	*
•	UNLOCKING THE MAGIC OF YOUR REVENUE CYCLE
*	Juli Pascoe, CPA, Director Julie Bilyeu, Managing Director
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		Disclosu	re of	Comm	iercial	Inter	est		
	I have com	mercial inte	erests in 1	the follow	ing orgar	nization(s	s): BKD, LL	Р	
	-Employer:								
	-wnat the	Company D	oes: CPA	& Adviso	ry Firm		*		
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*	Admission The Magic Potion Establish & enforce staff responsibilities Track admission items are complete Timely communication with clinical & billing office staff Know who the payer is because cash is King Ensure payer requirements are	out of the Kingdom ons Checklist • Happily Ever After • Reduced frustration in the castle at month end • Enhanced compliance with policies and procedures • Better communication and retrieval of key information • Decreased denials from insurance villains	
200	met UNLOCKING THE MAGIC OF	YOUR REVENUE CYCLE	BKD.

FORM/POUCY		nission C		6
FORMY POLICY		Susiness Office		COMMENTS
Welcome Letters	Yes	□No	□N/A	
Admission Agreement	Yes	No	□ N/A	
HIPAA & Privacy Act Notice	Yes	No	□ N/A	
Notice of Facility Practices	☐ Yes	□ No	□ N/A	
Resident Rights	Yes	□ No	□ N/A	
Authorization to Obtain & Release Medical Record Information	Yes	No	□ N/A	
Financial Agreement	Yes	No	N/A	
Copies of all Payor Cards (Front & Back)	☐ Yes	No	□ N/A	
Insurance Verification Form	Yes	No	N/A	
Copy of Social Security Card	Yes	No	N/A	
SNF Determination on Admission	☐ Yes	No	□ N/A	
Medicare Secondary Payor Questionnaire	☐ Yes	No	□ N/A	
Assignment of Benefits	Yes	No	□ N/A	

