Executive Summary

- Conceptual Leap: Assembly Line → Healthcare Delivery → RCM
  - Lean: Make Workflows Efficient by Eliminating Waste
  - Current State = Excessive Patient Waiting Time.
    - Value-Stream Mapping (VSM): Find & Eliminate waste!
    - Standard Operating Procedures (SOPs) = Output from PDCA Cycle.
  - Desired Future State = Less Patient Waiting Time (120-240m → 45-90m).
    - Patients, Staff, and MDs Less Stressed!
    - Gain Time Back to Reboot & Reconnect (Reduce Burnout)
    - Quality & Safety: Reduce Medical Errors & Patient Harm
    - Pays For Itself! See More Patients, Thereafter…!
“I Don’t Have Time For This!”
“Change is Hard and Scary!”
“Where Would I Even Start?”

“WAIT!!!
Gimme a second.”

“Problems cannot be solved at the same level of awareness that created them.”
— attributed to Albert Einstein

“The practice doesn’t run itself.”

Making the Case for Structured Problem-Solving

Structured Problem-Solving: S.O.A.P. Charting

Structured Problem-Solving of Lean:

PDCA Cycles, SOPs Consolidate Gains
**What is Your Practice Culture?**

**Non-Lean**
- Ensure people working hard
- Maintain tautness
- Control the person

**Lean**
- Recognize obstacles early
- Problem-solving
- Improve the process
- Work together on a common objective

*Source: Managing People for Improvement, Adaptiveness, and Superior Results – Mike Rother (2010)*

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**7 Wastes of Healthcare**

Visit the link for more information on the seven wastes in healthcare:

[https://accelerate.uofuhealth.utah.edu/improvement/the-seven-wastes-in-health-care](https://accelerate.uofuhealth.utah.edu/improvement/the-seven-wastes-in-health-care)

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**Value-Stream Mapping of Retina Clinic**

Check the patient's眼睛 and prepare for the examination. Move the patient to the imaging area, and then move to the MD visit area. After the MD visit, move the patient to the discussion and injection area. Finally, move the patient to the checkout area.
A3 Template + Plan-Do-Check-Act Cycle Embedded Within

**Plan**
- Uneven pt. flow (stop-start)
- Imaging is clinic bottleneck
- Long wait times for imaging
- Imaging suite far from waiting room & exam rooms; not enough cameras; poss. over-imaging

**Do**
- Reduce imaging bottleneck
- Restore even clinic flow
- More cameras & photographers ($$); cameras next to exam room; schedule FA's; reduce habitual over-imaging

**Check**
- Shorter clinic time (120-180 m → 45-90 m)
- Greater patient, staff, MD satisfaction;
  Greater pt. volume ($$);
  Earn time back
- Greater imaging throughput, evenness of patient flow

**Act**

Patient-Centricity = Major Health Policy Meme

A3 Template:
*Retina Clinic Bottleneck*

**Plan**
- Reduce imaging bottleneck
- Restore even clinic flow

**Do**
- More cameras & photographers ($$); cameras next to exam room; schedule FA's; reduce habitual over-imaging

**Check**
- Shorter clinic time (120-180 m → 45-90 m)
- Greater patient, staff, MD satisfaction; Greater pt. volume ($$); Earn time back
- Greater imaging throughput, evenness of patient flow

Spaghetti Mapping:
*Waste of Patient Transportation & Staff Motion*

By Direct Observation:
- Count Steps,
- Ask Questions

Patient Transportation
- screening, imaging, exam & treatment

Staff Motion
- over en place

MB Motion
- IT networks for imaging,
  Clinic 6-9 Bench Trans,
  Clinic 6-9 Bench Research
**Standardized, Multi-Function, Clinic Rooms:**

