ZUCKERBERG
SAN FRANCISCO GENERAL
Hospital and Trauma Center

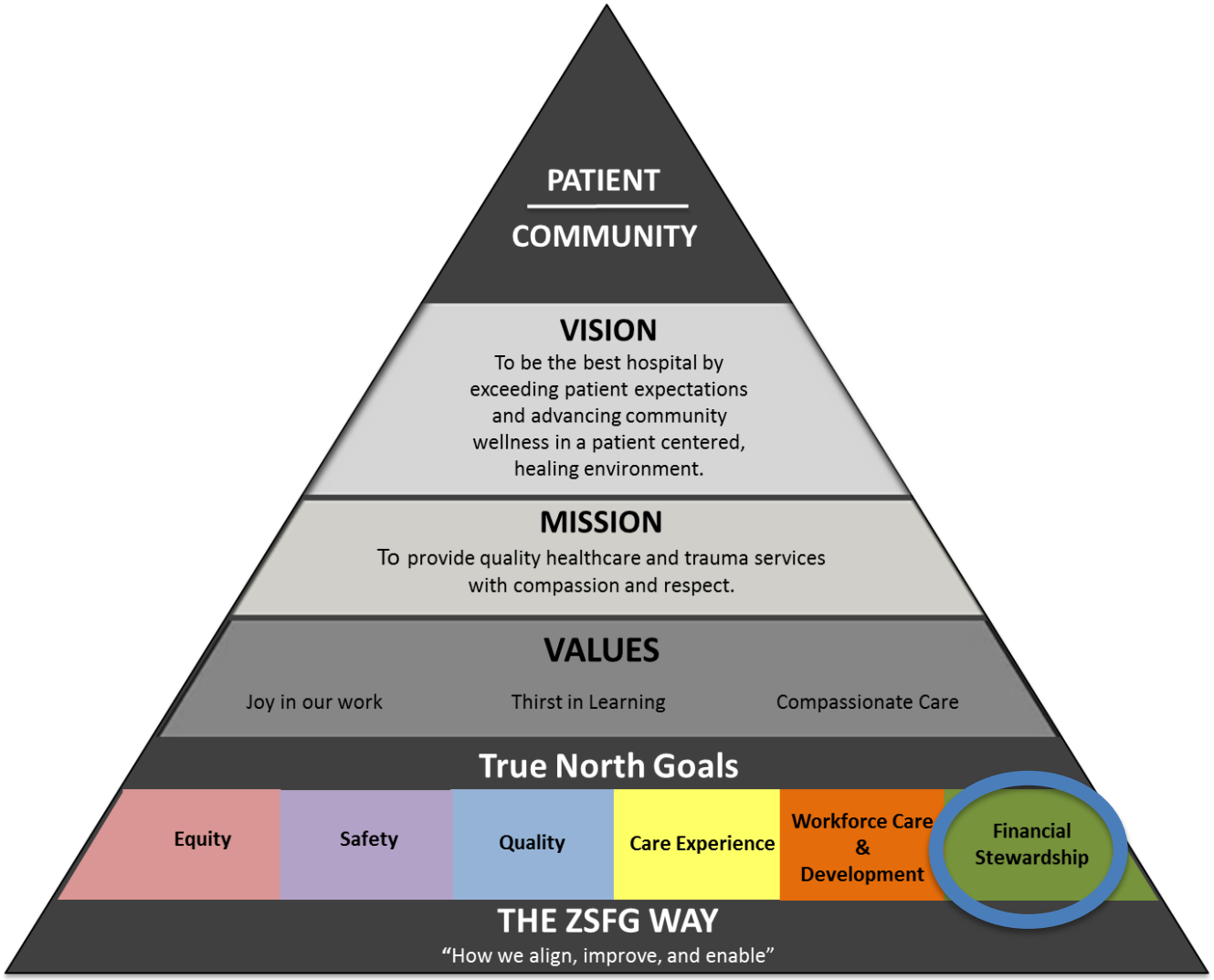
Revenue Cycle Optimization

Eric Wu, Chief Financial Officer
Hemal Kanzaria, Chief of Performance Excellence

SF HEALTH NETWORK
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH

San Francisco Department
of Public Health

ZSFG TRUE NORTH



Revenue Cycle Optimization

ZUCKERBERG SAN FRANCISCO GENERAL Hospital and Trauma Center

Title: Revenue Cycle Optimization
Owner: Jennifer Boffi

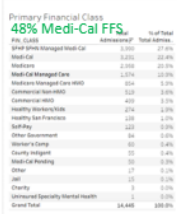
Team: Amy Ou, Diane Lovko-Premeau, Reanna Mourgos, Matt Sur, Thomas Istvan, Eric Wu, Tanvi Bhakta

Ver: 4	Date: 6/07/2023		

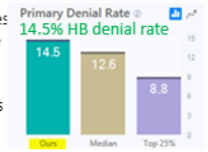
I. Background:

DPH and the SFHN have been exploring financial models to better support and serve our community due to the amount of money spent annually on Out of Network (OON) care. During the scoping and exploration of options, it was uncovered that 50% of the inpatient and specialty procedures population at ZSFG is fee for services (FFS) vs our capitated model. This happened, in part, because of the recent conversion of the consortium clinics to FFS which increase our inpatient FFS population. Patient populations in the FFS model require a higher level of authorization review and denials management to ensure proper payment to ZSFG and the health plan for services provided. Inaccurate or incomplete authorization and denials managements results in lost revenues.

II. Current Conditions:



Clinical Documentation Integrity query rate:
Denied Hospital Billing (HB) Claims rate pre-FFS: 14.5% (does include self denials) *reassess for Q1 2023 for new baseline
