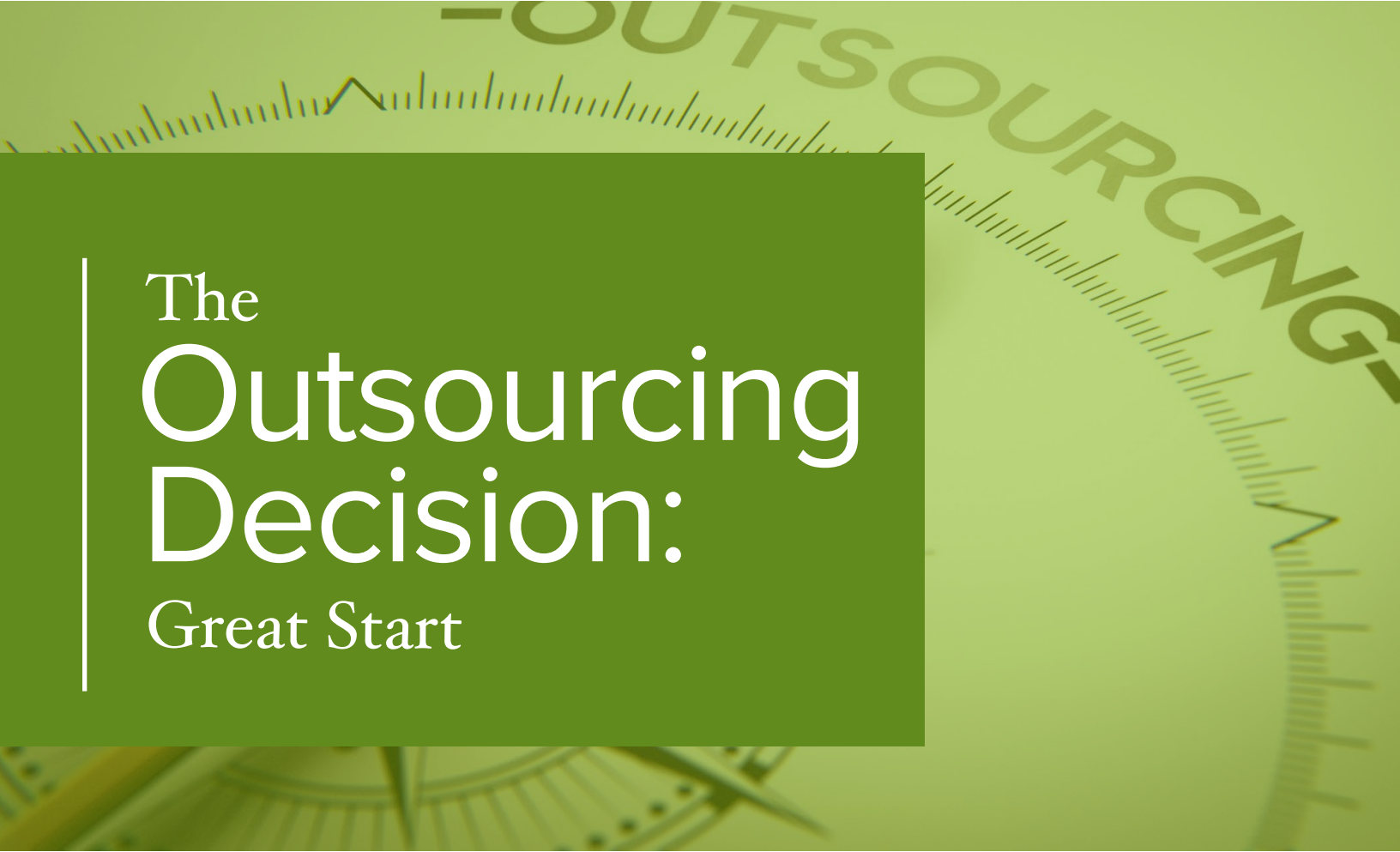# 7 Key selection criteria for outsourcing RCM for VBC

Outsourcing your revenue cycle management for value-based care billing (RCM for VBC) involves much more than merely lining up a vendor and walking away. Carefully selecting a vendor with the right technology, depth of skill and experience, fit with your specific practice (including payor mix, specialty, provider count and number of locations), and strong ongoing support will help ensure a successful implementation and lasting partnership. These seven selection criteria will help you cut through the complexity of the wide array of options to focus on the core functionality a vendor must provide for a worry-free, effective outcome.

The Outsourcing Decision:

Great Start

You may be considering outsourcing your VBC revenue cycle management to relieve growing internal regulatory and operations pressure and free up additional resources to focus on improving quality care delivery in the clinic. Many practices are finding this to be a great solution to their long-term RCM and quality care planning.

