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Crowe Healthcare

RCA User Community Webinar Series: Analyzing Net Revenue at the Provider Level

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Introduction

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- Healthcare and finance for 12 years
- Consulting past 6 years
- Worked with 100's of hospitals in 25+ states

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Session Goals

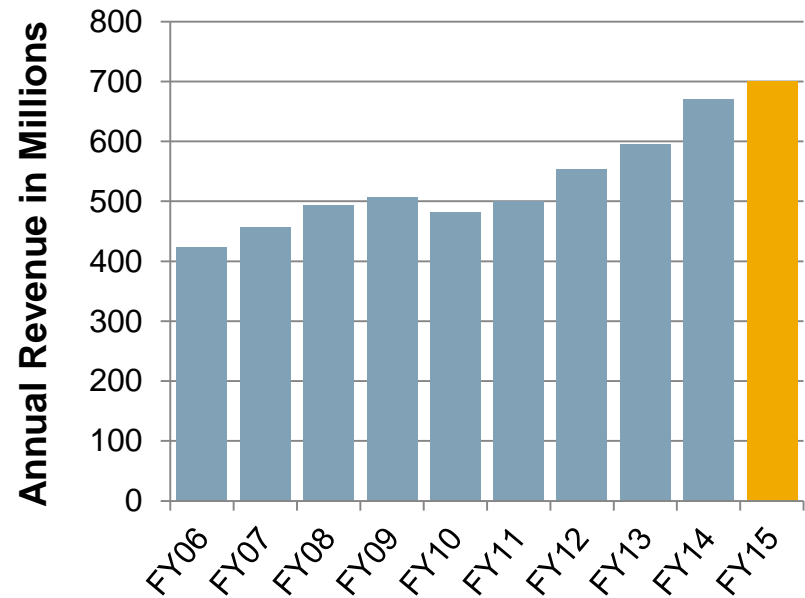
- Identify the benefits to your organization of rapid access to Crowe RCA data at the physician level
- Articulate leading practices regarding the physician facility structure within the Crowe RCA solution
- Outline the new Physician Module and the charge file and their role in an organization's net revenue analysis efforts



Who is Crowe?

- Known for exceptional client service and innovation for more than 75 years
- 8th largest U.S. accounting, consulting, and technology firm in *Accounting Today* list of Top 100 Firms
- Crowe professionals recognized among the Top 25 Consultants by *Consulting Magazine* for 4 years
- Independent member of Crowe Global, one of the largest global accounting networks of 200+ affiliates in 120+ countries

Sustained Growth



What is Crowe Revenue Cycle Analytics?

(U.S. Patent #8,301,519)