Denied Professional Fee Billing (PB) Claims rate: 7.8%
Timeliness of authorizations:
HB Clean Accounts and Claims rate: 71% (can still be denials downstream)
PB Clean Accounts and Claims rate: 51%



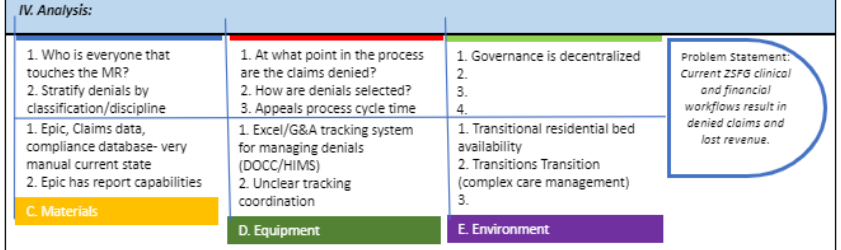
HB: Include % numerator/denominator definition, comparison group, dates pulled in next version.

Problem Statement: Current ZSFG clinical and financial workflows result in denied claims and lost revenue which impacts our true north goals of Financial Stewardship and ultimately our ability to be the best hospital for our patients.

III. Targets and Goals:

Selected Metrics	Baseline(at FFS go-live)	Benchmark	Target by [When]
HB Denial Rate (acute stays and outpatient specialty procedures)	18.6%	8.8%	17.0% [December 2023] 15.6% [June 2024]

IV. Analysis:



V. Possible Countermeasures:

Cause/Barrier Addressed	*Countermeasure*	*Description ("If-Then")*	*Impact*	*Effort*
People	Denials Taskforce	If we form a taskforce, then we will define root cause for what we are denied for and develop an action plan to manage the denial rate.	High	High
Creating capacity for transition to FFS	Patient Self Scheduling	If we allow patient self scheduling, then we create internal capacity to support denials management activities.	High	High
Creating capacity for transition to FFS	Clinic utilization	If we optimize clinic utilization, then we will improve patient access and reduce acute care utilization.	High	High
Creating capacity for transition to FFS	Automate authorizations	If we automate authorizations, then we will have clean and timely claims.	High	High

