

# 2015 User Conference

Creating your BLUEPRINT for practice SUCCESS



## Key Performance Indicators in the Claims Management Process

**Presented by: David Henshaw**  
**Manager of National Accounts**  
**Practice Insight**

# Session Description

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- This session will focus on helping you understand how fast your claims are being paid, the rate of clean claims and denials by procedure code as KPIs to improve financial performance.
- We will introduce a program for qualified practices to participate. This 3 month program will focus on improving KPIs and include exposure to tools designed to assist in managing these KPIs.




## TASK MANAGER


 **Reporting & Analytics**

 **Statement Manager**

 **Electronic Payment Processing**

 **ERA Denial Manager**

 **100% ERA Solution**

 **Lockbox Services and Automated Payment Solutions**

 **Eligibility**

 **Electronic Payment Processing**

 **Claim Manager**

 **Clinical Claims Scrubber**



# Key Performance Indicators - examples

- Clean Claim Rates
- % of Claims Denied
- How fast are you being paid?
- Percent of AR Greater than 90 days
- Average Days in Accounts Receivable
- Billed amount vs. value at time of charge capture
- Gap between date-of-service and date billed
- Percentage of claims denied due to front-end edits vs. due to coding oversights
- Percentage of claims denied due to authorization/referral, insurance information or eligibility oversight
- **Blah blah blah**





# Key Performance Indicators

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- Focus
- Project will focus on:
  - How fast your claims are being paid
  - The rate of clean claims
  - Denials by procedure code



# KPI #1 - Clean Claim Rate

- Definition –
  - a claim that was accurately processed and reimbursed the first time it was submitted to the payer.
  - Submitting more clean claims and reducing denial rates can be challenging due to complex and changing payer reimbursement policies and procedures
  - The average U.S. provider has a clean claims rate ranging from about 75-85%.



# KPI #1 - Clean Claim Rate

- Why Important?
  - Claims get paid faster
  - Optimize reimbursement
    - The average monthly underpayment is \$889\*
- ICD-10 readiness
- Less expense fixing claims
  - It costs up to \$25 to resubmit a claim\*



# KPI #1 - Clean Claim Rate

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- Practice Insight Tools
  - General Claim Scrubbing
  - Use of custom edits
  - Clinical Claim Scrubbing
  - Denied Claims





# Clinical Claim Scrubbing

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## Alpha II Claimstaker

- Fully Integrated with Practice Insight
- Scrubs both institutional and professional claims
- Custom edits can be created with an advanced “edit wizard”



# Clinical Claim Scrub Edits

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- Physicians Quality Reporting System (PQRS)
- Correct Coding Initiative (CCI)
- CPT, ICD, and modifier
- Date
- Demographics
- Evaluation and Management (E/M)
- Medical Necessity (LCD/NCD, commercial, proprietary)
- POS
- Provider
- Reimbursement
- Units



# Clinical Claim Scrubbing - example

Submitter ID:	MEGAS
Job ID:	1004
Report Engine:	4.6.11
User:	csadmin
Scrub File Name:	\\Megas1\CS Sample\Demo Data for Sales Staff\multi-specialty.asc
Run Date:	
Submitter:	MEDICAL ASSOCIATES PA

Claim ID	Patient Account	Patient Name	Provider	Payer	Billed Amount
Trace ID					
000001	00052300A	DUPONT, MAXINE	000000531666854	EMPLOYEE INS	\$100.00

52300	This CPT code is not valid when performed for patient at this age.	Reject Claim
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Seq	Service Date	POS Code	CPT Code	Modifiers	Diagnoses	Billed	Errors
01	12-25-2004	11	99394		V70.0	\$100.00	52300

99394 PERIODIC COMPREHENSIVE PREVENTIVE MEDICINE REEVALUATION AND MANAGEMENT OF AN INDIVIDUAL INCLUDING AN AGE AND GENDER APPROPRIATE HISTORY, EXAMINATION, COUNSELING/ANTICIPATORY GUIDANCE/RISK FACTOR REDUCTION INTERVENTIONS, AND THE ORDERING OF APPROPRIATE IMMUNIZATION(S), LABORATORY/DIAGNOSTIC PROCEDURES, ESTABLISHED PATIENT; ADOLESCENT (AGE 12 THROUGH 17 YEARS)