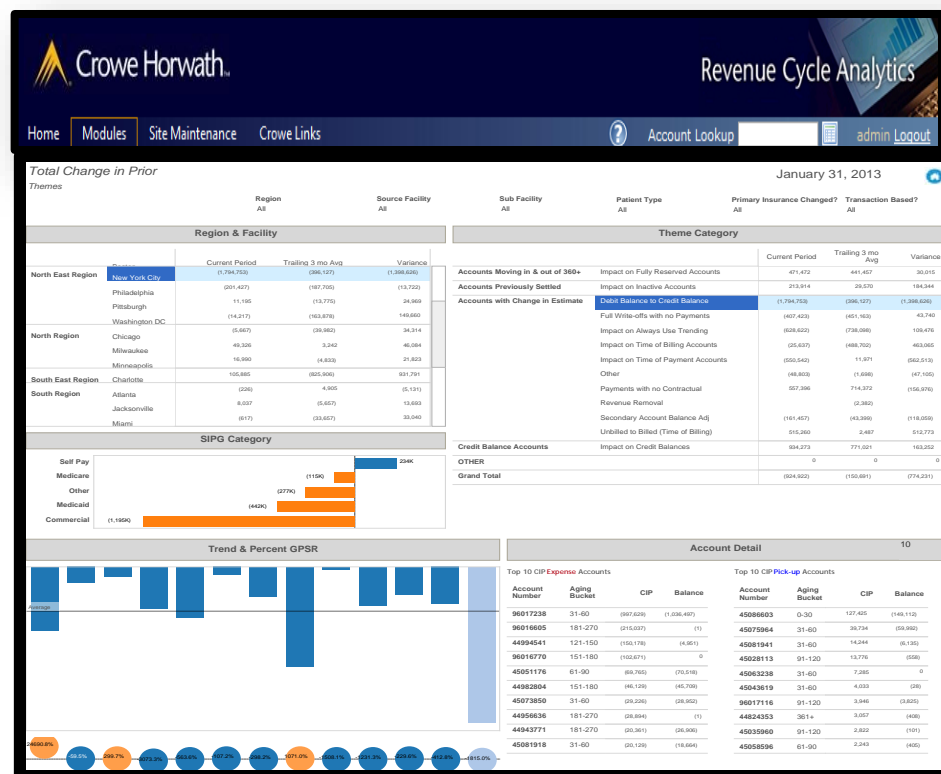
Reporting, Planning, & Monitoring

Business Intelligence

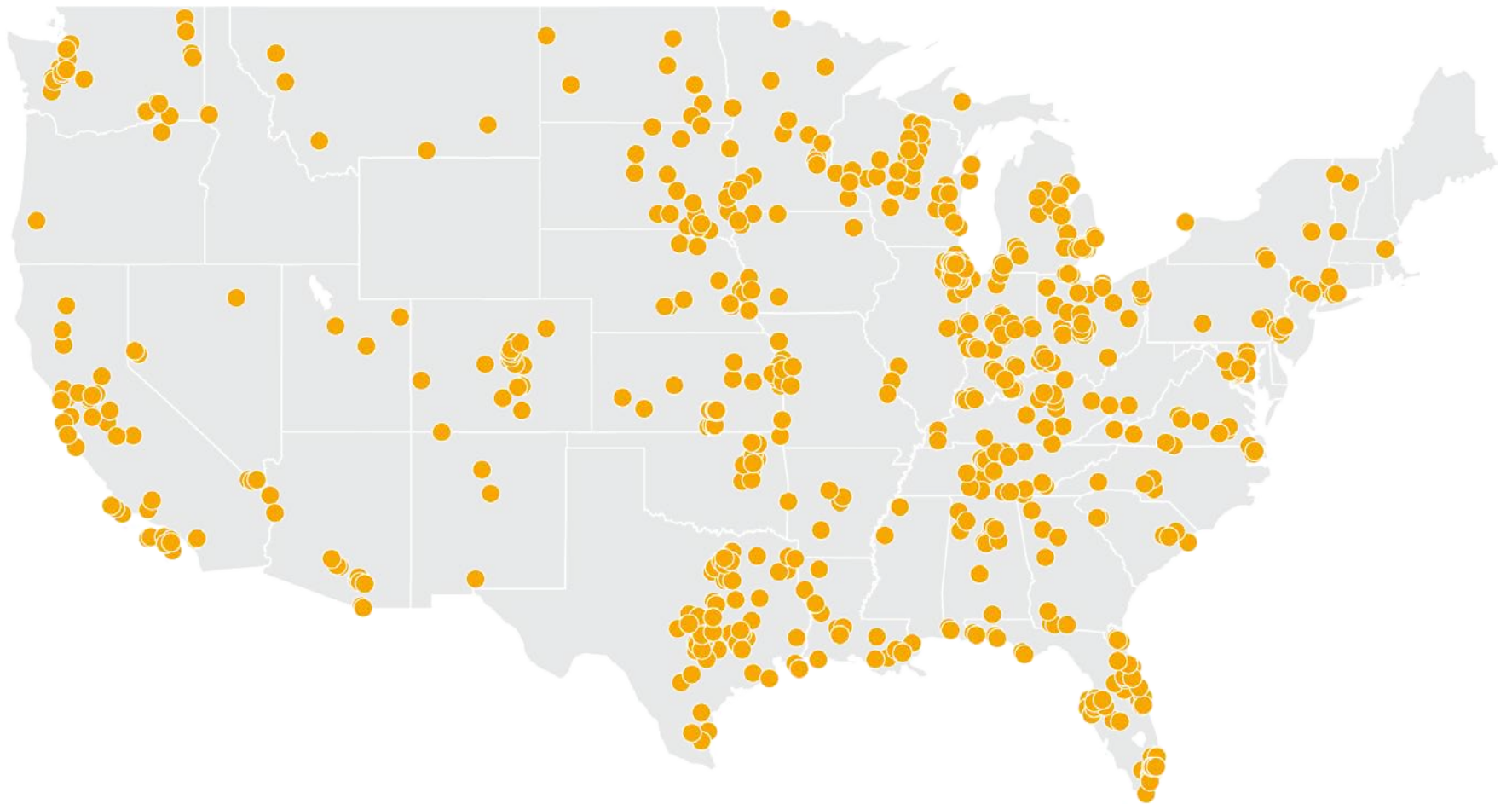
- Automate hindsight analysis
- Estimate reserves & accelerate the month end close process
- Explain & forecast net revenue - including prior period adjustments

