technology, such as artificial intelligence (AI) and machine learning (ML), can streamline workflows and increase productivity without adding additional staff.

Consider outsourcing.

For a growing number of practices, outsourcing all or a portion of their revenue cycle processes has become an attractive option, and rightfully so. There are many benefits outsourcers can bring beyond just filling headcount—benefits that practices might never be able to realize on their own. The following are just a few examples:

- Liberates management's mindshare to focus on more strategic initiatives
- Provides access to broader, multi-shore talent pools at lower costs
- Delivers training at scale, which improves work quality and clean-claim rates and reduces errors, denials, lingering days in A/R, and delayed reimbursement
- Reduces infrastructure costs, as outsourcers can spread each investment across many clients
- Supplies broader access to automation technology,

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enabling greater process consistency and efficiency

- Enables quicker and more proactive identification of payer trends for more timely intervention, facilitating fewer denials and faster, more accurate reimbursement
- Offers access to a higher level of payer-specific expertise than any one practice would have

Choosing a successful partner

When choosing to outsource, it is important to keep in mind that not all revenue cycle vendors are created equal. Those with the broadest experience and highest levels of expertise will deliver a faster return on investment. The following are four capabilities to look for when choosing a partner.

World-wide access to revenue cycle experts

The best outsourcers have access to both US-based and offshore teams with long-standing expertise in U.S. healthcare processes. These companies will have a broader network of resources, along with access to high-volume recruiting divisions. This means they not only have a larger pool of candidates to pull from, but also the ability to scale in order to fill vacancies more quickly.

By balancing salaries globally, an outsourcer can better manage rising salary pressure on US-based headcount, allowing them to have the best of the best without having to spend time and money recruiting, interviewing, and bringing on new staff.

A focus on training

One of the keys to successful revenue cycle outsourcing success is to choose a partner that invests in training beyond the initial onboarding phase. The healthcare industry is not only highly complex, but it is also constantly changing. For example, ICD codes have increased exponentially over the past decade.[5] Bringing new coders up to speed can take months and continued dedicated training time to keep up to date to ensure the highest quality work. Without these ongoing professional development programs, practices can experience

an increase in denied claims or delayed reimbursement due to an increase in coding errors made by inexperienced staff. That's not the case when outsourcing with a company that embraces rigorous and ongoing training.

Instead of spending weeks or months bringing new team members up to speed, outsourcers add value from the very first day. In short, achieving an optimal return on investment can be much faster when outsourcing than when hiring and/or retraining new revenue cycle staff.

Be sure the partner you choose uses industry-leading quality and productivity standards. This should include monthly quality assurance checks and client feedback. The best partners will be those that also promote a culture of accountability among their revenue cycle staff.

Technology investments

Outsourcers' scale allows them to invest in processes where many individual physician groups lack the necessary volumes to earn a positive return. The most effective revenue cycle vendors are investing in automation technology such as AI and ML—technologies they use to streamline processes and improve quality and productivity. Automation can simplify the entire process by removing manual, error-prone workflows (e.g., the prior authorization process). The result is faster, more consistent, more effective management of prior authorizations. This, in turn, helps eliminate delays in care while improving outcomes and enhancing the patient experience.

> With outsourcing, revenue cycle leaders gain all the benefits of having the latest automation technology without huge investments or the IT staff needed to manage implementations.

Aligned partners will be those that are always looking for innovative new ways to leverage cutting-edge technologies to bring longer-term benefits for themselves and their clients. Judicious investment in value-added capabilities is the key, however, as many alleged "advancements" offer more cost than bottom line impact.

Payer expertise

The highest performing revenue cycle partners will have extensive, multichannel payer relationships, giving them greater insight into payer pain points and a unique ability to work with payers to the benefit of the practice. With payer staffing shortages as they are, having a partner with this ability is more important than ever to a practice's bottom line.

When choosing a partner, it is important to find one that has the expertise necessary to manage payer relationships on the provider's behalf. This should include conducting regular monthly payer meetings to discuss issues and identify resolutions. For example, uncovering an issue with challenging claims that are down coded upon payer adjudication can help determine when to uphold appeals. This type of proactive intervention can help improve revenue performance.

An outsourcing success story

Deployed together, these tactics can bring significantly more value than implementing just one or two. The following case study is an example of how one urban, hospital-based medical group was able to achieve significant practice revenue performance improvement by partnering with Conifer Health Solutions.

Jackson Health System is a nonprofit, academic medical system located in Miami, Florida, with a thriving physician group working across multiple primary care and specialty care centers. Jackson Health was dissatisfied with its existing revenue cycle vendor due to out-of-control coding errors, a lack of accurate practice data, and a legacy platform that constrained the implementation of tools that could improve coding quality. Jackson Health decided to look for a new revenue cycle partner that could help develop more holistic, integrated solutions to improve the financial position of its practices.

Jackson Health chose to partner with Conifer Health because of their comprehensive offering covering all facets of revenue cycle support as well as multi-shore staffing, robust quality assurance programs, automation investments, and effectiveness collaborating with payers. Along with expert coding, billing and collections services, Conifer took a multiple-step approach to transform Jackson's RCM process, including:

- Shifted coding, clinical documentation improvement, billing, and collections within the optimized processes of Conifer's multi-shore, revenue cycle factory

- Provided extensive training to help Jackson Health's revenue cycle team better understand their EHR system and develop more effective business intelligence and reporting capabilities. This helped increase insight into their own data and to create a roadmap for improvement

- Conducted physician-led clinical documentation improvement training for providers

- Trained staff to better identify and avoid denials

- Defined and aligned all revenue cycle goals to improve collections, reduce aged A/R, increase coding quality, and shorten turnaround times

- Added a medical group structure and patient forum to support governance

"We really felt like Conifer valued our relationship and wanted this to be a long-term partnership. I would 100% recommend Conifer!"

Christopher Wing
CFO and COO
Jackson Behavioral Health Hospital

The collaborative partnership has been remarkably successful:

- 100% increase in average monthly collection—from $2M (2016) to $4.1M (2022)
- 25% decrease in A/R days
- 80% reduction in coding turnaround time—from 15 days to 3 days
- 17 new quality measures implemented via NCQA healthcare effectiveness data and information sets, collecting $351K
- $225k collected in quality payments in 2020

Based on these results, Jackson Health renewed its contract with Conifer Health for an additional three years.

The journey forward

Experts predict that the healthcare industry could be challenged with staffing shortages for some time to come.[6] Without addressing this issue now, post-pandemic recovery may be severely hampered for many physician practices. Outsourcing all or a portion of revenue cycle processes can help not only mitigate the impact, but also bring greater productivity, lower costs, and improved outcomes.

About Conifer Health

Conifer Health Solutions, LLC, brings more than three decades of healthcare industry expertise to help health systems, hospitals, physician groups, employers and unions address their most pressing business challenges. The company offers technology-enabled revenue cycle and value-based care performance solutions that enhance the patient experience, drive operational efficiency, optimize financial performance, and improve clinical outcomes. Annually, Conifer Health manages 25+ million patient interactions, $28+ billion in net patient revenue and $19+ billion in medically managed spend. Plus, the company's technology and health management services support care management for more than 5 million lives each year. For more information, visit ConiferHealth.com.

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Your Partner in Care. We provide revenue cycle and value-based care solutions that optimize financial performance, improve business outcomes and elevate the healthcare experience

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