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# DESIGNING REVENUE INTEGRITY FOR VALUE AND EFFICIENCY

## **Designing revenue integrity for value and efficiency**

### ROUNDTABLE PANELISTS

#### SPRING CRAVEN, MBA, CPC,

Director of Revenue Integrity, Crisp Regional Hospital, Cordele, Georgia

## VRINDA KOSGIA, BA, DCA, COC, CPAR

Director Revenue Integrity, Wellstar MCG Health, Augusta, Georgia Designing an effective, efficient revenue integrity program is a balancing act. Leaders must determine the program's focus, size, and structure based on their organization's facility and service line mix, the volume of charges and claims its departments generate, the payers it works with, the EHR and other technology it uses, and other factors. These needs must be balanced against the resources available to support the program.

Done right, the organization will reap the rewards of complete, compliant, and audit-proof revenue. But getting a revenue integrity program perfectly calibrated can be complex, and even established programs need to be recalibrated as the organization evolves. Leaders must base their decisions on a thorough knowledge of their organization backed up by best practices and benchmarks otherwise they could lose the program's full benefit and fail to optimize the return on investment.

In the 2024 NAHRI Leadership Council research survey, Revenue Integrity Program Structure and Staffing, more than 100 leaders shared insights into program design and staffing models from across the country, including reporting structure, key responsibilities, program focus, and more.

Respondents to this survey were primarily revenue integrity directors and managers from acute care hospitals and health systems with more than 500 beds. The majority of respondents have dedicated, centralized revenue integrity departments that oversee hospital and professional fee billing and reimbursement. Their programs report up through revenue cycle, and most focus on the chargemaster and charging.

In May 2024, the NAHRI Leadership Council held a virtual roundtable with a panel of revenue integrity leaders to discuss the survey findings. Discussion topics included the value of a revenue integrity program, critical considerations for program focus and structure, defining primary responsibilities, and choosing between centralized and decentralized models. This report covers highlights of their conversation and survey data.

#### **Dedicated value**

The majority (85%) of survey respondents reported their organization has a dedicated revenue integrity department.

A dedicated revenue integrity department gives organizations an advantage in protecting complete and appropriate revenue, says **Spring Craven, MBA, CPC,** director of revenue integrity at Crisp Regional Hospital in Cordele, Georgia.

"There's a lot of value in having a dedicated revenue integrity department," Craven says. "Because if you didn't have that dedicated revenue integrity department, that means the task that we [would otherwise] do in the revenue integrity department is going to be housed elsewhere with staff that might have other responsibilities that take precedence over revenue integrity."

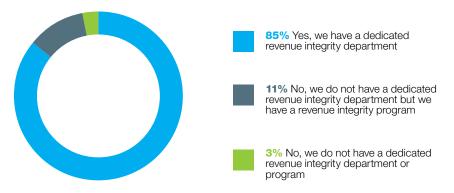
## "When we have a dedicated revenue integrity department, we're able to help [revenue integrity staff] find a path to get more education and more specificity when it comes to looking into these denials."

 $-{\rm Spring}$  Craven, MBA, CPC, director of revenue integrity, Crisp Regional Hospital

For example, Craven says having a dedicated revenue integrity department allows her organization to budget for a revenue integrity nurse auditor who handles appeals. Because the nurse auditor is assigned to the revenue integrity department, there's a committed budget that allows her to obtain focused education.

"When we have a dedicated revenue integrity department, we're able to help them find a path to get more education and more

Does your organization have a dedicated revenue integrity department?



specificity when it comes to looking into these denials," Craven says. "That dedicated role is kind of like the one taking charge in the war against reimbursement denial."

#### Vrinda Kosgia, BA, DCA,

COC, CPAR, director of revenue integrity at Wellstar MCG Health in Augusta, Georgia, says that a dedicated revenue integrity department provides tangible financial value to the organization. Revenue integrity looks at systems and processes across the revenue cycle, identifying root causes and reoccurring issues that cause revenue loss, and coordinating process improvements, education, and audits to ensure resolution of the problems.

#### **Program structure**

As revenue integrity has evolved and moved toward a more broadly accepted definition, different program models have gained prominence. Although having a variety of models to choose from gives organizations the flexibility to create a program that suits their needs, the wrong choice can dilute the clarity of the department's functions, scope, and goals.