However, selecting the right outsource supplier is crucial in order to ensure that all revenue cycle and compliance issues are handled in a fast, cost-effective, manner, and that reporting is thorough, flexible and gives you the detailed information required to make solid, accurate decisions.

More than Meets the EYE

The adoption of VBC has added a layer of complexity to an already complicated revenue cycle for most practices – hence, the motivation to outsource. For outsource vendors however, implementing VBC involves much more than merely adding new reporting rules. Their systems must expand to work with data across all practice functions, provide robust, customizable reporting, and offer a comprehensive suite of RCM capability in order to provide a cost-effective, compliant solution.

The Full Enchilada

The most successful outsource implementations are based on an "all in" approach to VBC RCM. For the practice this means coming from a mindset of, "we've decided we will focus on clinical and patient management excellence, and leave the rest to the RCM experts."

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While this seems straightforward, it's important to pay attention to the detailed implications of this decision: it's the details that can create inefficiencies and errors leading to unnecessary cost and frustration for the practice. For example, if a vendor provides the majority of VBC RCM functionality but has a few seemingly minor holes in the solution, it can lead to inefficiencies in the overall system. This may include issues such as breaking into clinical workflows to answer RCM questions, tracking down missing pieces of data, redundant work to generate required reporting, or verifying compliance.

At the end of the day, the outsource system must accelerate time to revenue, reduce cost, and ensure compliance. It's easy to overlook components that could negatively impact that objective unless you're familiar with all the nuances of VBC RCM. For that reason, we've included a number of detailed solution features in the following checklist that a potential vendor must include for a comprehensive and effective solution.

7 Key Selection Criteria for Outsourcing RCM for VBC

Look for the following seven key capabilities when selecting an outsourced VBC revenue cycle management provider.

01 Near flawless claims processing

The vendor must demonstrate a nearly flawless ability to process claims across many different practices types, practitioners and payors. They must show a proven, multi-year track record of success working with thousands of practices. Additionally, ask them for successful comparison clients whose practice profiles closely match yours.

A good litmus test of the system is the technology's ability to unify your practice at the front desk (e.g. self-managed online scheduling, automated appointment reminders, eEligibility, patient portal, intake forms, online payments, etc.) as these disparate activities sow the seeds of claim processing errors if not handled in a seamless, integrated way.

The vendor should also provide evidence of successfully implementing previous regulatory updates without reducing their clean claim accuracy numbers. Have them review with you their process for staying ahead of pending and future regulatory updates, and how they will be implemented in your system.

"They must show a proven, multi-year track record of success working with thousands of practices."

02

Handle each claim from start to finish

The system must efficiently handle the entire lifecycle of every claim without additional input from the practice. This starts with first filings and any necessary secondary filings, which should be very low. The best vendors have a very high first-pass clean-claim percentage. The solution should also have a robust and aggressive system for following up on denials and appeals, processing exclusions, and unpaid claims. Compare potential vendor's results in each of these areas.

More advanced systems support "smart" updates in the form of learning and applying payor-specific billing requirements based on billing payment/rejection experience.

# 03 Handle all payments and posting into the system

Once claims have been processed, the solution must automatically and accurately post payments. This includes processing and matching each incoming payment to the proper account, and ensuring accurate posting for patient balance accounting.

The most cost-efficient vendors will utilize an automatic and electronic remittance advice (ERA) system for lower cost and faster time to revenue. This system automates the receiving and matching of payor payments and denials, so the vendor's staff can quickly verify posts and handle exceptions through automated workflows.