	nsurance Folktale e Checklist • Happily Ever After • Decreased denials due to non-coverage and timely filing • Avoided mythical A/R • Better communication with* residents and responsible parties	
• verify out of pocket costs	of the Kingdom	
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Resident Full Name	
SSN DMale	
Projected Admission Payor: Private Pa	y Medicare A Medicaid Medicaid Pending Insurance
	Insurance Verification
11 STORES	
Insurance Primary	
Payor Policy # Policy #	
Out-of-Pocket 5	Not Met
If insurance primary, how are services r	reimbursed? □Levels □RUGs □Charges □Other
	required DYes DNo Re-authorization required DYes DNo
Authorization #	Authorization Date Span
Pre-hospitalization required CYes CNo	If yes, dates of hospital stay
Medicare Supplement (Medi-Gap) Payor Phone # Policy #	
Payor Phone # - Policy # Billing Address (if not on card)	
Payor Phone # - Policy # Billing Address (if not on card) Medi-Gap Plan Type	
Payor Phone # Policy # Billing Address (if not on card) Medi-Gap Plan Type	
Payor Phone # Policy # Billing Address (if not on card) Medi-Gap Plan Type If not Medi-Gap, does the plan pay Medi	dicare A or B coinsurance Medicare Information
Payor Phone # Policy # Policy # Billing Address (if not on card) Medi-Gap Plan Type If not Medi-Gap, does the plan pay Medi-Gap Medi-Gap Plan Pyer	dicare A or B coinsurance
Payor Phone # Policy # Billing Address (if not on card) Medi-Gap Plan Type If not Medi-Gap, does the plan pay Mer Medicare Number: Medicare A Active Date	dicare A or B coinsurance Medicare Information Medicare B Active Date
Payor Poince (if not on card) Medi-Gap Pian Type If not Medi-Gap Pian Type If not Medi-Gap, does the pian pay Mer Medicare Number: Medicare A Active Oate MSP Coverage U'es UNo Open H	dicare A or B coinsurance Medicare Information Medicare B Active Date tospice Electrion CIYS CINO
Payor Project	dicare A or B coinsurance Medicare Information Medicare B Active Date Medicare B Active Date Medicare B Active Date Medicare Complete Insurance Primary Section
Payor Phone # Policy # Policy # Billing Address (F not on card) F not Medi-Gap, does the plan pay Med Medicare Number: Medicare A Active Oate Medicare A Active Oate Medicare Advantage Coverage UYes C Medi A - Day Available	dicare A or B coinsurance Medicare Information Medicare B Active Date fospice Election CPUS CING No "If yes, complete Insurance Primary Section ted B — Therapy Used
Payor Phone # Policy # Policy # Billing Address (F not on card) F not Medi-Gap, does the plan pay Med Medicare Number: Medicare A Active Oate Medicare A Active Oate Medicare Advantage Coverage UYes C Medi A - Day Available	dicare A or B coinsurance Medicare Information Medicare B Active Date Medicare B Active Date Medicare B Active Date Medicare Complete Insurance Primary Section
Payor Phone # Policy # Policy # Billing Address (F not on card) F not Medi-Gap, does the plan pay Med Medicare Number: Medicare A Active Oate Medicare A Active Oate Medicare Advantage Coverage UYes C Medi A - Day Available	dicare A or B coinsurance Medicare Information Medicare B Active Date fospice Election CPUS CING No "If yes, complete Insurance Primary Section ted B — Therapy Used
Payer Policy Pol	dicare A or B coinsurance Medicare Information Medicare B Active Date Interpretable
Payer Policy # Policy	dicare A or B coinsurance Medicare Information Adultare B ARTIN Data Adultare B ARTIN Data Hospice Election (Disc ONe No "Gyes, complete Insurance Primary Section add B - Therapy Used Data span of aquilifying hospital stay Medicald Active Coverage CYes CNo STAR COVER COVE
Payer Policy Division of Policy	dicare A or B coinsurance Medicare Information Auditore B ACTIVE Data Register B CONS No "If yes, complete Insurance Primary Section ad B - Therapy Used Data span of aquilifying hespital stay Medicald Active Coverage CYes CNo STATE CONSTRUCTOR Active Coverage CYes CNo

	· *			* amsels in ons Policy			
*	and colle Distribut Sets the upfront	ned policies ection effort e in admissi		upfront a surprises • Provides follow up	ication with familie voids private pay biller clear framewy	ork for	
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Patient Revenue, Cash Receipts and Accounts Receivable Cycle			Position Description											
	2	Process		T						Γ				
CCESS - ABILITY TO:	hat Applicat	Automated												
Authorize initial or subsequent changes in payer class	1			-						1				
Authorize room or ancillary service rates			_	_	_	_	Н	_	_	_		\neg	_	
Authorize discounts or adjustments of charges			\neg	_	_	_	т		_	_		\neg	_	
Authorize had debt write-offs			\neg	_	_	_	-		_	_		\neg	\neg	_
Authorize EFT transactions with third-party payers			\neg				\Box					\neg	\neg	
Admit and or discharge patients			\neg											
Perform daily patient census			\neg											
Provide EFT information to third-party payers								-						
Receive payments in currency or checks														
Be costedian of currency or checks (including taking deposits to bank)														
<other></other>														
RECORDING - ABILITY TO:														
Make a computer entry to generate a patient bill				т					_	Т	П			
Make a computer entry to record discounts or adjustments of charges														
Change computer patient billing file	-				_	_			_	_	$\overline{}$		\neg	
Add a patient to the master file	-		-	_	_	_			_	_	_		\neg	_
Delete a patient from the master file			_		_	_			_	_			_	
Change the master files affecting billings, discounts and adjustments of charges	\pm	_	_	_	_	_				_	_		_	
Prepare the cash receipts journal list of receipts	_			_	-	_			_	_	_		-	_
Make a computer entry to credit patient accounts for payments received	-		_	-	-	_	_	_	_	-	-		-	_
Make a journal entry to:				_	_	_		_	_	_			_	
Adjust the Patient Accounts Receivable general ledger account	=			\neg	-	_			-	_	_		_	
Adjust the Cash general ledger account	-	_	-	-	-	+	-		-	+	-	-	-	_
Record bed debt write-offs	-		_	-	-	_	-	-	-	-	-	-	\rightarrow	-
sOthers	-		-	-	-	+	-	-	-	+	-	-	-	-
coners	_		_	_	_	_	_	_	_	_	_	$\overline{}$	\rightarrow	_