A little over half (58%) of survey respondents said their department reports up through

#### revenue cycle.

Craven says her organization falls into the 26% of survey respondents whose revenue integrity department reports up through finance.

Meanwhile, Kosgi's department reports up through revenue cycle, along with her organization's business office, HIM, and patient access departments.

"I think you'll see that variation due to the size of the facility," Craven says. "We are a small health system in south Georgia. We own a hospital, several skilled nursing facilities, and physician practices. Our CFO is basically our head of everything financial."

Kosgi, whose organization recently merged Augusta University Medical Center and Wellstar to create Wellstar MCG, agrees that an organization's size and complexity influence how its revenue integrity department is structured and positioned.

The organization's EHR can also affect revenue integrity's structure, she adds. Wellstar MCG is transitioning to Epic, and Kosgi expects her department to continue to evolve as a result.

Whom Does your revenue integrity program report to?	
Revenue cycle	58%
Finance	26%
Other	7%
Patient financial services	4%
Administration/operations	3%
Compliance	2%
HIM	1%
Case management	0%
Clinical documentation integrity	0%
IT	0%
Quality	0%
Utilization management	0%

"As the organization grows and gets bigger, structures tend to change," Kosgi says.

#### **Evolving focus**

Changes in the healthcare industry are pushing revenue integrity to evolve beyond the hospital setting. As health systems become the new normal, revenue integrity departments are increasingly being asked to include

## "As the organization grows and gets bigger, structures tend to change."

 Vrinda Kosgi, director of revenue integrity, Wellstar MCG Health

professional fee billing and reimbursement in their scope of work.

More than half (63%) of survey respondents said their revenue integrity program covers both the hospital and professional fee sides of the organization.

Craven says her program includes hospital and professional fee revenue integrity. Although the hospital coders report to the HIM director, the professional fee coders report to Craven, and she manages the chargemaster maintenance, denials analysis, appeals, and other revenue integrity functions for hospital and professional fee services.

Source: 2024 NAHRI Leadership Council Research Survey: Revenue Integrity Program Structure and Staffing.

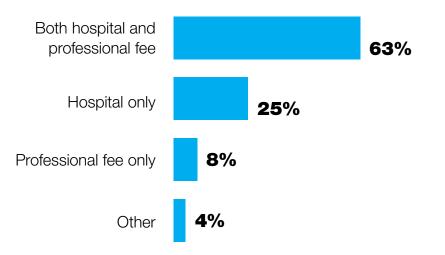
"One of the benefits is that we get to see the whole picture," Craven says. "[For example,] when we have MRI denials, when it's our employed providers we are already aware of the preset process. We can have our hand in everything from the beginning of the patient visit to hospitalization or surgery. When it comes from an outside provider and we get a denial for a precertification, we weren't involved in that precertification from the beginning. So, when we have our hand in everything from the beginning, we can look at the root cause for denials and work from the clinic side and the hospital side to resolve things."

At Wellstar MCG, the revenue integrity program's current primary focus is on hospital revenue integrity, but those staff members work closely with their counterparts on the professional fee side, according to Kosgi.

"We do work with the professional fee side to have conversations and be connected, especially from the coding perspective [and] denials perspective," Kosgi says.

Although having hospital and professional fee revenue integrity under one umbrella can be beneficial, Kosgi notes that the organization's size, composition, and internal structure may call for a different approach.

Does your program manage hospital or professional fee revenue integrity?



Source: 2024 NAHRI Leadership Council Research Survey: Revenue Integrity Program Structure and Staffing.

"It depends on the volume of work and the number of clinics that we have," she says. "All of those things, I think, factor into why certain decisions are made to keep it separate."

#### **Program functions**

A revenue integrity program's structure and focus are closely tied to its primary functions. Over the years, different functions have gained and lost prominence, but clearly defined core functions have emerged as a benchmark for best practice.

The five most common functions that revenue integrity holds primary responsibility for are as follows, according to survey respondents:

- Chargemaster maintenance (78%)
- Charge audits (73%)
- Charge capture (72%)
- Charge reconciliation (65%)
- Charge edits (63%)

Clearly, the chargemaster remains the heart and soul of revenue integrity. Overall, Craven and Kosgi agree that the chargemaster should be revenue integrity's keystone responsibility.

However, revenue integrity's role in functions such as denials management, clinical documentation integrity, or coding edits can vary widely between organizations.