Managing patient payments and collections is also an important piece of the solution. The vendor should offer an online patient bill pay and statements capability, and a well-defined process for dealing with patient collections. Automatic bill-pay reminder emails and texts that are triggered automatically can significantly increase your time to payment and reduce overhead.
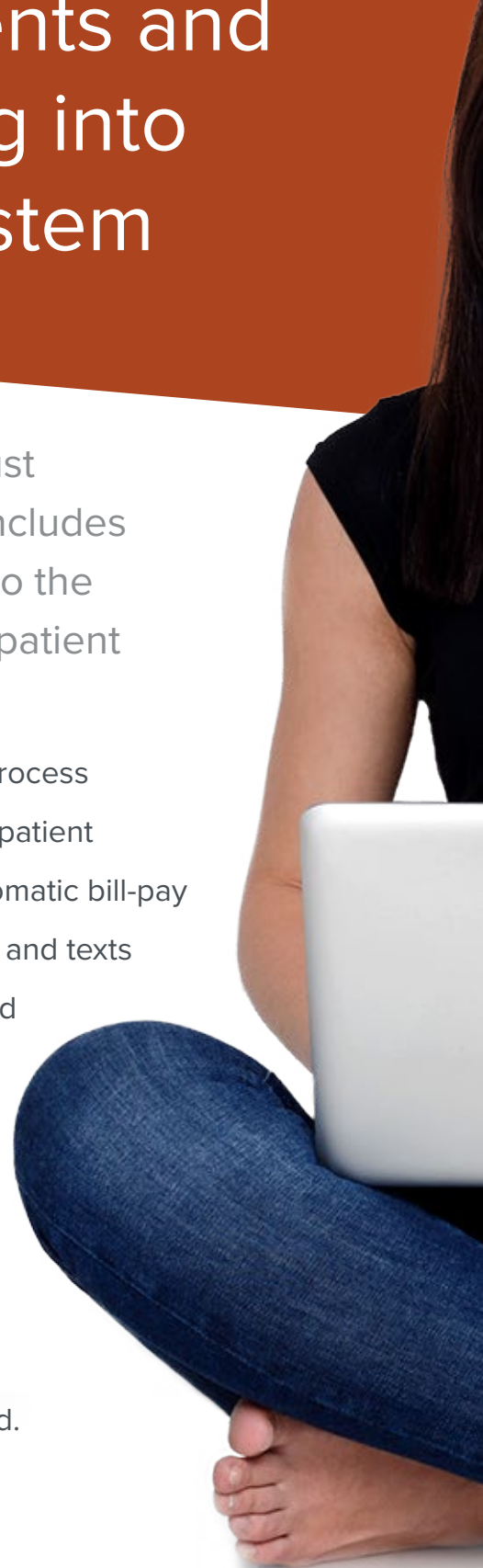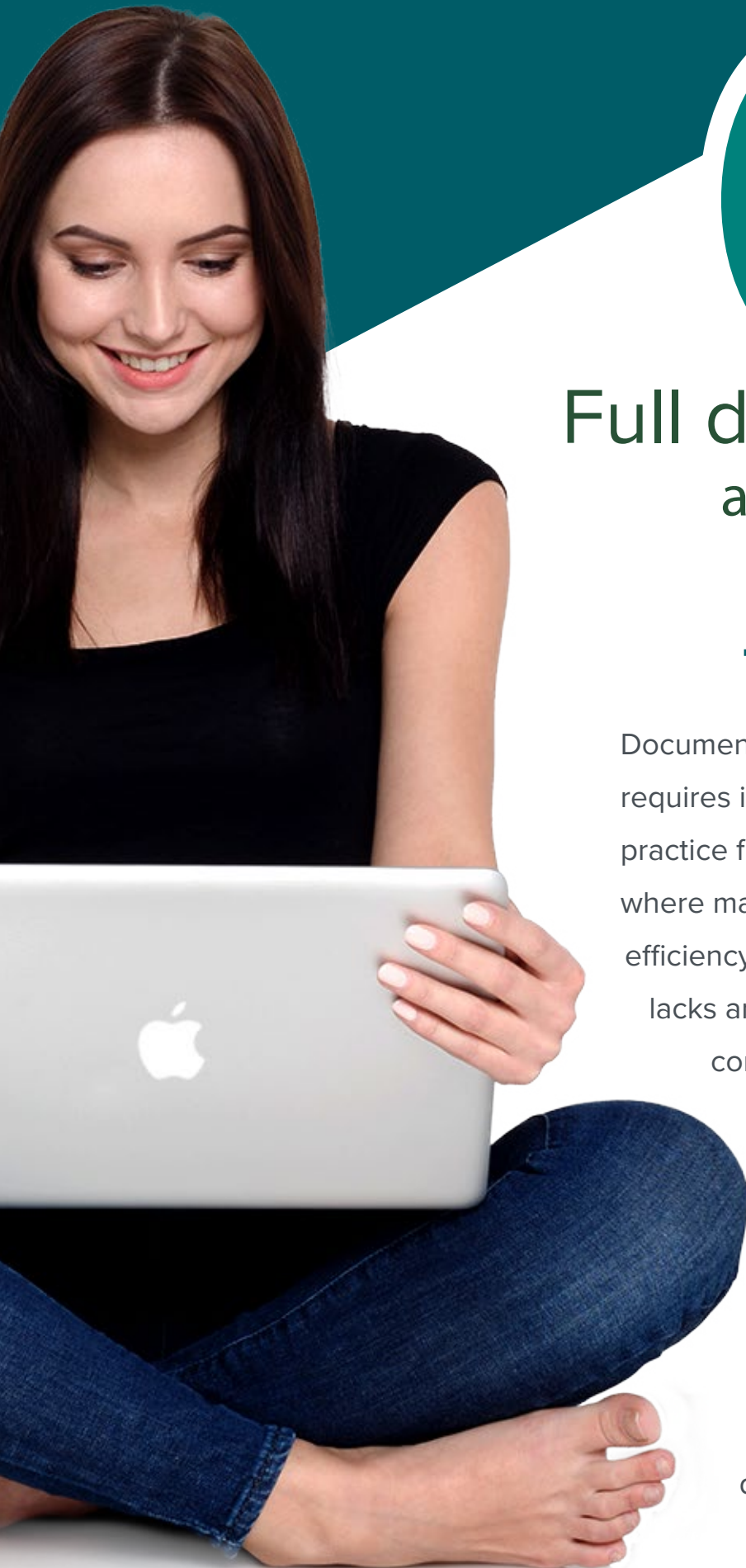
04
Full data integration
access all information in one place