V70.0 EXAM ANNUAL ROUTINE (HEALTH CHECK-UP); EXAM MEDICAL (ROUTINE) (GENERAL); MEDICAL EXAM ROUTINE GENERAL



## KPI #2 - How Fast Are you Being Paid?

- Definition
  - The time it takes from Date of Service to Date Claim Submitted (and Accepted) to Insurance Payer.
  - Claims flagged with status to find claims in various status,
  - INVALID, REJECTED, ACCEPTED, PAID, DENIED, others



## KPI #2 - How Fast Are you Being Paid?

- Why Important?
  - Faster turnaround time on your money
  - Increased Cash Flow
  - \$



## KPI #2 - How Fast Are you Being Paid?

- Practice Insight Tools:
  - Task Manager
  - Reporting and Dashboards
  - Workflow analysis
  - Clinical Claim Scrubbing





# Task Manager Tool

Powerful tool to create workflows for all team members that are working claims. You can get as details as you need to assign claim types to employees. Managers can easily see what items team members have outstanding that need to be worked.

## Common Tasks

- Invalid & Rejected
- Denied Claims
- Unpaid claims
- Pended or Appealed claims

All tasks can be setup by payer, providers, alpha range or much more!

TASK MANAGER							
Task Search (10)		ADD Task	EDIT Task	SELECT Items	COPY Task	PRINT Task List	FILTER Tasks
Task ID*	Customer*	Staff*	Task Type*	Task Description*	Total Items *	Total Amount *	Refresh Time
17135	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	CLAIM	Rejected & Invalid - Prof Primary	65	\$13,838.00	04/14/14 11:59am
17136	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	CLAIM	Rejected & Invalid - Prof Secon...	491	\$87,280.00	04/23/14 12:11pm
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17140	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	CLAIM	Outstanding Work Comp Claims	9	\$1,973.00	06/20/14 06:45am
17141	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	BILLS	Printed Stmt - Invalid Address	4		04/14/14 12:01pm
17142	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	BILLS	Email Stmt - Viewed but not Paid	10		04/14/14 12:01pm
17143	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	BILLS	Email Stmt - Rejected	2		04/14/14 12:01pm
17144	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	BILLS	ALL Stmt - Paid	6		04/14/14 12:01pm
17162	20-MEDICAL ASSOCIATES PA	3912:Billr, Betty	CLAIM	Rejected & Invalid - Inst	8	\$1,180.00	04/14/14 12:02pm