Pa	tient Revenue, Cash Receipts and Accounts Receivable Cycle							Pos	sitior	n Des	crip	tion			
		Not Applicable	Automated Process												
MONITORING:		_													
	Responsibility to reconcile:														
	Patient daily census to billing records			П		П									Г
	Cash receipts journal (list) to bank deposit records		П	Г	Г	П									
	Recorded contractual adjustments to supporting remittance advices				П	П									Г
	Patient account balances to general ledger/control account														
	Bank balances to general ledger/control account		П	П	П	П								Г	П
	Responsibility to issue statements to patients or third-party payors														
1	Responsibility to review:														
	Account reconciliations related to the patient revenues, cash receipts and accounts					П									
	Bank reconciliations prepared by others														
I	<other></other>					П									

*	Slaying the Dragon Consolidated Billing he Magic Potion • Determine expenses in advance • Consider place of service exclusions • Negotiate payment • Provide notices • Prompt payment	
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Ш	CONSOLIDATED BILLING CH	EC	KLIST
D	ETERMINE RESPONSIBILITY		
	Where does the service fall on the Major Category list?		Do we have a notice ready to send with the resident to inform the outside provider of the resident's status as a Med A resident in a skilled
	What's the procedure code for the service?		nursing facility?
	What's the place of service?		Track the service to ensure an invoice is received
0	Do we have a negotiated contract/payment agreement or should we contact the outside provider?		on time for billing purposes.
BE	FORE PAYING THE INVOICE		
	Was the resident in a covered Med A stay when the service was rendered?		Submit payment on time.
0			Provide a copy of the invoice to billing office to include on claim.
	Do we have a negotiated price and/or payment agreement with the rendering provider?		
0	If there is no negotiated price or payment agreement, verify the Medicare allowable and contact the provider to negotiate payment. (Keep in mind the rendering provider is not obligated to accept the Medicare allowable amount.)		
LI	NKS TO HELPFUL RESOURCES		
	CMS Major Category Exclusions Explanation		CMS Sample Patient Notices & Agreements
	CMS Major Category HCPC Files		Noncovered Services Booklet
0	CMS Physician Fee Schedule Lookup		

*	count on Cinderella to never leave Godmoth	er After nce on the Fairy ier cash flow interruptions
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	of Incorrect Claims eck Process	
The Magic Potion Communication among the Royals Improved claims accuracy Enhanced compliance	Happily Ever After Decreased denials Increased compliance with rules and regulations Able to find required items when the Big Bad Wolf knocks	
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• Measuring	* the AR Bean Stalk
The Magic Potion Utilize Accounts Receivable Benchmarking Tool Average Days to Collect AR Turnover Days Cash on Hand	Happily Ever After Identifying collection issues early Compare performance to peers Establishes goals and guidelines for the billing department
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DVD			
CPAs & Advisors	Fine Tuning: Accoun	ts Receivable Tool	
Step 1: Input Your Organ	zation's Information	Step 2: Your Key Metrics W	Il Populate
	Inputs		
Beginning Accounts Receivable		Key Me	
Ending Accounts Receivable		Average Days to Collect	#DIV/0!
Vet Patient Service Revenue		Accounts Receivable Turnover	#DIV/0!
Cash & Cash Equivalents		Days Cash on Hand	₩DIV/0!
Operating Expenses			
Voncash Expenses			
Step 3: Understanding Y	our Metrics		
Average Days to Collect	payors are paying the organization	aking to pay the organization. Lower ratio n more quickly. For instance, a ratio of 15 r days. If an organization can collect cash fro er obligations sooner.	neans the payors, on average, are
Accounts Receivable Turnover	organization is collecting its rece means that the organization coll	ity to collect its receivables. Higher ratio ivables more frequently throughout the yea ected its average receivables 25 times durir , it will be able to use that cash to pay bills a	r. For instance, a ratio of 25 ig the year. If an organization can
Days Cash on Hand	of cash available. Higher ratio expenses for more days, given the enough cash on hand to pay its expenses should be removed fro amortization are the most common	e organization can continue to pay its oper- sare preferred and mean the organizati e cash on hand. For instruce, a ratio of 100 operating expenses for 100 days, it is import, m operating expenses when calculating this ion types of non-eash expenses, but if the c as be subtracted from operating expenses.	on will be able to pay its operating means that the organization has ant to note that all noncash statio. Depreciation and organization has others e.g.,
*Ratios are based on a one-yea		eed to be modified if using a measurement re & senior living insight and tools, vi	



