Integrating IT Systems Strengthens the Revenue Cycle

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An efficient revenue cycle is critical to ensuring timely and appropriate reimbursement for patient services. That efficiency requires that multiple systems, departments, and processes work together to smooth workflow, promote consistency, and reduce rework.

Most hospitals employ e-HIM processes and tools to perform the multiple functions that make up the revenue cycle. By integrating the IT components listed in the table at right, organizations will enhance their ability to use data.

Integrating the scheduling and registration systems makes data available faster and eliminates redundancy in data entry. Integrating a clinical electronic health record (EHR) system with HIM software applications streamlines coding and abstracting functions used by financial systems.

Many hospitals are developing automated physician query processes that can be used by case management specialists, documentation specialists, and coding specialists to clarify documentation in the record. Integrating this process with the EHR enables physicians to receive and respond to queries, which will in turn boost timeliness and response rates.

The Benefits of Document Imaging

Document imaging has become an important function within the revenue cycle process. Research shows the best performing hospitals in revenue cycle management reported higher use of document imaging support.[1]

When integrated with the EHR, document imaging supports virtual and remote coding for efficient work distribution and management and timely claims submission. In EHR environments clinicians also gain virtual access to the entire patient record, supporting completion of the record postdischarge and supporting a timely coding process. A comprehensive EHR system that integrates scanned paper records also supports access by external auditors, speeding up the revenue cycle when reimbursement is contingent on the auditor's review.

Imaging also speeds up the processing of release of information requests by eliminating the need for HIM staff to manually retrieve and copy paper records required for reimbursement justification or appeal of denied claims.

Ensuring Accurate Data Capture and Structure

Another key factor in an efficient revenue cycle is capturing accurate data at the point of origin. For each IT component in the cycle, a quality assurance process should be in place to validate data accuracy, preferably within 24 hours of the data being captured. For example, quality checks should be performed in patient registration to ensure accuracy in the collection of patient demographics and insurance information before erroneous data are used downstream.

In clinical areas, automated rules can be applied in software systems to validate charge capture. For example, a rule that looks for anesthesia and recovery room charges whenever operating room charges are present prevents missed charges for services that are performed together.

Much has been written about the benefits of structured documentation. A hospital's success in migrating data from one IT system to another—especially involving clinical data—is often related to its use of structured documentation. It is much easier and more reliable to interface discrete data elements across multiple systems, rather than work with textual or nonstandardized data.

Centralized Denial Management Database

Creating a centralized denial management database eliminates duplicate data entry and provides a single repository to support case tracking and report generation. For hospitals undergoing a Recovery Audit Contractor review, a centralized denied claim database can improve their ability to manage the process from the initial request to final appeal activity.

Patient demographics, coding data, and billing data (including charges and reimbursement) can be interfaced to the denial management database to simplify data entry and reduce the possibility of data entry errors.

Cost and Security among the Challenges

One of the challenges to implementing a strong revenue cycle management process is the cost of integrating systems. Interfacing independent systems or applications is expensive. Cost-benefit analyses can determine if the integration will result in a reasonable return on investment.

Information security is another challenge. Integration results in more widespread access to and use of data. It is critical that appropriate security measures be put into place to protect patient data at the highest level possible for all integration projects.

HIM professionals are involved in many aspects of the revenue cycle. Understanding key components and how they interact leverages the use of e-HIM workflows in this vital process. Collaborative relationships that manage information between components and work toward the same goal provide a solid foundation for process effectiveness.

IT Components of the Revenue Cycle

Implementing and integrating IT systems such as those listed below helps achieve efficiency and promote consistency, ensuring smooth information flow that improves the revenue cycle.

Stage	Associated Tools
Prospective • Scheduling • Preregistration • Preauthorization • Insurance verification • Point of service collection	• Scheduling system • Registration system • Compliance/medical necessity/advance beneficiary notice software • Insurance eligibility software
Concurrent • Case management/utilization review • Charge capture • Clinical documentation review/query • Coding	• Case management/UR software • Standardized charge description master • Query software • Compliance software
Retrospective • Document imaging • Final coding • Billing	• Scanning software and equipment • Encoders, groupers, analyzers, editors • Bill editor software • Contract management software • Collections system • Denial management software

- Accounts receivable, reimbursement
- Collections
- Denial management
- Defense audits

- Centralized denial management database

Note

1. Amatayakul, Margret. "Benchmarking RCM: Best Practices to Enhance the HIM Roles in Revenue." *Journal of AHIMA* 77, no. 3 (Mar. 2006): 46–49.

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