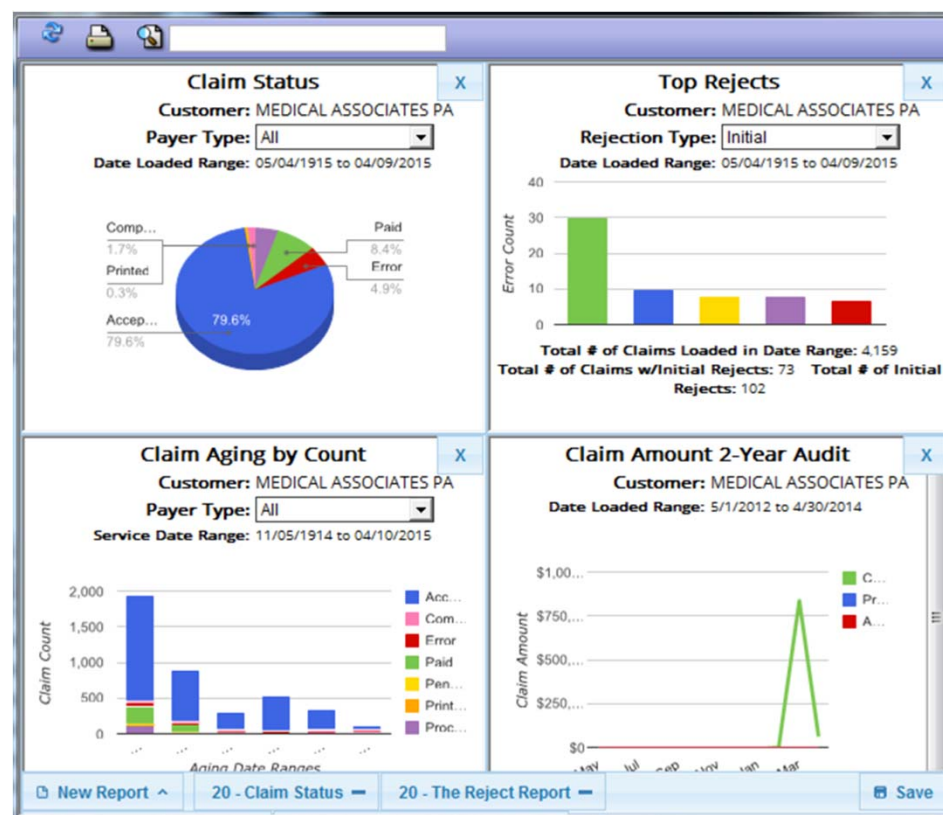
  

Communications Center					LIST New	LIST All	FILTER List
Flag	Notification Type	From	Notification		Date Receive		
✓	REPORT	Manager, Sally	Monthly Days Outstanding	Claim Rejection Analysis	04/02/14 01:00		
✓	REPORT	Manager, Sally	Monthly Reject Report	The Reject Report	04/02/14 01:00		
✓	REPORT	Manager, Sally	Monthly Clean Claim Report	Clean Claim Report	04/01/14 01:00		
✓	REPORT	Manager, Sally	Weekly Top 5 Denial Codes	Top 5 Denial Codes	03/30/14 01:00		
✓	REPORT	Manager, Sally	Weekly Top 5 Denial Codes	Top 5 Denial Codes	03/23/14 01:00		
😊	INFO	Vendor, Vicky	Your enrollment has been approved! You may now begin sending Inst Medicare...		04/23/14 08:00		

# Powerful REPORTING Tools

- DASHBOARDS
- CLEAN CLAIM REPORTS
- DATAMINER
- ICD 10 ANALYSIS
- Staff Productivity
- Claim Aging Report

Reports can be scheduled to run automatically as well!



# Clean Claim Report

## Clean Claim Report

Date Range : 03/26/2013 - 04/02/2013

Upload Date	Total Claims		Clean Claims		Total Error Claims	
03/26/2013	168	\$58,646.50	158 (94%)	\$56,662.00 (97%)	10 (6%)	\$1,984.50 (3%)
03/27/2013	47	\$14,306.00	41 (87%)	\$13,241.00 (93%)	6 (13%)	\$1,065.00 (7%)
03/30/2013	102	\$57,703.50	96 (94%)	\$51,362.00 (89%)	6 (6%)	\$6,341.50 (11%)
04/01/2013	107	\$61,107.87	99 (93%)	\$56,982.37 (93%)	8 (7%)	\$4,125.50 (7%)
04/02/2013	45	\$15,164.37	42 (93%)	\$14,619.87 (96%)	3 (7%)	\$544.50 (4%)
<b>Totals</b>	<b>469</b>	<b>\$206,928.24</b>	<b>436 (93%)</b>	<b>\$192,867.24 (93%)</b>	<b>33 (7%)</b>	<b>\$14,061.00 (7%)</b>

## Type of Claim Errors

Upload Date	Claims With Initial Upload Errors		Claims With Edifecs Errors		Claims With Payer Errors		Total Error Claims	
03/26/2013	(+) 8 (80%)	\$1,714.50 (86%)	0 (0%)	\$0.00 (0%)	(+) 2 (20%)	\$270.00 (14%)	10 (6%)	\$1,984.50 (3%)
03/27/2013	(+) 3 (50%)	\$370.00 (35%)	0 (0%)	\$0.00 (0%)	(+) 3 (50%)	\$695.00 (65%)	6 (13%)	\$1,065.00 (7%)
03/30/2013	(+) 5 (83%)	\$6,021.50 (95%)	0 (0%)	\$0.00 (0%)	(+) 1 (17%)	\$320.00 (5%)	6 (6%)	\$6,341.50 (11%)
04/01/2013	(+) 4 (50%)	\$3,066.00 (74%)	0 (0%)	\$0.00 (0%)	(+) 4 (50%)	\$1,059.50 (26%)	8 (7%)	\$4,125.50 (7%)
04/02/2013	(+) 3 (100%)	\$544.50 (100%)	0 (0%)	\$0.00 (0%)	0 (0%)	\$0.00 (0%)	3 (7%)	\$544.50 (4%)
<b>Totals</b>	<b>23 (70%)</b>	<b>\$11,716.50 (83%)</b>	<b>0 (0%)</b>	<b>\$0.00 (0%)</b>	<b>10 (30%)</b>	<b>\$2,344.50 (17%)</b>	<b>33 (7%)</b>	<b>\$14,061.00 (7%)</b>