VI. Plan:

Countermeasure	*Description and Expected Result*	*Owner*	*Date*
Denials Taskforce Formation	Invite, develop PASTA and schedule meetings for the following (Aaron Harries, Tammy Higgason, Reanna Mourgos, Marissa Foster)	Reanna/Marissa	1/1/23
Develop baseline for denials	Monitor denials data and develop baseline for denials rate.	Thomas	4/1/23
Define denials (HB)	Denials taskforce to breakdown HB Denial rate and define components, stratify by REAL/SOGI	Reanna/Marissa	TBD
Develop and deploy countermeasures for specific denials	Discover best practices and identify root causes of denials at ZSFG and develop countermeasures (Denials Taskforce)	Reanna/Marissa	TBD
Patient self scheduling taskforce	Create patient self scheduling parameters and patient demo. Stratify by REAL/SOGI on who is self scheduling/data.	Jennifer/Thomas	6/1/23
Clinic utilization taskforce	Standardize practice for clinic utilization (block schedules and re-scheduling a scheduled appointment).	Jennifer/Thomas	6/15/23
Automate authorizations	Explore payor platform and other Epic opportunities.	Jennifer/Jenna	7/1/23

VII. Follow-Up:

Catch-ball A3 at exec, expanded exec and with ZSFG Equity Director/Council. CB with Network A3 owners following exec CB.
Bi-weekly report out at exec committee.
Denials taskforce report out monthly to exec steering committee.
Self Scheduling taskforce report out monthly to exec steering committee.
Clinic utilization taskforce report out monthly to exec steering committee.

