



HEALTH DIMENSIONS GROUP

CASE STUDY

Revenue Cycle & Cost Report Preparation

Background

Dating back to the American Civil War era, state veterans homes were founded to provide care and services to homeless and disabled veterans. Fast forward to today—there are now state veterans homes in the hundreds, with each state and Puerto Rico now operating at least one veterans home. Owned, operated, and managed by both private and public entities, these homes typically provide a range of services, including skilled nursing, domiciliary and adult day care for veterans, veterans’ spouses, and gold star parents.

In late summer of 2016, HDG received an RFP issued by a southern state’s department of veterans affairs to provide specific revenue cycle and cost report preparation services. Requirements outlined for qualified contractors

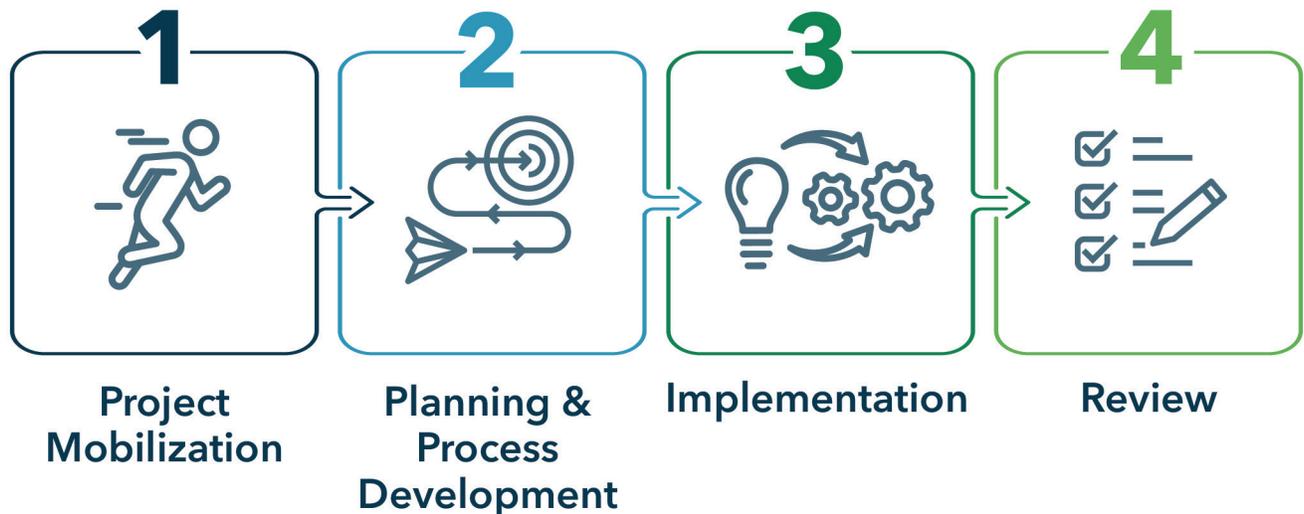
included the ability to provide the following services:

- End-to-end billing and collection services for Medicare Parts A and B, managed care as well as coinsurance payors for those members with eligible benefits.
- Train local veterans home staff on the utilization of the EMR system to support electronic third-party centralized processing.
- Assist with member billing during the start-up and opening of a new state veterans home.
- Completion and submission of both Medicare and Medicaid cost reports and work papers with follow-up consultative support during cost report auditing.

HDG secured this multi-year contract with the delivery of a custom client solution outlined below.

Solution

To complete this project, HDG proposed a four-phase work plan as outlined below.





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Phase I - Project mobilization

HDG began the engagement with an in-person project kick-off meeting that included the department of veterans affairs project team and the HDG project team.

The goals of this interactive meeting were to:

- Introduce the department of veterans affairs team and HDG team
- Review project goals and scope
- Review and agree on timelines for project deliverables
- Understand process for scheduling and facilitating on-site work and data request
- Review information request requirements

During the kick-off meeting, the department of veterans affairs and HDG identified point persons to facilitate the delivery of information between parties. The point persons were also responsible for coordination of consultative site visits. A detailed information request was sent to department of veterans affairs requesting information pertinent to the project work, including:

- Current claim processes
- Outstanding delinquent claims
- Current accounts receivable reports
- Current report formats, if applicable
- Historical cost report data
- Reporting structure and job titles for business office and finance staff
- Up to five telephonic and on-site interviews with department of veterans affairs team members to better understand processes, systems, procedures, and work parameters to be considered in the following phases.