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MEDICA NPI #	A E FACILITY LL REVIEW	TRACKIN		D	c	F	G	н	1	J.	к	·	М	N	0	Р	q	R	3	T	ĺ
,	Patient Varie	Ho No.	Service From	Danes Through	108	Total Charges	Date of ADRI PPR	45 Date Doc. Due to Medicare	Sunan	Expected MDCR Remb Avv	Expected Cone Ame	Medicare Paid After Review	Derved Fleshb	Cons Deried Remb	Date Clain Padi Deried	Comments	For	Planning to Appeal?			
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*	The Magic Po Know what Follow norm Write off at Utilize a sep segregate w	claims ar nal collec the appro arate wri	tions polic opriate tir	cy ne	• Increa claims • Decre	Ever After sed reimbur ased questio eviews		
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SUBMITTING
Coinsurance billed timely with appropriate denial documentation
 Must have Medicare Remittance Advice with paid Medicare Part A claim before potential coinsurance write-offs can be considered
NOTE: It's critical to use a calendar or scheduling tool to submit in a timely fashion. Failure to do so not only jeopardizes the claim, but also precludes you from being reimbursed for the bad debt.
COST REPORTING
 Must be written off in both the accounts receivable ledger and general ledger in the cost- reporting period in which bad debt is being claimed
REIMBURSABLE CLAIMS: DUAL ELIGIBLE
 Dual Eligible – Medicaid's portion of coinsurance when the state either no longer pays or doesn't pay the full amount of the coinsurance
☐ Must have Medicaid "No-Pay" Remittance Advice before writing off as bad debt
☐ Reduce coinsurance by any payment from Medicaid (if applicable)
REIMBURSABLE CLAIMS: NON-DUAL ELIGIBLE
☐ Non-Dual Eligible – Private pay when considered uncollectible
 Issuance of bill to responsible party within normal billing cycle or on/shortly after discharge or death
☐ Reasonable attempts to collect coinsurance
 Documentation must be provided to support collection attempts via subsequent billings, collection letters, telephone calls, personal contacts, etc.
☐ Must use collection agency if normal practice for other non-Medicare collections

*	The Magic Po • Set a defini • Involve ma • Ask specific • Set threshe • Use billing to docume	Effect otion ed meeting nagement questions olds notes or a s	preadshee	R Agin Hap	ppily Eve Accounta ncreased Avoid larg Effective	view+	fs nt *	
p 12								
1	UNLOCKING	S THE MA	AGIC OF	YOUR R	EVENU	E CYCLE		BKD

Future of the	* nis Fairy Tale	
The Magic Potion Be prepared for change Monitor costs Be able to communicate your fairy tale Open the draw bridge from time to time	Happily Ever After Being prepared Communicating the Fairy Tale in a world of Scary Tales No Jesters in the court	
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Let's Continue	
This Fairy Tale Adventure	
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