Migrating from Activity to Effectiveness Management in Revenue Cycle

When I started in revenue cycle management, we required patient financial services staff to manually track the accounts they "worked." Team members would copy and paste the account numbers into a spreadsheet, then send their spreadsheet to their team leads or supervisors for review and tabulation. It was laborious process but, staff awareness that they were being monitored combined with sampling and feedback was and continues to be a beneficial performance management first step. Modern revenue cycle systems have removed much of the labor to capture activity data, so the steps I listed may be completely foreign to individuals that started their revenue cycle careers during the past decade.

However, if measuring account activity still comprises much of your performance management, your organization is missing out on the benefits of measuring effectiveness. Measuring effectiveness is both a mindset and technology shift. Team members must still have a certain level of activity, but activity should only provide a reference data point and be relevant to the complexity of their work and value of their outcomes. The shift can be challenging without systems and analytical support, but the biggest challenge may start with breaking orthodoxy that activity tracking is enough.

Initial Exposure to Effectiveness Measurement

While working for a large health system seven years ago, my leadership team and I began allowing part-time remote work for patient financial services team members. Staff would alternate being in the office two or three days each week. We began tracking the length of their login time (both network and core revenue cycle application) as a substitute for loss of visual verification. For example, did your login time match your submitted work hours? How much time did you spend on each account? How much downtime between closing an account and noting the next one? We did not announce this to the team members, and it was eye opening. We quickly realized that some of our favorite team members had become activity experts, meeting their quotas relatively quickly while spending large amounts of time appearing busy. Others that frequently didn't exceed their activity target, were often more effective. Unfortunately, one employee got so comfortable that they lost their job for falsifying time. Because they no longer had to look busy in the office, they got to their targeted activity totals then logged out, but still reported additional work works.

Our initial experience started us on a journey of pursuing advanced metrics to measure what we all genuinely want in revenue cycle, more cash and shorter resolution timelines. We requested analysis on which denials we were effective at turning over and whether success differed by individual, by payer and/or other variables. We assessed correlations between activity and resolution among other measures. It changed how we assigned accounts and how we deployed and valued team members' time.

Making the Transition to Effectiveness

Forced remote revenue cycle operations and the loss of visual verification has created some of the disorienting loss of "control" that prompted us to look for alternative measurements back then. Many leaders still take assurance of appropriate busyness from activity metrics and visual verification. But that assurance as we found, can be a façade. The transition to full-time report, partial and/or even flex schedules should provide the impetus for revisiting your performance management strategy.

Transitioning from activity to effectiveness management likely requires reframing your leaders' mindset and building their skillset. Leadership one-on-one and team meetings should have a reoccurring theme of helping leaders communicate and operate to spark maximum effectiveness. Leadership success comes when every individual team member understands the overall goals of the unit and how they contribute to the overall goals. If your leaders aren't prepared to communicate, inspire, and coach effectiveness, this will require some leadership development and creating a culture that reinforces this behavior.

On the measurement side, start where we did, measure the value of how they are spending their time. Work with your system support team to measure extended time on accounts, gaps between activity and repeated account touches. Audit accounts that were resolved as much as the ones that weren't. Praise resolutions, coach effective handling and fix recurring system problems that create busy work.

Next Steps

Moving into effectiveness management is a broader leadership development and process improvement cycle that cannot be adequately addressed in this article. Access to resources and time will help to determine your pathway. Ultimately, it is a process improvement cycle that includes steps like:

- Securing outcomes based analytics
- Creating new metrics
- Auditing outcomes
- Sharing Lessons
- Eliminating, automating or outsourcing non-value-added work

- Assessment
- Refinement and repetition

The healthcare organizations I encounter are at different phases of making this transition. So, I anticipate continual learning, discussion, writing and presenting on this topic in the coming months. If this topic speaks to your current concerns, and you want to join a group discussion with other providers around their journey, send me an email to (info@healthrevadvisors.com), I will attempt facilitate a group for mutual benefit or make connections for one-on-one discussion.

About the author:

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