Compliance

- Meets new standards required by Accounting Standards Update (ASU) No. 2014-09: "Revenue Recognition"
- Designed to support external audit
- Biannual Annual SOC-1



Crowe Revenue Cycle Analytics Installations through 2017



Sample RCA for Physicians Client List

National systems



Regional systems



Academics



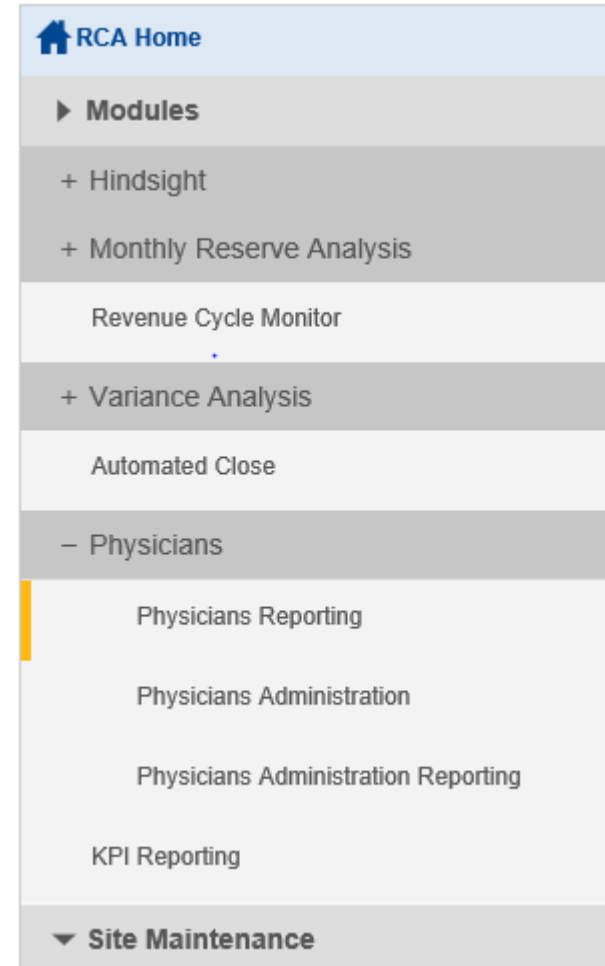
RCA for Physicians Facility Structure

- What is a facility structure?
- Why is designing the PB facility structure complicated?
- How can the facility grouper assist in design?
- What are some best practices?
- Is there a way to manage individual physician performance?

Physician Module

Crowe RCA for Physicians now accepts charge level detail from physician billing systems. With this additional information, Crowe RCA for Physicians now has the following new functionality:

- Report accrual based net revenue at the physician level, including a breakout of current period net revenue and change in prior estimates.
- Display provider statistics including the clinical FTE equivalency, cash collected in the period, number of procedures, gross, net, cash per wRVU, and wRVU by procedure.
- Monitor late charges by facility, with the ability to drill through to the related provider detail. Users will have the ability to filter data based on facility, period end date, and lag day from which actual late charges will be measured
- Report facility revenue based on posting month and month of service. Average total revenue rendered over the trailing six months for comparison to the revenue rendered and posted in the current month.