- Family Member's Folding Chair, Hung on Wall
- Slit Lamp
- Sneeze Guard Ready Rack
- Patient- and Family-Centered Care: peds, geriatrics, IRDs
- Screen Patient in the Same Exam & Treatment Room
- BIO + lenses within arm's reach
- Diversity, Equity, Inclusion
- VA LCD not shown
- MD-Team Pod, On-Stage, Off-Stage
- MD Chart Review
- MD Image Review
- Adjustable Height Chairs & Tables
- Screener-Scribes w/Laptop
- Clear Cabinetry
- 1:1 Training
- Face-to-Face Communication
- Ergonomics
- Drug Refrigerator (now lab-grade)
- Visual Controls
- Networked IT

**Summary**

- Reforma: Think of Retina Clinic as a String of Process Steps
- Lean's Structured Problem-Solving Tools
  - A3 Template + PDCA Cycle + SOPs
- Lean Culture: Lean Thinking is Invisible
  - Are You Allowed to Even Name the Problem?
  - Discipline Prevents You From Leaping to the First Solution
  - "Mistakes" Occur in Any Creative Process, But Continuous Learning Improves the Organization
- Lean tools:
  - Inertial, Status Quo → Continuous Learning to Improve
- Lean is Fungible → Apply to Revenue Cycle Management...
Examples of Waste - RCM

- Time
  - Manual spreadsheets vs. automated tasks
  - Failure to identify root cause issues
    - Example: consolidate and categorize all denial codes
- Money
  - Failure to utilize system functionality you are paying for
  - Postage in lieu of automated payment notifications
  - Processing virtual credit card payments instead of EFT
    - Example: Credit card fees and time
- Duplicative work
  - Multiple people touching the same claims

A3

5S: SUSTAIN

Make 5S a way of life by forming the habit of always following the first four 5’s.
3/4/2024

Practice is manually entering charges into their PM system which is causing a delay in cash flow and hindering the ability for the accounting department to close the books in a timely manner.

**BACKGROUND**
- Physician fills out superbill during patient visit; does not utilize coding functionality within EHR system.
- Office staff collect superbills and physically delivers them to offsite billing department, which can take up to a week after the date of service.
- Billing department manually enter charges in PM system and scans superbills into in the EHR.

**CURRENT CONDITIONS**
- Enter coding into the EHR at the time of service to allow the charges to integrate automatically into the PM system.
- Meet charge entry benchmark of 48 hours from date of service or less.

**GOALS/TARGET**
- Charges entered electronically at date of service
- Automatic integration from EHR to PM system
- Charge entry at benchmark of 48 hours or less

**ANALYSIS**
- **PROPOSED COUNTERMEASURES**
  - Utilize electronic coding capabilities within EHR
    - Electronic coding will significantly shorten the charge entry process as the billing department will have instant access to charges in the PM system, without the need to retrieve a superbill or manually enter codes
    - Staffing costs can be reduced due to the lack of need for scanning or manual charge posting
    - Can reduce charge lag to 24-48 hours

Plan B is recommended based on the increased efficiencies, timelier charge entry, and potential decrease to staffing costs.

**FOLLOWUP PLAN**
- A3 Exercise 1 – Reducing DOS/ DOP
  - Set up interface between EHR and PM system
  - Train physicians and scribes on how to code through EHR
  - Eliminate use of paper superbills
  - Restructure charge entry workflow from manual to automatic
  - Repurpose or reduce excess staff

Charge lag decreased significantly from the implementation of electronic coding, meeting charge entry benchmarks by week 2 and financial close benchmarks by month 2.
A3 Exercise 1 – Reducing DOS/DOF

Charge lag decreased significantly from the implementation of electronic coding, meeting charge entry benchmarks by week 2 and financial close benchmarks by month 2.

Close monitoring of charge lag and days to close should be maintained to ensure benchmarks are met continuously.

BACKGROUND
- AR > 90 days is still 5% above benchmark.
- Tasks not evenly distributed, some duplicated.
- Uneven employee productivity.

