

Title: Decreasing surgical denials in an academic institution partnered with a public hospital.

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Topic Category: Clinical/Administrative

Background: Academic health centers that do not own their own hospitals note variations in revenue cycle processes. Gynecologic surgery has noted differences between the academic center and the hospital with regard to prior authorization, OR scheduling, billing and denial appeal processes. Methods to resolve these problems have not been sustainable and have focused on input from administrators and financial specialists with limited knowledge of clinic workflows, benefit coordinator responsibilities, communication between institutions, and the excessive duplicate work for OR scheduling.

Purpose: Standardize workflow for OR scheduling/prior authorization between 2 large organizations with 3 different types of out-patient clinics (faculty private, faculty indigent, resident clinics).

Methods:

- Meet with all stakeholders to understand strategies currently used to decrease surgical denials
- Merge meetings occurring at both institutions to resolve the same problems
- Identify 3 strategies to decrease surgical denials
- Measure impact of selected strategies to decrease denial rates
- Disseminate best practices to all surgical departments to standardize workflow

Results: Over 200 meetings in 12 months addressed surgical denial rates. The understanding of the entire workflow for each group/individual was limited to their specific area. No stakeholder knew the overall process, inhibiting substantial, sustainable change. After much deliberation, consensus was obtained and the following strategies were implemented, which decreased surgical denials:

- Surgeons entered Epic case requests on the day the decision for surgery was made;
- Benefit coordinator review clarified the surgeon-selected CPT codes and submission to the hospital for pre-authorization was performed within 2 business days;
- Hospital authorization team began the authorization process immediately instead of waiting until 14 days before the scheduled surgery; and
- Authorization team notified surgeons/OR staff at least 14 days before the scheduled surgery, if authorization was not obtained.

The above strategies sustained a 70% reduction in lost revenue at the hospital due to authorization denials and a reduction of \$377,000 in denial claims. The OB/GYN Department identified a 41% decrease in controllable write-offs for authorizations resulting in cost savings of \$135,000.

Discussion: The amount of human capital utilized to ensure a patient gets to surgery on time and that surgery is reimbursed is overwhelming. Combining key stakeholder meetings at both institutions to decrease duplication and better understand how changes in processes can positively/negatively influence each other was integral to improvement. Outlined workflow diagrams showing a standardized process was needed which allowed all 3 clinic types to utilize the same process. In addition, duplicate efforts between hospital and university staff/physicians were identified and removed, providing improved job satisfaction. The positive results took 9 months from the decision to make a change to see the improved revenue cycle goal. Thus, such interventions should not be prematurely discarded. Having a clinically-active provider involved in revenue cycle process improvements permits more targeted interventions with greater impact and sustainability.