Physician Charge File

Field Name	Physician Network Finance & Revenue Cycle Definition
Level1Code	The code that will identify the lowest level facility to which the account is associated.
Account Number	The unique ID for a provider visit or stay for a patient.
Date of Service	Date the service occurred.
Post Date	Date the charge posted to the Patient Accounting System. This is a critical field to calculating revenue accruals, late charges, and RVU lag
HCPCS CPT Code	This would be the CPT Code or HCPCS level II code.
Modifier 1	This is generally a 2-digit code used to further define the procedure and the provider's level of work involved. Modifiers are standardized by CMS.
Modifier 2	Procedures on the CMS-1500 can have up to 4 modifiers.
Modifier 3	Procedures on the CMS-1500 can have up to 4 modifiers.
Modifier 4	Procedures on the CMS-1500 can have up to 4 modifiers.
Provided RVU	Optional Field if organization wants to provide RVU's in the event they use an internally calculated RVU to be used in productivity reports

Field Name	Physician Network Finance & Revenue Cycle Definition
Place Of Service	This is the Place of Service Code is defined by CMS, and is typically found on the CMS-1500/UB-04. This would not represent a physical location.
Carrier Number	This is a defined field from CMS used in RVU calculation. Facilities much choose the code based on ~90 defined codes from CMS.
Locality Number	This is a defined field from CMS used in RVU calculation. This is directly related to the Carrier Number
Revenue Code	This is a required field for inpatient charges
Referring Provider NPI	Optional Field on the CMS-1500. Useful in tracking provider referrals, orders, etc.
Rendering Provider NPI	This is the NPI for the provider performing the service.
Billing Provider NPI	This is the NPI of the provider under which the claim is billed.
Attending Provider NPI	The NPI of the attending provider on an inpatient visit
Units	This would describe the number of units associated with each procedure code
Charge	This is the per unit charge.
Total Charges	Total Charges for the specific line item and units by postdate. This should be the # of units * the unit charge for the line item.

Provider Maintenance Table

Physicians Administration

Provider Maintenance

CPT Maintenance

Modifier Maintenance

Provider Maintenance

NPI Number	Provider Name	Clinical FTE	
1134711189	CHRIS P. BACON	0.75	 
1122334455	TIM BURR	1.00	

The National Provider Identifier (NPI) is a Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Standard. The NPI is a unique identification number for covered health care providers. Covered health care providers and all health plans and health care clearinghouses must use the NPIs in the administrative and financial transactions adopted under HIPAA. The NPI is a 10-position, intelligence-free numeric identifier (10-digit number). This means that the numbers do not carry other information about healthcare providers, such as the state in which they live or their medical specialty. The NPI must be used in lieu of legacy provider identifiers in the HIPAA standards transactions.

(Source: Centers for Medicare & Medicaid Services)

Polling Question

The physician module will report data for?

- A. Physicians
- B. Physician assistants
- C. Nurse practitioners
- D. All of the above

CPT Maintenance Table

Physicians Administration

Provider Maintenance CPT Maintenance Modifier Maintenance

CPT Maintenance

CPT Code Set	CPT Code	Modifier Code	CPT Description	CMS RVU	Provided RVU
Custom	93452		Left hrt cath w/ ventriclgrphy	4.50	4.50

CPT Code - The American Medical Association first developed and published Common Procedure Terminology (CPT) in 1966. The 1st edition helped encourage the use of standard terms and descriptors to document procedures in the medical record, helped communicate accurate information on procedures and services to agencies concerned with insurance claims, provided the basis for a computer oriented system to evaluate operative procedures and contributed basic information for actuarial and statistical purposes. Today, in addition to use in federal programs (Medicare and Medicaid), CPT is used extensively throughout the U.S. as the preferred system of coding and describing health care services. (Source: American Medical Association)