CURRENT CONDITIONS

GOALS/TARGET

ANALYSIS

PROPOSED COUNTERMEASURES
- Remove duplicate tasks
- Identify root cause of denial and AR issues
- Direct the work – highest to lowest dollar balance sorted by oldest to newest
- Mass appeal payor specific issues

- Create monthly physician productivity reports, including top 10-15 high dollar accounts > XX days – HOLD YOURSELVES ACCOUNTABLE!

- Sometimes a handful of patients with recurring month over month issues encompass a large percentage of AR
- By looking at the account level, you're much more likely to figure out what the issue is, and prevent it going forward
- We all remember finding a patient with a 5-figure balance, only to learn we were billing the wrong payor!

FOLLOWUP
- RCW Director/Manager
  - Revisit tasks – work with vendor to ensure all duplicate task triggers have been removed
  - Analyze denials and AR to identify bulk payor issues and appeal,
- Billing Supervisor
  - Address biller with productivity issues – ensure he/she is properly trained and possibly put on a PIP
  - Ensure cross communication with denial and AR specialists to quickly identify potential issues that could later lead to increase in AR > 90 Days
- Billers – required to work a certain number of tasks per week

A3 Exercise 2 – Reducing % of AR > 90 Days

<table>
<thead>
<tr>
<th>0-30 Days</th>
<th>31-60 Days</th>
<th>61-90 Days</th>
<th>&gt;90 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>70%</td>
<td>12%</td>
<td>3%</td>
<td>15%</td>
</tr>
<tr>
<td>80%</td>
<td>7%</td>
<td>3%</td>
<td>10%</td>
</tr>
<tr>
<td>0%</td>
<td>20%</td>
<td>40%</td>
<td>60%</td>
</tr>
<tr>
<td>100%</td>
<td>0%</td>
<td>0%</td>
<td>10%</td>
</tr>
</tbody>
</table>

% of AR by Bucket

Current State

Goal State

After value stream mapping and 5S exercises, which led us to move our manual process to a task-based system, our AR > 90 was reduced by 5%, but there is still a threat that we may lose money to timely filing if we can’t reduce further

Tasks not evenly distributed, some duplicated. Uneven employee productivity.
**ANALYSIS**

**PROPOSED COUNTERMEASURES**

- Remove duplicate tasks
- Direct work – highest to lowest dollar balance sorted by oldest to newest
- Mass appeal payor specific issues
- Revisit tasks – work with vendor to ensure all duplicate task triggers have been removed
- Analyze denial and AR to identify bulk payor issues and appeal
- Address biller with productivity issues – ensure they are properly trained and possibly put on a PIP
- Ensure cross communication with denial and AR specialists to quickly identify potential issues that could later lead to increased AR > 90 Days
- Billers – required to work a certain number of tasks per week

**PLAN**

**A3 Exercise 2 – Reducing % of AR > 90 Days**

- Create monthly physician productivity reports, including top 10-15 high dollar accounts > XX days
- Sometimes a handful of patients with recurring month over month issues encompass a large percentage of all AR
- By looking at the account level, you’re much more likely to figure out what the issue is, and prevent it going forward
- We all remember finding a patient with a 5-figure balance, only to learn we were billing the wrong payor!

**What issues can be anticipated?**

- Employees out sick – is there a plan for coverage?
- Payor issues – these can’t be prevented, but with excellent team communication and weekly denial reviews, they can be caught early

**RCM – POST LEAN**

**LEAN provides you with one of the world’s most precious commodities: TIME!**

- Renegotiate your payer contracts / bring contracting back in-house
- Continue to fine tune your processes, track additional KPIs
- Utilize even more tools/ automate as much as possible
- One group that moved to an automated payment module saw a 29% increase in patient payments, YoY, and saved tens of thousands of dollars on postage

**Graphs and Tables**

- Revenue
- Variance
- Patient Payments, YoY
- Percent Variance
- Annual Revenue, YoY
What would you focus on with more time?

A New Day is Dawning