6 Elements to Improving Revenue Cycle Management in Imaging Services

By Jim Lipcamon [2]

High volume can make the imaging services sector vulnerable to revenue loss, check out these tips for improving revenue cycle management.

Throughout the week, how often do you think about the revenue cycle? The number of times likely depends on what other issues you are dealing with. However, considering how profit margins are getting tighter and bad debt is increasing, improving the revenue cycle is now more important than ever. As smart business people, we want to make sure we get paid for what we do and in a timely manner.

It’s important to remember that the revenue cycle starts when the patient calls for their appointment and ends when their account balance is zero. Here are 6 important keys to helping you optimize your revenue and get paid in a timely manner.

• Data integrity is critical. The imaging services sector is especially vulnerable to revenue loss because of the high volume nature of our departments. These greater volumes create the opportunity for erroneous information gathering. It is critical that you have accurate and complete insurance information and patient demographic information such as name, address and phone number. When gathering this information from the patient, it’s important to do it in a welcoming and compassionate way. To ensure accurate information, conduct periodic audits.

• Verify eligibility. When possible, verify patient coverage before the patient arrives for their imaging visit. This process helps with decreasing the volume of denials. First pass denial rates should be in the area of 3 percent. Managing denials comes at a cost, so keep the volume low. Are you even aware of your denial volumes and the reasons why?

• Ensure accurate CPT coding and timely charge posting. On a daily basis, there should be an individual checking the accuracy of the CPT codes for the procedures done and making sure that each patient’s exam is charged and the revenue captured. In high volume departments, it is easy for technologists to get distracted and forget to complete or charge the exam done in the radiology information system. Ideally, you have a system that creates a missing charge report that automates this function for you.

• Up-to-date charge description master (CDM). Ensure that your chargemaster pricing and coding is up to date. An up-to-date CDM prevents lost or delayed revenue. This is especially true at the beginning of each year when new CPT codes are introduced. When new codes are added also make sure that old codes are deleted. I recently encountered an issue where I tested a CPT code prior to going live with a new radiology information system and when the technologist went to charge the
study there was an issue. After investigating the issue, to my surprise the CPT code was not in the chargemaster which delayed posting of the charge for several days.

- Ask frontline employees for suggestions. Consistently talk with the staff who is involved with the revenue cycle for suggestions. They can help you identify roadblocks in the process and provide suggestions to help you solve the issues.
- Monitor managed care contracts. According to the advisory board, the average hospital loses between 3 and 5 percent of annual revenue to underpayments, denials and suboptimal contract negotiations. Monitoring your contracts and having frequent conversations with payers can have a positive effect on your bottom line.

**Reference**


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