RVU – Relevant Value Units (RVUs) reflect the relative resources required to furnish a physician fee schedule service. Three separate RVUs are associated with the calculation of a payment under the MPFS:

Work RVUs* - reflect the relative time and intensity associated with providing a service

Practice Expense RVUs - reflect costs such as renting office space, buying supplies, equipment, and staff

Malpractice RVUs - reflect the relative costs of purchasing malpractice insurance

(Source: Centers for Medicare & Medicaid Services)

Polling Question

RCA can only utilize official CPT codes

- A. True
- B. False

Modifier Maintenance Table

Physicians Administration

Provider Maintenance

CPT Maintenance

Modifier Maintenance

Modifier Maintenance

Modifier Code	Modifier Description	wRVU Adjustment
AS		
AS	Assisting Surgeon	85.00

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1 item in 1 page

CPT Modifiers, like modifiers in the English language, provide additional information about the procedure. In English, a modifier may describe the who, what, how, why, or where of a situation. Similarly, a CPT modifier may describe whether multiple procedures were performed, why that procedure was necessary, where the procedure was performed on the body, how many surgeons worked on the patient, and lots of other information that may be critical to a claim's status with the insurance payer.

CPT Modifiers are always two characters, and may be numeric or alphanumeric. Most of the CPT modifiers you'll see are numeric, but there are a few alphanumeric modifiers.

(Source: MedicalBillingAndCoding.org)

Polling Question

Why would we want to use an RVU that is different than the standard?

- A. Physician arrangements may use different metrics to incentivize specific behavior?
- B. Standard RVUs already have geographic conditions factored in
- C. RVUs are arbitrary and everyone assigns their own
- D. You would never want a different RVU

RCA Physician Module - Reporting

- **PHYS001 – Net Revenue and Productivity**
- **PHYS002 – Summary of Physician Net Revenue**
- **PHYS003 – Summary wRVU Reporting**
- **PHYS004 – Revenue Lag**
- **PHYS005 – Revenue Lag Matrix**
- **PHYS006 – Provider Revenue Lag**
- **PHYS051 – New Revenue and Productivity**

PHYS001 – Net Revenue and Productivity

The PHYS001 – Physician Net Revenue and Productivity report is broken into three tables of data. The first table displays provider level gross patient service revenue, current period deductions from revenue, current period net revenue, and change in prior period estimates. The Total section of this table includes total revenue deductions, net patient service revenue and NPSR/GPSR %. Both total revenue deductions and net patient service revenue take into account the change in prior period estimates.

The second table of the report displays provider statistics including the clinical FTE equivalency, cash collected in the period, number of procedures, GPSR/wRVU, NPSR/wRVU, cash/ wRVU, wRVU/ procedure and wRVU/ 1 FTE equivalency.

The third table provides procedure statistics including the top 10 utilized HCPCS codes (filtered by user defined report parameters), volume, frequency %, unit prices, gross revenue, standard wRVUs, provided wRVUs (if any).

PHYS001 – Net Revenue and Productivity

Select a Report

PHYS001 Net Revenue And Productivity

Facility Groups

Select Facility Groups

Facilities

Oakbrook

Start Date

5/1/2015

End Date

5/31/2015

Physician Type

Rendering

Provider(s)

All 29 Selected

RVU Calculation

Standard

Run Report

Export to Excel

PHYS001

Display Parameters

1 of 27

Find | Next

GPSR & NPSR	Current Period						Prior Period	Total	
Provider	Gross Patient Service Revenue	C/As	Adm Adj	Bad Debt	Charity	Current Period Net Revenue	Total Change in Prior Estimate	Revenue Deductions	Net Pat Service R
JOHN SMITH	\$316	\$0	\$0	\$0	\$0	\$316	\$63	\$63	
ARNOLD PALMER	\$1,817	\$13	\$0	\$0	(\$316)	\$1,514	\$0	(\$303)	
TIM BURR	\$4,740	\$2	\$0	\$0	(\$316)	\$4,426	\$32	(\$282)	
CHRIS P. BACON	\$4,661	(\$18)	\$0	\$0	(\$916)	\$3,727	\$63	(\$871)	
JANE DOE	\$790	(\$3)	\$0	\$0	(\$126)	\$661	\$0	(\$129)	