### NOTES:

- \* A single claim can have multiple error types.
- \* Initial Upload Errors exclude INFO and WARN errors.
- \* Deleted Claims Included.

04/20/15

HENRY SCHEIN

Billing Summit 2015



## KPI #3 - Denials by Procedure Code

- HIPAA EDI ANSI Standard Codes.
- Examine reasons for insurance denials.
- Denial Reasons give you an explanation for denial. Examining will help determine what and how to correct. Fix the front end so you don't have to deal with on the back end.



## KPI #3 - Denials by Procedure Code

- Why important:
  - less time spent on denials and follow up
  - get paid faster.



## KPI #3 - Denials by Procedure Code

- Practice Insight Tools:
  - Reports
  - Dashboards
  - Task Manager
  - Workflow Assessment
  - ERA and Denial Manager

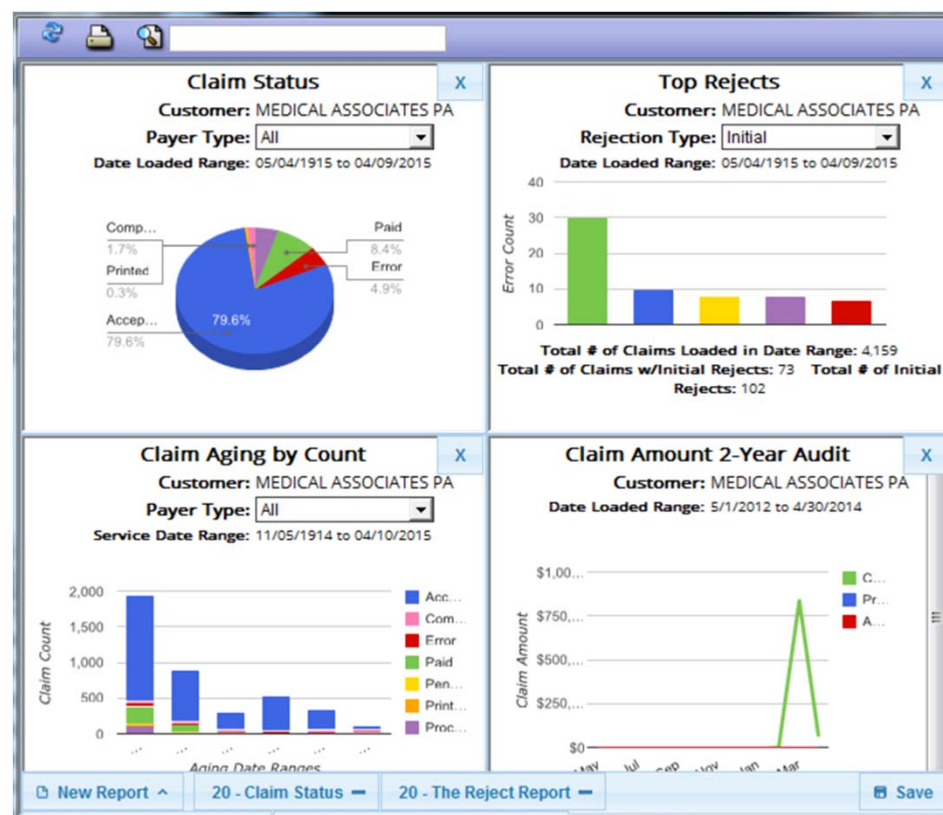




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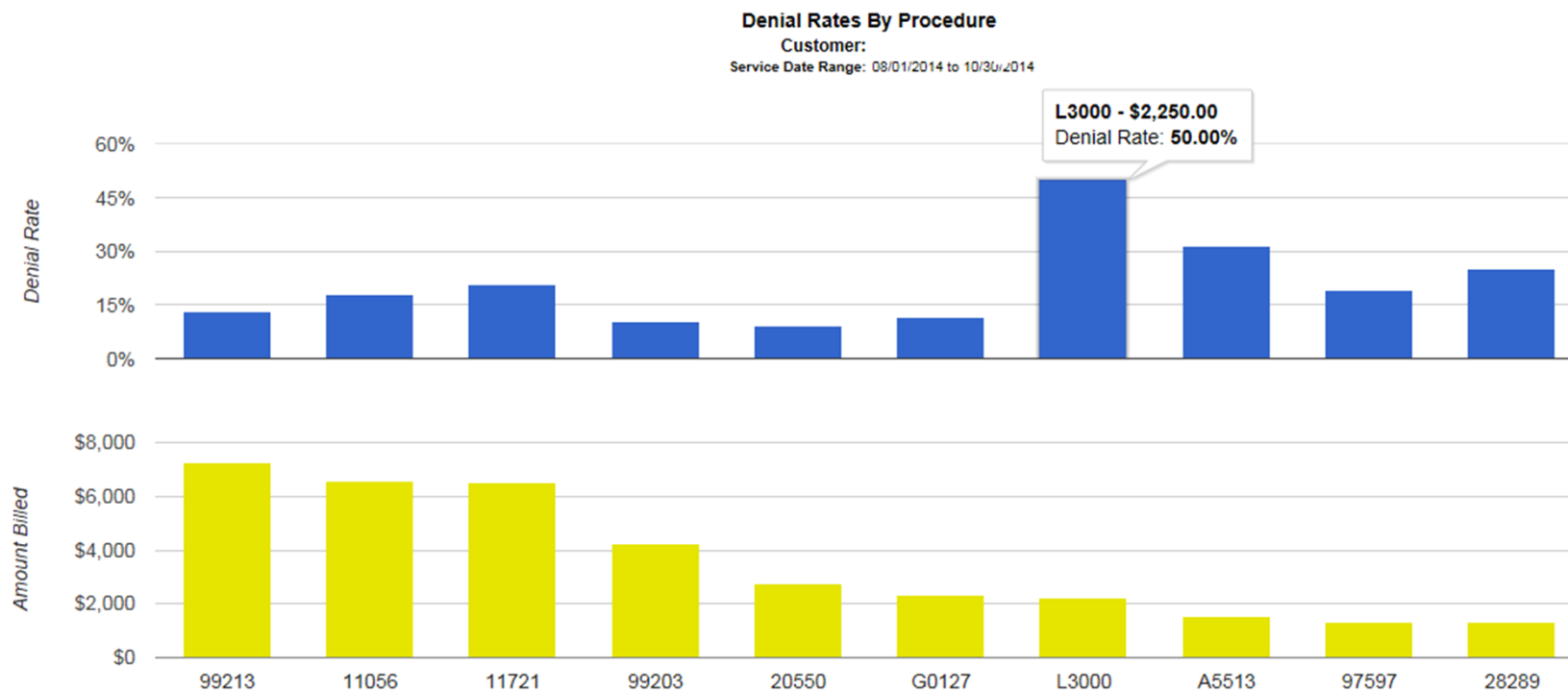
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✓	REPORT	Manager, Sally	Monthly Reject Report	The Reject Report	04/02/14 01:00		
✓	REPORT	Manager, Sally	Monthly Clean Claim Report	Clean Claim Report	04/01/14 01:00		
✓	REPORT	Manager, Sally	Weekly Top 5 Denial Codes	Top 5 Denial Codes	03/30/14 01:00		
✓	REPORT	Manager, Sally	Weekly Top 5 Denial Codes	Top 5 Denial Codes	03/23/14 01:00		
😊	INFO	Vendor, Vicky	Your enrollment has been approved! You may now begin sending Inst Medicare...		04/23/14 08:00		