ZSFG Problem Solving Template Printed - 8/15/2024

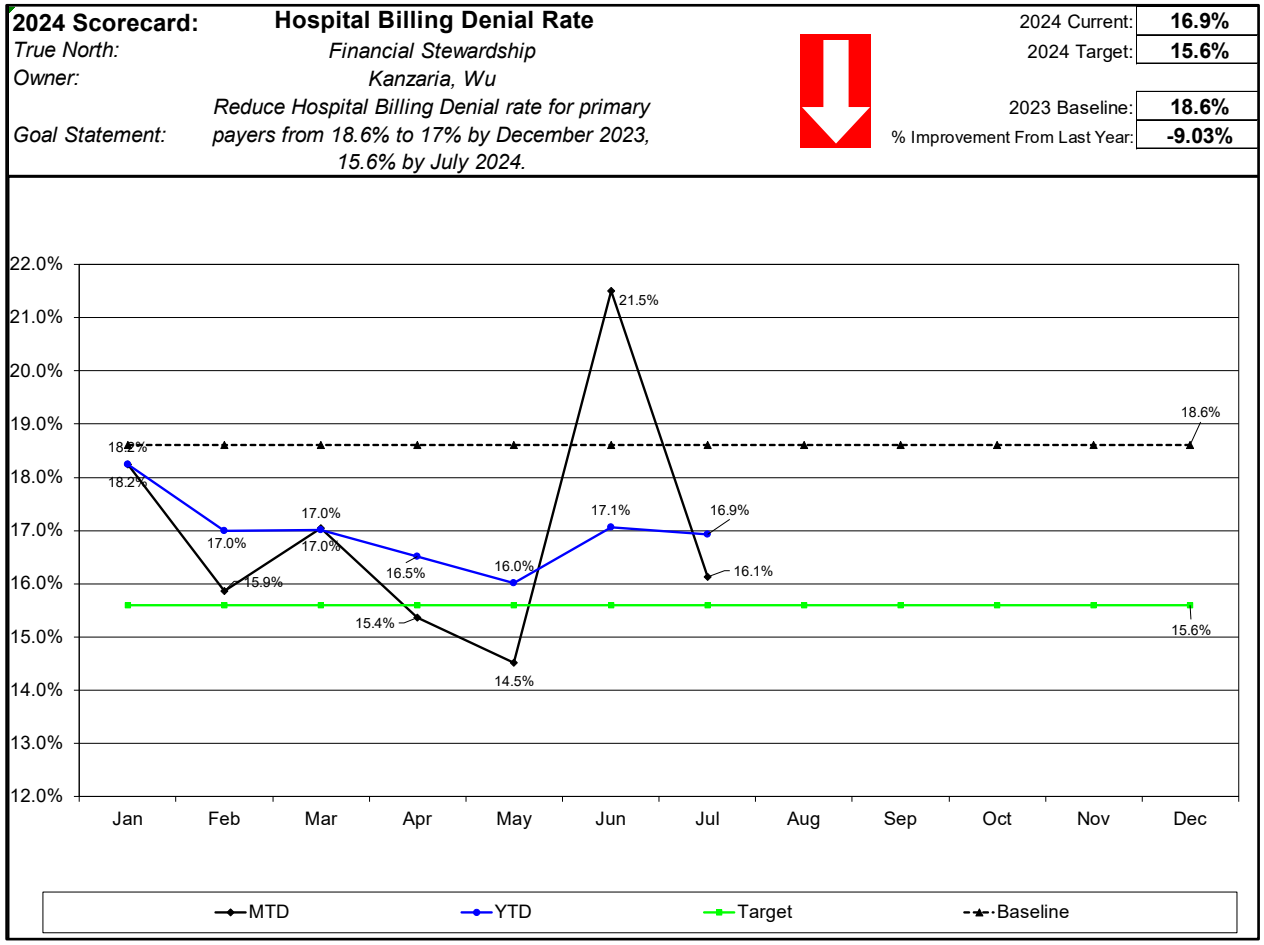
BACKGROUND

- DPH/SFHN exploring financial models for out of network (OON) costs
- 50% of inpatient/specialty at ZSFG are already Fee for service (FFS)
- Consortium clinics conversion to FFS increased FFS patients
- FFS requires more authorization review and denials management
- Inaccurate or incomplete authorization and denials management result in lost revenue

CURRENT CONDITIONS

Clinical Documentation Integrity query rate:

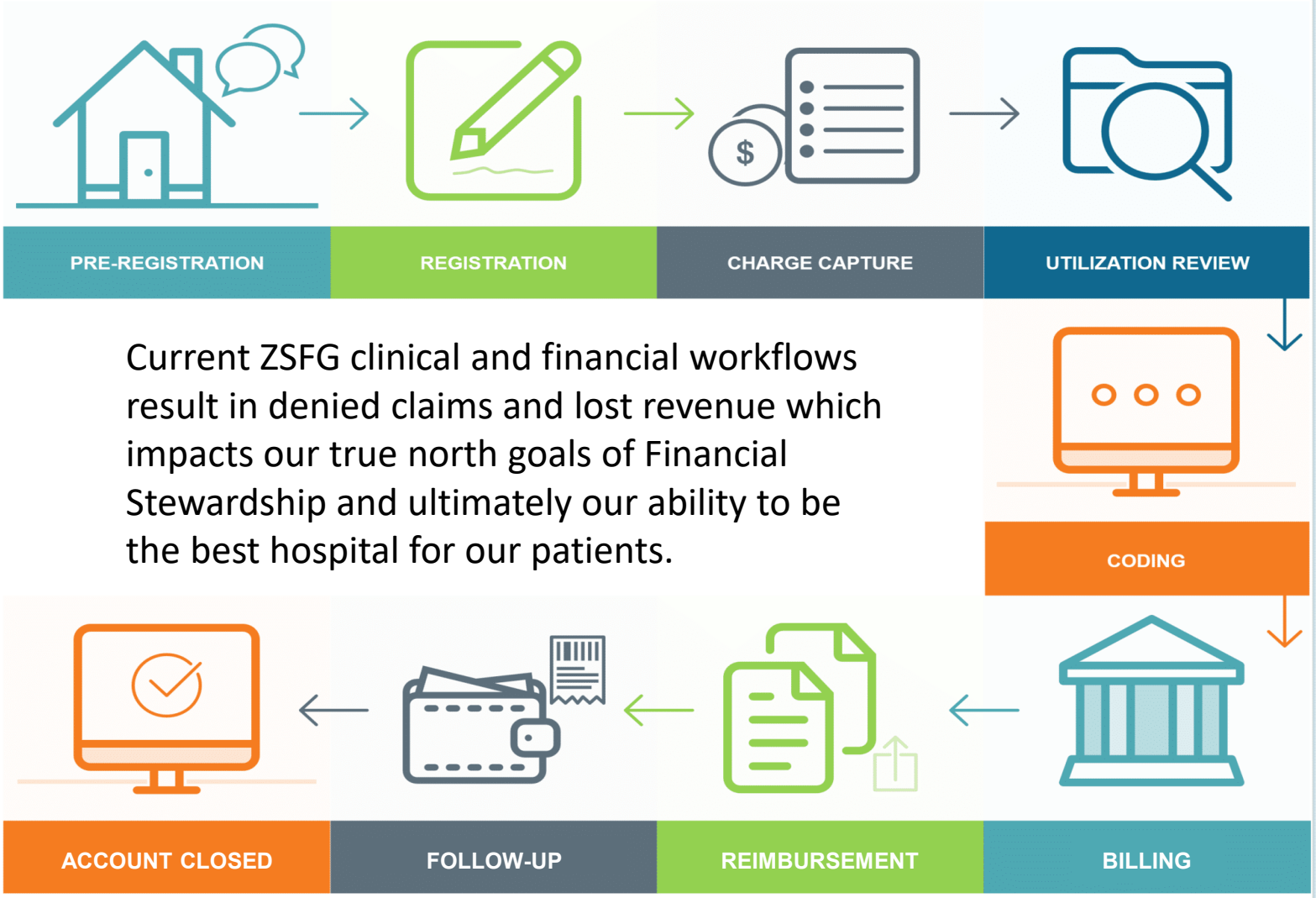
- Denied Hospital Billing (HB) Claims rate pre-FFS: 14.5%
- Post-FFE baseline: 18.6%



CURRENT CONDITIONS

Operational Area (Metric)	Baseline	Target FY24	FY24 Actual
HB Denial Rate (acute stays and outpatient specialty procedures)	18.6%	15.6%	16.0%

PROBLEM STATEMENT



Current ZSFG clinical and financial workflows result in denied claims and lost revenue which impacts our true north goals of Financial Stewardship and ultimately our ability to be the best hospital for our patients.

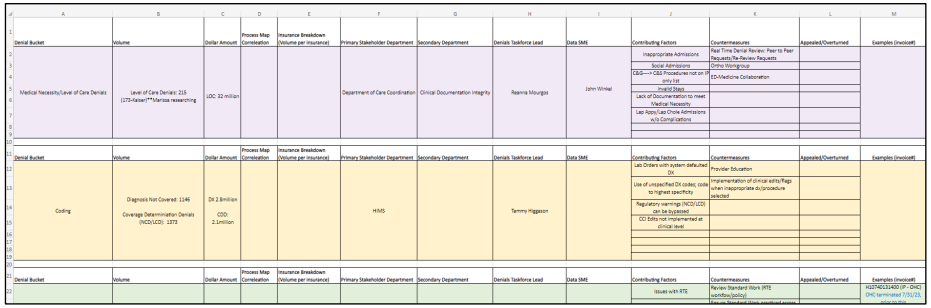
COUNTERMEASURES

Plan: What, where, how will you implement, and by whom and when?			
Countermeasure	*Description and Expected Result*	*Owner*	*Date*
Denials Taskforce Formation	Invite, develop PASTA and schedule meetings for the following (Aaron Harries, Tammy Higgason, Reanna Mourgos, Marissa Foster)	Reanna/Marissa	Completed
Develop baseline for denials	Monitor denials data and develop baseline for denials rate.	Thomas	Completed
Define denials (HB)	Denials taskforce to breakdown HB Denial rate and define components, stratify by REAL/SOGI	Reanna/Marissa	Completed
Develop and deploy countermeasures for specific denials	Discover best practices and identify root causes of denials at ZSFG and develop countermeasures (Denials Taskforce)	Reanna/Marissa	Ongoing