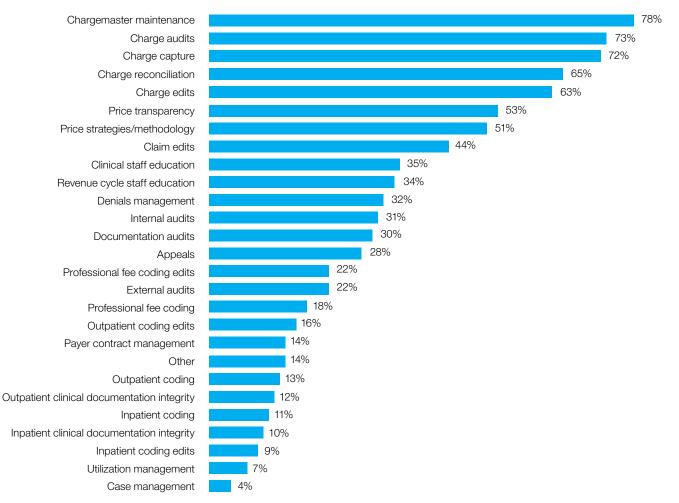
At Wellstar MCG, revenue integrity currently handles authorization denials and medical necessity appeals, Kosgi says. "In our revenue integrity program, we look at that because the need was there," she says. "There were no dedicated resources to review the volume of authorization denials. We also do insurance defense audits because, again, it was all over the place. We needed to streamline it, so we took it on."

Craven says that primary functions may evolve even for established revenue integrity departments, due to changes in the organization, staffing, or other needs.

"Over my four years, everything that I've done when I first started has migrated. So even though I came into an already established revenue integrity department, it has varied over the years," Craven says. "We've added things as I've got more comfortable and educated and added staff." Change and variance are normal, but a revenue integrity program can still have a clear focus and goals. In fact, to be successful, the program must have a defined mission and role that it's empowered to serve.

"Individual organizations need to assess and determine how the revenue integrity team [acts] as a central gatekeeper," Kosgi says.

For which of the following functions does your revenue integrity program or department hold primary responsibility?



Source: 2024 NAHRI Leadership Council Research Survey: Revenue Integrity Program Structure and Staffing.

#### Centralized vs. decentralized

A revenue integrity program may be centralized, meaning the same department handles all primary revenue integrity functions for all service lines. Or a program may be somewhat decentralized; for example, a main revenue integrity department handles primary revenue integrity responsibilities for most service lines, but other service lines, such as radiology or laboratory, have their own staff members who are responsible for revenue integrity functions. A program could even be completely decentralized, with each service line owning its individual revenue integrity functions.

Almost half (47%) of survey respondents indicated that their program is centralized. Other respondents (36%) said that although their program is centralized, there are teams dedicated to specific service lines.

Craven says that at her organization, charge analysts are embedded in each department.

"I communicate with them daily, but they report up to their lab manager, etc.," she explains. "We have a great working relationship, but they do report elsewhere."

Kosgi says that her program is mostly centralized, with charge capture analysts assigned to laboratory and radiology.

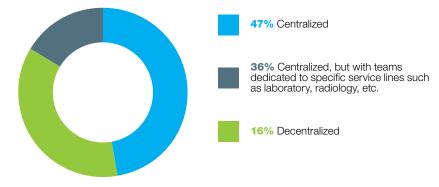
"Lab and pharmacy have their own people, too, and we work very closely [with them]," Kosgi says. "There are also specific charge reconciliation staff in some areas that report to the departments."

As in other aspects of revenue integrity program structure, volume plays a role in centralization, Kosgi adds.

"Sometimes, centralized won't work if it's a huge organization with multiple hospitals and specialty services and you have to break it down into lanes," she says. "What you can centralize and what you will have to decentralize is based on specialty sometimes. You [might not] want to centralize cancer centers that [involve] very-high-dollar drugs and complicated and evolving treatment regimes."

Craven agrees that the size and scale of the organization play a major role in what the program looks like and what's centralized. However, if certain service lines are not fully centralized, those service lines will need checks and balances to ensure that they are operating in line with centralized revenue integrity standards and practices.

"I do not necessarily like [fully] decentralized because I think people start operating in silos, and then you don't really know what the left hand and right hand are doing," Craven says. "So, I'm a big fan of centralization, but it all depends on the size of your facility to determine if you have it fully centralized or partially centralized."



#### Is your program centralized or decentralized?