# Denial RATES BY Procedure



99213 OFFICE/OUTPATIENT VISIT EST	11056 TRIM SKIN LESIONS 2 TO 4
11721 DEBRIDE NAIL 6 OR MORE	99203 OFFICE/OUTPATIENT VISIT NEW
20550 INJ TENDON SHEATH/LIGAMENT	G0127 TRIM NAIL(S)
L3000 FT INSERT UCB BERKELEY SHELL	A5513 MULTI DEN INSERT CUSTOM MOLD
97597 RMVL DEVITAL TIS 20 CM/≤	28289 REPAIR HALLUX RIGIDUS



# ERA and Denial Manager

EDInsight V1.42.3 Powered by Practice Insight

Menu Task Manager Eligibility Claim Manager **ERA Manager**

**ERA MANAGER** MANAGE Expects ERA Download MY ERA DASHBOARD PRINT Reports

SELECT Denials SELECT Transactions CLEAR Selections PRINT ERA List

**ERA Selection Criteria**

Customer ID: 20 MEDICAL CENTER Group Code: NONE No Status Selected Assigned ID: 0 -Unknown-

ERA Status: MULTIPLE 2 Selected Choice(s) Reason Code: NONE No Status Selected Follow Up Status: NONE No Status Selected

Check Number: Date Issued: mm/dd/yyyy Procedure Code: EDI Claim ID: Pt Account#: Pt Last Name: Date of Service: mm/dd/yyyy

Payer #: 0 -Unknown- Expect ID: Payer ID number:

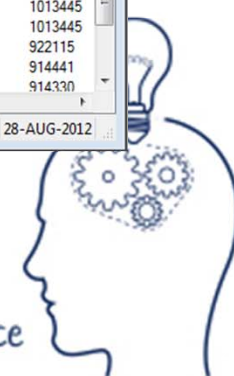
**ERA Transactions (4918) Sort by ERA ID #** UPDATE Transaction EDIT Claim EDIT Expects PRINT Letter READY Claim

Payer *	Payer ID *	EDI Claim ID *	Pt Account # *	Pt Name *	Service Date *	Procedure *	Billed *	Allowed *	Paid *	Deductible	Ex. Group/Reason	Remarks
892:NATIONAL GOVERN...	00805	10692143	473701-3	MURAKHOVSKY,D...	08/26/2008	45378	\$492.45	\$0.00	\$0.00	\$0.00	OA-23 \$16.50 / OA-22 \$492...	MA01 MA
892:NATIONAL GOVERN...	00805	9769623	44011-6	BECKER,FRANCES	06/25/2008	43255-SG	\$488.32	\$0.00	\$0.00	\$0.00	PI-45 \$13.71 / CO-B15 \$488...	MA01 M8C
892:NATIONAL GOVERN...	00805	9769623	44011-6	BECKER,FRANCES	06/25/2008	43239-SG59	\$488.32	\$244.16	\$195.33	\$0.00	OA-22 \$492.45 / CO-59 \$24...	MA01
892:NATIONAL GOVERN...	00805	9890382	82991-10	TSANG,GEORGE	08/25/2008	45378	\$492.45	\$492.45	\$393.96	\$0.00	CO-B15 \$488.32 / PR-2 \$98...	MA01 MA
892:NATIONAL GOVERN...	00805	9890382	82991-10	TSANG,GEORGE	08/25/2008	43235-51	\$390.37	\$195.19	\$156.15	\$0.00	CO-59 \$244.16 / PR-2 \$48...	MA01
892:NATIONAL GOVERN...	00805	9890375	3826-10	SMITH,Irene	08/26/2008	43239	\$488.32	\$488.32	\$390.66	\$0.00	PR-2 \$98.49 / PR-2 \$97.66 /	MA01
892:NATIONAL GOVERN...	00805	9890377	73737-8	TURK,MERCEDES	08/26/2008	45378	\$492.45	\$492.45	\$393.96	\$0.00	CO-59 \$195.18 / PR-2 \$39...	MA01 MA
892:NATIONAL GOVERN...	00805	9890384	144701-3	JOHNSON,AGNES	08/26/2008	43248	\$488.32	\$488.32	\$390.66	\$0.00	PR-2 \$97.66 / PR-2 \$97.66 /	MA01 MA
892:NATIONAL GOVERN...	00805	9890378	18840-5	GOLDEN,RALPH	08/27/2008	45384	\$492.45	\$492.45	\$393.96	\$0.00	PR-2 \$98.49 / PR-2 \$98.49 /	MA01
892:NATIONAL GOVERN...	00805	9890379	07463-8	RUBINO,KATHERI...	08/27/2008	45380	\$492.45	\$492.45	\$393.96	\$0.00	PR-2 \$97.66 / PR-2 \$98.49 /	MA01 MA
892:NATIONAL GOVERN...	00805	10692719	8763-5	SCHWARTZ,ROB...	08/05/2008	43239	\$488.32	\$488.32	\$390.66	\$0.00	PR-2 \$98.49 / PR-2 \$97.66 /	MA01 MA
892:NATIONAL GOVERN...	00805	9890383	995700-3	TORRES,WILBUR	08/26/2008	43239	\$488.32	\$488.32	\$390.66	\$0.00	PR-2 \$98.49 / PR-2 \$97.66 /	MA01 MA
892:NATIONAL GOVERN...	00805	9833781	65742-5	BASSETTI,FRANK	08/25/2008	45378	\$492.45	\$492.45	\$393.96	\$0.00	PR-2 \$97.66 / PR-2 \$98.49 /	MA01
892:NATIONAL GOVERN...	00805	9807269	27463-17	HAYES,THOMAS	08/25/2008	45380	\$492.45	\$492.45	\$393.96	\$0.00	PR-2 \$97.66 / PR-2 \$98.49 /	MA01 MA
892:UNITED HEALTHCA...	00805	9890290	3826-9	FREDERICK,Irene	08/26/2008	43239	\$174.47	\$174.47	\$174.47	\$0.00	PR-2 \$98.49 /	