Phase 2 - Project planning and process development

HDG worked collaboratively with the department of veterans affairs to develop a work plan to complete the following tasks:

- Monthly billing of Medicare Part A and Part B, Medicaid, commercial insurance claims, and all related coinsurances
- Recovery of delinquent claim reimbursements
- Posting claim receipts against accounts receivable
- Maintaining and monitoring accounts receivable
- Providing monthly revenue and accounts receivable reports
- Preparation of annual Medicaid and Medicare cost reports
- Providing related training and consulting services

The work plan included required sub-tasks, timing, reporting, and resources.

HDG submitted to the department of veterans affairs a draft work plan for approval. The work plan was edited and revised to ensure timely and accurate completion of the tasks above, utilizing the internal resources and processes of department of veterans affairs when appropriate.

Afterwards, HDG developed a final work plan after the review phase that was used as a guide for both HDG and the department of veterans affairs to understand tasks and sub-tasks to be completed by HDG.



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Phase 3 - Implementation

The project implementation phase comprised of ongoing billing and support, training and consulting, and the preparation of annual cost reports.

HDG staff completed all billing and support tasks, following all industry state, local, federal and Veterans Affairs requirements. In addition, HDG provided training and consulting for the state veteran homes. Training and consulting was completed via phone, email, and during in-person visits, as directed by the department of veterans affairs. Training was completed by HDG consultants knowledgeable in the areas of billing, accounting, and financial performance. Documentation of training was provided upon request.

On behalf of the department of veterans affairs, HDG also performed services that included:

- Preparation of Medicare cost reports with all supporting work papers completed by required dates.
- Preparation of Medicaid cost reports with all supporting work papers completed by required dates.
- As-needed work handling reimbursement issues with the state veterans' homes fiscal intermediary, Medicaid desk reviews, payment rate reviews, and miscellaneous associated tasks.

Phase 4 - Review

During the review phase, HDG provided monthly reports to the department of veterans affairs as described above and used these reports for monthly review phone calls with the department of veterans affairs project leadership. The reports were sent via email and calls were completed at a time mutually agreed upon by the department of veterans affairs and HDG.

HDG also provided a written annual report summarizing the year's work and activities for review at an in-person meeting with HDG and the department of veterans affairs.

Results

Since the commencement of the engagement, the HDG and state department of veterans affairs partnership has yielded very positive billing and collection outcomes for this state's veterans homes. These outcomes were the result of a very prescriptive approach that included the following:

- Oversight to transition the veterans home from manual to electronic submission of claims.
- Implementing and training the veterans homes interdisciplinary teams (IDTs) on the utilization of a monthly triple check protocol that greatly reduced the likelihood for release of billing claims lacking accuracy.
- Installation of a structured approach to facilitate the relay of critical ancillary data to populate member care and services billing records.
- Weekly check-in calls with department of veterans affairs finance leadership.
- Claims denial management and re-billing as required.
- Payment reconciliation support to ensure that the multiple entities under one tax identification number received accurate payments and/or withholdings.
- Comprehensive accounts receivable reviews each month.
- Timely submission of cost reports and supporting work papers.

This engagement showcases the partnering benefits of bringing both public and private organizations together toward the goal of delivering the training and support needed to achieve the desired outcomes for providers.



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About Health Dimensions Group

Minneapolis-based HDG is a leading consulting and management firm, providing services to post-acute, long-term care, and senior living providers, as well as hospitals and health systems across the nation. HDG has been serving health care organizations for more than 20 years with a firm commitment to its values of hospitality, stewardship, integrity, respect, and humor.

If you'd like to learn more about our revenue cycle and cost report preparation services, please contact us at info@hdgi1.com or call us at 763.537.5700.