Select a Report

PHYS001 Net Revenue And Productivity

Facility Groups

Select Facility Groups

Facilities

Oakbrook

Start Date

5/1/2015

End Date

5/31/2015

Physician Type

Rendering

Provider(s)

All 29 Selected

RVU Calculation

Standard

Run Report

Export to Excel

PHYS001

Display Parameters

1 of 27

Find | Next

Statistics (Unadjusted for GPCI)

Provider	Clinical FTE	Cash Collections	Total Procedures	GPSR / wRVU	NPSR / wRVU	Cash / wRVU	wRVU / Procedure	wRVU / 1.0 FTE
JOHN SMITH	1.00	\$794	4	\$7.94	\$9.53	\$1.99	9.95	39.79
ARNOLD PALMER	1.00	\$597	23	\$8.34	\$6.95	\$2.74	9.47	217.88
TIM BURR	1.00	\$903	60	\$8.42	\$7.92	\$1.60	9.38	562.90
CHRIS P. BACON	1.00	\$741	59	\$9.44	\$7.68	\$1.50	8.37	493.54
JANE DOE	1.00	\$250	10	\$8.14	\$6.81	\$2.57	9.71	97.05

Polling Question

What type of physician can RCA report Gross and Net Revenue?

- a. Rendering
- b. Referring
- c. Billing
- d. All of the Above

PHYS002 – Summary of Physician Net Revenue

The PHYS002 – Summary Physicians Net Revenue report displays provider level gross patient service revenue, current period deductions from revenue, current period net revenue, and change in prior period estimates. The Total section of this table includes total revenue deductions, net patient service revenue and NPSR/GPSR %. Both total revenue deductions and net patient service revenue take into account the change in prior period estimates. The PHYS002 report is the PHYS001 report, excluding the statistical and procedural information.

Physicians Reporting

Select a Report

PHYS002 Summary Physicians Net Revenue

Facility Groups

Select Facility Groups

Facilities

Oakbrook

Start Date

5/1/2015

End Date

5/31/2015

Physician Type

Rendering

Provider(s)

All 29 Selected

Run Report

Export to Excel

PHYS002

Display Parameters

1 of 27Find Next

GPSR & NPSR		Current Period					Prior Period	Total		
Provider	Gross Patient Service Revenue	Contractual Deductions	Admin Deductions	Bad Debt Deductions	Charity Deductions	Current Period Net Revenue	Total Change In Prior Estimate	Revenue Deductions	Net Patient Service Revenue	NPSR / GPSR
JOHN SMITH	\$316	\$0	\$0	\$0	\$0	\$316	\$63	\$63	\$379	120.0%
ARNOLD PALMER	\$1,817	\$13	\$0	\$0	(\$316)	\$1,514	\$0	(\$303)	\$1,514	83.3%
TIM BURR	\$4,740	\$2	\$0	\$0	(\$316)	\$4,426	\$32	(\$282)	\$4,458	94.04%
CHRIS P. BACON	\$4,661	(\$18)	\$0	\$0	(\$916)	\$3,727	\$63	(\$871)	\$3,790	81.31%
JANE DOE	\$790	(\$3)	\$0	\$0	(\$126)	\$661	\$0	(\$129)	\$661	83.62%

PHYS003 – Summary wRVU Reporting

The PHYS003 Summary wRVU Reporting will display provider statistics including the clinical FTE equivalency, cash collected in the period, number of procedures, GPSR/wRVU, NPSR/wRVU, cash/ wRVU, wRVU/ procedure and wRVU/ 1 FTE. The PHYS003 report is similar to the second table on the PHYS001 report and may be leveraged when a user is only interested in productivity statistics.