**Status Messages for Selected Claim 9769623 - Claim Status PAID-ERA** VIEW Change Log PRINT Timely Filing EDIT Memo

Status ID	Date	Source	Msg Level	Message	Message from Support	Claim Status	Batch ID	Batch Number	Resp Msg ID	Retrieved
86287559	10/01/08 02:3...	ERA: 04Z4_19...	PAID	Amount Paid=\$195.33 Pt Resp=\$48.83 Payer Claim ID=0...	Processed as Primary, Forwarded to Additional Payer...	PAID-ERA	210825	0	1098447	
81566618	09/15/08 07:0...	ERA: 04Z4_19...	PAID	Amount Paid=\$585.99 Pt Resp=\$48.83 Payer Claim ID=9...	Processed as Primary, Forwarded to Additional Payer...	PAID-ERA	210825	0	1013445	
81566617	09/15/08 07:0...	ERA: 04Z4_19...	DENIED	Amount Paid=\$-390.66 Pt Resp=\$0 Payer Claim ID=0908...	Reversal of Previous Payment:Remark Codes=MA01...	DENIED	210825	0	1013445	
78096753	08/26/08 03:4...	RESP: 04Z4_1...	INFO	08/25/2008: Claim accepted by Receiver		ACCEPTED	210825	36538	922115	
77800301	08/25/08 03:4...	RESP: PRJP00...	INFO	08/25/2008: Claim Acknowledged in an Accepted 997 B...		ACK-997	210825	56337	914441	
77795440	08/25/08 03:4...	ERA: 04Z4_19...	PAID	Amount Paid=\$390.66 Pt Resp=\$97.66 Payer Claim ID=0...	Processed as Primary, Forwarded to Additional Payer...	PAID-ERA	210825	0	914330	

daveh:Central Billing Office (39) PI\_daveh 1.1 ERA Manager demo.edinsight.com:443 SSL Secure 28-AUG-2012





# Practice Insight/MicroMD KPI Improvement Project

This program will focus on the three KPIs in order to maximize reimbursement.

- Perform Analysis of Practice – focus on KPIs
- Determine Strategies to Improve KPIs.
- Plan and implement PI Tools
- Training and Orientation
- Monthly check up
- At end of period (3 months) – Review benchmarks from beginning of program and compare to end.



# Practice Insight/MicroMD KPI Improvement Project - KPIIP

- Practice Must:
  - Use Practice Insight and MicroMD
  - Must agree to participate in the program
  - Must be able to devote resource to implement strategies
  - Tools will be provided at no cost for 3 month program.
  - Other requirements
  - 4 initial practices as a pilot





# Questions?

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