DENIALS TASKFORCE

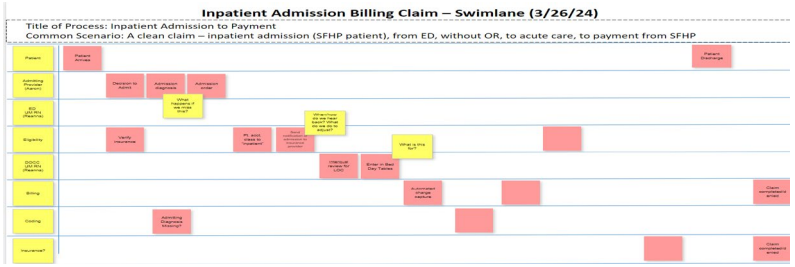
1. Deepening understanding of contributors to denials at ZSFG currently
   a. Developing operational A3 on denials to articulate current state and inform future efforts

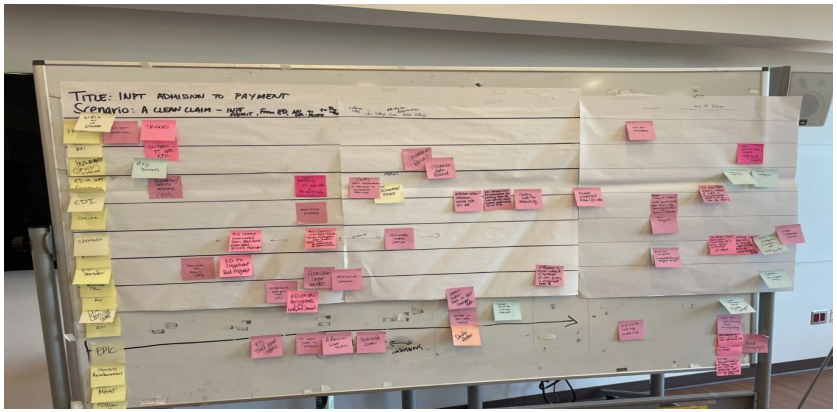
2. Advancing ongoing PDSAs
   a. Expanding Observation Services
   b. Exploring increased reimbursement opportunities related to surgical conditions e.g., appendicitis, joint replacements
   c. Relationship building with health plans
   d. Medical Necessity / Lower Level of Care Efforts



ACHIEVEMENTS, HIGHLIGHTS, AND CELEBRATIONS

- **Joint Replacement A3:** Current state understanding and root cause analysis to address denials related to joint replacement
- **Expansion of Services:** Expansion of observation services to include Medicaid/SFHP
- **Partnership with Health Plans**: Allowing for real-time collaboration on erroneous denials
- **New HIM Director**: Mary Holloway, the new HIM Director.
- **Improvement Science Integration:** Developed countermeasure summary to analyze reasons for denials on monthly basis
- **Team Collaboration**: Brought broad teams together in person for the first time to align efforts and develop revenue cycle swim lane





NEXT STEPS

- Global Strategy Review
  - Updated the PASTA & strategic team meeting to include new leaders and areas of focus
  - Conducted initial strategic discussions to engage leaders on achievements & challenges in FY 24
  - Developed a draft strategic A3 worksheet to prepare for FY 25
  - Investigated several other Key Performance Indicators that impact Revenue Cycle:
    - CMI (Case Mix Index)
    - Medical Record Completion
    - Clinical Document Integrity Response Rate
    - Revenue Realized Percent
    - Accounts Receivable Days
    - CDI Clinician Trainings
    - Potential ROI/finance KPI related to the 9th OR and improvement work related to total joint replacements (TJR).

QUESTIONS
COMMENTS
DISCUSSION