The Revenue Cycle Impact on the Total Patient Experience and How to Maximize Lifetime Value of the Patient Relationship
Session Outline

Welcome!
Today’s environment & challenges
The myth about the total patient experience
What is the revenue cycle
Revenue cycle programs
Case studies of revenue cycle programs
Understand the lifetime value of the patient relationship
Techniques to enhance the patient experience
How to build the revenue cycle model that enhances the total patient experience
Summary, questions and closing comments
Today’s Environment & Challenges

› Patient’s perception of healthcare goes beyond excellent medical attention

› Patients spending more of their income on health premiums and out of pocket costs

› Health Leaders recognize the focus needs to be on the patient experience

› 93% of Healthcare Executives say The Patient Experience is among their top 5 priorities
Today’s Environment & Challenges

› The Patient Protection and Affordable Care Act of 2010 mandates Value-based Purchasing Program

› Hospital Consumer Assessment of Healthcare Providers and Systems Survey’s (HCAHPS) will be linked to Value-based Purchasing

› HCAHPS will impact the level of Medicare reimbursement

› HCAHPS survey will reflect the patient experience with your organization
Patient Experience Myth…

› Patient Experience goes beyond the excellent clinical/medical services

› Patient Experience goes beyond physical structures;
  › Parking facilities
  › Beautiful lobbies
  › Important but not the end all!!!
Patient Experience Myth…

The Beryl Institute defines the Patient Experience as:

*The sum of all interactions, shaped by an organization’s culture, that influence patient perception across a continuum of care.*
What is the Revenue Cycle

- The process to identify and protect the financial integrity of the organization
- Involves strategies and procedures including patient communications to collect for all services provided
- Extends beyond the medical/clinical timeframes of patient interactions
“The patient revenue cycle is made up of the administrative functions that contribute to the creation of patient charges, submission of bills, collection, payment and posting within a provider environment.”
What is the Revenue Cycle

- Pre-service communications set the tone for the entire encounter
- Post-service communication may be the last touch point the patient has with the organization in a long time
- These interactions are about **health** and **money**; two of the most emotional subjects we deal with as humans
- Revenue cycle communications are vital to securing that lasting relationship with patients
- Patients can easily determine if they have received excellent customer service

**A bad revenue cycle interaction with a patient can undo all the goodness and hard work that goes into delivering a great clinical patient experience**

*a healthier bottom line*, SM
Revenue Cycle Programs

- Centered around positive customer service and interactions
- Must stress the organization’s culture and responsiveness to assist patients with their challenges
- Process designed for efficient and expedient resolution but empathetic to patients needs
- Must positively influence patients’ perception of their total experience
- Designed to solicit positive patient feedback
Case Studies / Actual Feedback

- Examples from an integrated healthcare network and independent community medical center
- Common objectives to increase positive communication with patients
- Communication was the tool used to enhance patients' perspective of the organization
- Utilized extensive revenue cycle touch points to increase level of patient satisfaction
- Recorded patient communications were utilized to share the feedback
- Listen; (actual examples of patient feedback)
Lifetime Value of the Patient Relationship

- The lifetime value of the patient relationship is the amount of revenue a patient generates for your organization over their lifetime.
- Positive Patient Experience formulates loyalties.
- Patient loyalty influences future decisions about choosing a healthcare provider.
- Consumerism and patient choice are the epicenter of future revenue opportunities.
- Self-pay revenue impacts the entire organization’s net patient revenue stream.
Lifetime Value of the Patient Relationship

- US population = 305 million
- Annual hospital expenditures/person/year in US = $2,355
- Average life expectancy in US = 78 years (US Central Intelligence Agency World Factbook 2009)
Lifetime Value of the Patient Relationship

- Lifetime hospital expenditures/person in US = $184,000
- Future hospital expenditures per patient of about $150,000 (assumes prior expenditures of $34,000)
- People per household in US = 2.7
- The household of each patient leaving the hospital will have additional future hospital expenditures of over $405,000
Techniques for Enhanced Patient Experience

- 85% of our day is spent doing things out of habit
- Habits are made up of 3 components
  - Skills – What you do
  - Knowledge – How you do it
  - Attitude – Why you do it

Attitude is a choice
Attitude, Perceptions, and Professionalism

What does professionalism look/sound like?

- Your paradigms (perceptions) impact patient relationships
- Your patients’ paradigm is their reality
- Is the patient always right?

Communication styles:

- Directive – to the point
- Spontaneous – likes to talk
- Agreeable – avoids conflict
- Logical – wants data and wants to see it
## Attitude, Perceptions, and Professionalism

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<thead>
<tr>
<th>Spontaneous</th>
<th>Agreeable</th>
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<td>Expressive Competitor</td>
<td>Peaceful</td>
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<td>Performer</td>
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<td>Excitable</td>
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<td>Relationship</td>
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<td>Extravagant</td>
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<td>Dislike routine</td>
<td>conflict</td>
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<td>Unorganized</td>
<td>Nurturing</td>
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<td>Wants freedom</td>
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<td>Learns by experience</td>
<td>Friendly</td>
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<td>Looks for excitement</td>
<td>Not competitive</td>
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<td>Hard time following rules</td>
<td>Needs encouragement</td>
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<td>(40% are in this category)</td>
<td>(25% are in this category)</td>
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<th>Directive</th>
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<td><strong>To the point</strong></td>
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<td>Traditional views</td>
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<td>Uncomfortable with feelings</td>
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<td>(25% are in this category)</td>
<td>(10% are in this category)</td>
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- **Talkative**
- **Emotional**
- **Visual**
Techniques - S.M.A.R.T™

- **S** – Set the tone actively listen
- **M** – Met/acknowledge w/care & empathy
- **A** – Ask the right questions
- **R** – Resolve/inform
- **T** – Thank the caller
Critical Components of Revenue Cycle Model

- Critical inter-personal skills for all employees
- Educate staff on patient experience initiatives and goals
- Establish patient loyalty as objectives for all staff
- Design patient centered revenue cycle process
- Establish HCAHPS Survey goals
- Maximize and leverage technology to connect with every patient
- Internal staff and EBO providers buy into the goals
- Capitalize on social media explosion
Summary

» Lifetime Value of the Patient Relationship increasingly driven by consumer choice, which is in turn, driven by the Patient Experience

» Your revenue cycle affects the Patient Experience as much as (or more than!) the clinical encounter

» Requires focus and specialization; very difficult to achieve as an after-thought, without appropriate resources, or by patient accounting staff that has other primary responsibilities

» If your pre- and post-service revenue cycle processes support efforts on the clinical part of the encounter, you will have a patient for life!
About US

Avadyne Health provides revenue cycle management services to a wide range of healthcare providers across the nation, including customized, self pay management and third-party insurance follow-up programs designed to improve a hospital's profitability while increasing patient loyalty and enhancing the Total Patient Experience.
Feel free to contact:

Scott Morgan
(406) 238-4380
smorgan@revenuecyclepartners.com

www.revenuecyclepartners.com
www.avadynehealth.com