Provider	Clinical FTE	Cash Collections	Total Procedures	GPSR	NPSR	GPSR / wRVU	NPSR / wRVU	Cash / wRVU	wRVU / Procedure	wRVU / 1.0 FTE
JOHN SMITH	1.00	\$79	4	\$316	\$379	\$7.94	\$9.53	\$1.99	9.95	39.79
ARNOLD PALMER	1.00	\$597	23	\$1,817	\$1,514	\$8.34	\$6.95	\$2.74	9.47	217.88
TIM BURR	1.00	\$903	60	\$4,740	\$4,458	\$8.42	\$7.92	\$1.60	9.38	562.9
CHRIS P. BACON	1.00	\$741	59	\$4,661	\$3,790	\$9.44	\$7.68	\$1.50	8.37	493.54
JANE DOE	1.00	\$250	10	\$790	\$661	\$8.14	\$6.81	\$2.57	9.71	97.05

PHYS004 – Revenue Lag

The PHYS004 Revenue Lag report enables users to monitor late charges by facility. Each facility contains a drill through option, which will display the related provider level detail. This report is broken into two calculation tables, “Calculation Based on Completion Factor” and “Calculation Based on Lag Matrix”.

- 1. “Calculation Based on Completion Factor” uses RCA history to compare the late charges posted through the chosen date, as a percentage of total historical late charges.
- 2. “Calculation Based on Lag Matrix” uses a matrix to estimate the average total charges rendered in a period vs. the total charges posted in the current period also having a date of service in the current period.

PHYS004 – Revenue Lag

Physicians Reporting

Select a Report

Summarize To

Facility Groups

Facilities

End Date

Lag Days

PHYS004 Revenue Lag

SubFacility

Select Facility Groups

Oakbrook

5/31/2015

3

Run Report

Export to Excel

PHYS004

Display Parameters

1 of 27

Find | Next

Facilities	Gross Revenue	Current Calendar Day	Completion Factor	Calculation Based on Completion Factor						Calculation Based on			
				Est Gross Charge Lag	Est C/As	Est Adm Adj	Est Bad Debt	Est Charity	Est Net Charge Lag	Est Gross Charge Lag	Est C/As	Est Adm Adj	Est
Oakbrook	\$9,401	3	14.5 %	\$64,790	(\$733)	(\$1,006)	\$0	(\$10,775)	\$52,275	\$7,071	(\$80)	(\$110)	
Total	\$9,401	3	14.5 %	\$64,790	(\$733)	(\$1,006)	\$0	(\$10,775)	\$52,275	\$7,071	(\$80)	(\$110)	

PHYS005– Revenue Lag Matrix

The PHYS005 Revenue Lag Matrix report provides a matrix of facility revenue based on posting month and month of service. The column headers represent the period in which revenue posted. The row labels represent the period in which services were rendered. This report averages the total revenue rendered over a trailing six (6) months to compare against the amount of revenue rendered and posted in the current month.

Physicians Reporting

Select a Report

Facility Groups

Facilities

End Date

PHYS005 Revenue Lag Matrix

Select Facility Groups

Oakbrook

5/31/2015

Run Report

Export to Excel

PHYS005

Display Parameters

1 of 27 Find | Next

Gross Revenue Lag Matrix

	05/31/2015	04/30/2015	03/31/2015	02/28/2015	01/31/2015	12/31/2014	11/30/2014	10/31/2014	09/30/2014	08/31/2014	07/31/2014	06/30/2014	Total Charges by MOS
05/31/2015	\$27,097												\$27,097
04/30/2015	\$8,137	\$33,259											\$41,396
03/31/2015	\$1,896	\$10,270	\$28,203										\$40,369
02/28/2015	\$1,422	\$3,160	\$8,611	\$28,677									\$41,870
01/31/2015	\$553	\$1,422	\$3,002	\$11,297	\$36,103								\$52,377
12/31/2014	\$158	\$632	\$2,528	\$4,345	\$12,640	\$0							\$20,303
11/30/2014	\$553	\$553	\$2,765	\$3,397	\$1,422	\$0	\$0						\$8,690
10/31/2014	\$0	\$474	\$3,318	\$2,212	\$2,528	\$0	\$0	\$0					\$8,532
09/30/2014	\$237	\$316	\$2,370	\$1,027	\$632	\$0	\$0	\$0	\$0				\$4,582
08/31/2014	\$316	\$0	\$158	\$158	\$632	\$0	\$0	\$0	\$0	\$0			\$1,264
07/31/2014	\$158	\$0	\$316	\$158	\$869	\$0	\$0	\$0	\$0	\$0	\$0		\$1,501
06/30/2014	\$0	\$0	\$0	\$237	\$474	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$711
Total Charges													