Documenting, reporting on and managing VBC requires integrating pieces of data across the practice from a variety of sub-systems. This is where many VBC RCM systems break down in efficiency. If a solution is mostly automated but lacks an essential piece of information that comes from a separate, poorly integrated source, (or worse yet, must be manually input or correlated), the cost, efficiency and accuracy of the entire system degrades.

The best vendors will demonstrate the ability to seamlessly integrate data from all practice areas,

including billing and RCM, scheduling, EHR, prescribing, mobile physician Smartphone apps, and patient engagement. The latter (patient engagement) is a crucial integration as large amounts of data are now being generated through patient interactions with telemedicine, electronic education, and online portal, bill-pay, scheduling, intake forms, messaging and prescription renewals.

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The litmus test for this piece of functionality is to review the vendor's management dashboard. Check for visibility and access to data in each of the areas listed above in a real-time fashion.

"Large amounts of data are now being generated through patient interactions..."

05

Reporting and benchmarking transparency tools

Gathering data is important, but the ability to easily and flexibly create actionable reporting sets the best vendors apart when it comes to VBC RCM. At a minimum, a vendor must utilize real-time data from across the practice (see point #4 above) and incorporate an analytics engine that handles not only the VBC requirements, but also includes business intelligence capability for analyzing the non-clinical side of the business – for example, identifying hidden revenue opportunities or optimizing your payor mix.

The ability to easily customize reports is also crucial. While "out-of-the-box" reports are adequate for many needs, every practice is different and will require some degree of report customization to fit unique workflows and reporting requirements. The most important area

here is making sure you have clear reports and transparency into your revenue and overall financial performance.

Additionally, vendors should demonstrate these detailed proficiencies that will greatly enhance your VBC capability and practice profitability.

- Key performance indicators (KPIs) so you can see how you compare to others in your specialty, practice size & geography

- Clinical CQM reporting & regulatory certifications

- Detailed Total RVU measurements to identify contribution to revenue per provider, CPT code frequency & other practice-specific efficiency metrics

- Data analysis of the payor mix to identify possible adjustments to increase revenue

- Identify referring providers by revenue

- Geo-target patients by revenue or procedure & help with marketing to them

06
Technology platform

The technology platform the vendor utilizes provides the foundation or engine on which all other functionality runs. A few core features are essential to ensure maximum efficiency and cost savings.

First and foremost, it must have the security, agility and disaster recovery features that only cloud-based systems can provide. This provides maximum speed, safety, flexibility, assured updates, and ease of access. Access is particularly important to accommodate providers in the clinic, doing rounding, on-call or multi-site visits. Additionally, it facilitates patient access to their portal from nearly anywhere on virtually any device.

The system should be continually updated with the latest regulatory changes that are automatically centrally implemented without need for intervention on the part of the practice. A central billing office feature is also key to keep reporting discrete by provider.

Finally, the system should be structured to provide a single seamless solution as your practice changes in the future, including adding new providers, adding or changing locations, or scaling up patient load or expanding treatment options.

07

Expert support

The success of your outsourced VBC RCM solution will depend in large measure on the quality and extent of the support the vendor provides in setting up the service and interfaces, and the extent of support provided to ongoing issues and challenges that may arise.

To accomplish this, it's important that your vendor has an in-depth understanding of your specialty as well as your unique payor mix and any peculiarities of your geographic region or healthcare delivery environment.

Have them review the specific protocols and timelines for setting up the service with your practice to ensure they are realistic and adequately staffed. And finally, make sure the support team will be responsive by asking to review average response and resolution times for current client technical issues.

"it's important that your vendor has an in-depth understanding of your specialty"

Worth the Effort

While finding the right Outsourcing VBC RCM partner can be a time-consuming, challenging process, following these guidelines can greatly streamline that quest and help create a strong, productive relationship that will serve your practice well for many years to come.

AdvancedMD provides the integrated, proven systems utilized by many outsource VBC RCM vendors servicing thousands of successful practice clients nationwide. Check with your potential outsource vendors regarding their choice of technology platform. Contact us today for details.

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