PHYS006– Provider Revenue Lag

The PHYS006 Provider Revenue Lag report is the detailed report behind the PHYS004 and returns provider level detail for revenue lag analysis. This report is broken into two calculation tables, “Calculation Based on Completion Factor” and “Calculation Based on Lag Matrix”. The PHYS006 report calculates revenue lag at the provider level whereas the PHYS004 report calculates at the facility level, therefore the reports are not expected to tie in all cases.

- 1. “Calculation Based on Completion Factor” uses RCA history to compare the late charges posted through the chosen date, as a percentage of total historical late charges.
- 2. “Calculation Based on Lag Matrix” uses a matrix to estimate the average total charges rendered in a period vs. the total charges posted in the current period also having a date of service in the current period.

PHYS006– Provider Revenue Lag

Physicians Reporting

Select a Report

PHYS006 Provider Revenue Lag

Facility Groups

Select Facility Groups

Facilities

Oakbrook

End Date

5/31/2015

Lag Days

3

Provider(s)

All 44 Selected

Run Report

Export to Excel

PHYS006

Display Parameters

1 of 2 ? Find | Next

Provider	Gross Revenue	Current Calendar Day	Completion Factor	Calculation Based on Completion Factor						Est Gross Charge Lag	Est C/A Reserve
				Est Gross Charge Lag	Est C/A Reserve	Est A/A Reserve	Est BD Reserve	Est CH Reserve	Est Net Charge Lag		
JOHN SMITH	\$1,106	3	12.12%	\$9,125	(\$103)	(\$142)	\$0	(\$1,518)	\$7,363	\$540	
ARNOLD PALMER	\$0	3	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TIM BURR	\$0	3	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$119	
CHRIS P. BACON	\$79	3	15.68%	\$504	(\$6)	(\$8)	\$0	(\$84)	\$407	\$461	
JANE DOE	\$632	3	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,265)	

PHYS051– New Revenue and Productivity

The PHYS051 Net Revenue and Productivity report is the detailed report behind the PHYS001 and returns account level detail for each charge meeting the report filtering criteria.

Physicians Reporting

Select a Report: **PHYS051 Net Revenue And Productivity Detail**

Facility Groups: **Select Facility Groups**

Facilities: **Oakbrook**

Start Date: **5/1/2015**

End Date: **5/31/2015**

Physician Type: **Rendering**

Provider(s): **All 29 Selected**

Run Report **Export to Excel**

PHYS051

Display Parameters

1 of 27

Facility	Account Number	Service Date	Post Date	In/Out	Start Financial Class	End Financial Class	Start SIPG	End SIPG
Oakbrook	12345678H	11/20/2014	05/29/2015	Outpatient	(25) MEDICAID	(25) MEDICAID	(03) MEDICAID	(03) MEDICAID
Oakbrook	87654321Z	5/21/2015	05/29/2015	Outpatient	(50) SELF PAY UNINSURED	(50) SELF PAY UNINSURED	(01) SELF PAY	(01) SELF PAY
Oakbrook	13579531B	5/21/2015	05/29/2015	Outpatient	(20)MANAGED CARE	(20)MANAGED CARE	(02) MANAGED CARE	(02) MANAGED CA
Oakbrook	1096432A	5/21/2015	05/29/2015	Outpatient	(20)MANAGED CARE	(50) SELF PAY UNINSURED	(02) MANAGED CARE	(01) SELF PAY

Thank you

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