ASC billing vendor shortfalls: What to watch out for

By Angela Mattioda, Senior Vice President of Revenue Cycle Management Services and Client Experience, Surgical Notes

To increase collections, reduce internal staffing issues and improve financial performance, ASCs are increasingly outsourcing their billing. Unfortunately, many are finding that not all billing vendors are created equal. By the time an ASC discovers this truth, it may have experienced considerable damage to its bottom line and other ramifications.

Fortunately, ASCs do not need to settle for suboptimal outsourced billing. They have options, and while changing vendors requires work, transitioning to the right partner will be worth the effort.

Warning signs

How can an ASC determine if a change in its billing vendor is warranted? Some red flags to watch for:

- **Poor communication.** Your vendor should keep you current on issues including your overall revenue cycle performance, shifts in key performance indicators, changing payer requirements and problems requiring your assistance. The vendor should be transparent about these topics and never keep information from you.

- **Reporting problems.** Report shortcomings, including delayed reports, inaccurate reports, lack of report detail and lack of interpretation - or proper interpretation - of data, can contribute to untimely filings that cause lost or reduced payments and higher-than-expected accounts receivable days that contribute to cash flow issues. Your vendor should have processes to streamline workflows

and access to next-generation analytics to closely monitor key performance metrics.

- **Disorganized management and staff turnover.** If you're unsure who is serving as your account manager, or you struggle to get questions acceptably answered, these are reasons for concern, as is excessive staff turnover. Significant staffing changes points to culture or other issues motivating staff to pursue new positions, or the company may struggle to hire intelligently, all of which could significantly affect your account's performance.

- **Declining collections and strained cash flow.** When you entrust revenue cycle management to another company, billing issues should never occur without an adequate explanation, and the vendor should develop an action plan and timeline to address the cause(s). Trends should be identified and communicated by the revenue cycle management team, not called out by the ASC. Unsure how your revenue cycle is or should be performing? Undergo a third-party assessment. This will help you gain an understanding of the revenue cycle's health and whether your billing partner is meeting your needs.

Transition process

It's a fair amount of work to initially outsource revenue cycle management, so it's probably not surprising to that the same can be said for transitioning to another company. Even though switching is an undertaking, the right

partner will take on the bulk of the work and make the transition smooth.

When researching alternative companies, ask about their transition process. Expect to hear about an onboarding experience coupled with careful tracking of tasks and deadlines. The company should make it clear what work is needed from your ASC and what work the vendor's team will manage. The number of tasks for your center should be low.

The billing company should make you feel confident that they will provide any support you need to complete tasks and maintain ongoing communication throughout the process, so everyone stays aligned.

It's important for the vendor's operations team to participate in onboarding. If a company tells you it has one team completing onboarding and then you will be transitioned to an operations team, this should be cause for concern.

Choosing the right ASC billing partner

How can you better ensure the new company you choose won't also deliver an unsatisfactory experience? A few characteristics have emerged as differentiators between ASC billing companies. These have taken on increased importance in helping ASCs elevate their financial and operational performance.

Four of the most important differentiating characteristics are:

1. **True partnership.** From the start of the engagement, a billing company should work to develop a strong relationship with its client by providing exceptional support and services. The right company's customer service will transform it from a vendor to a partner that integrates with and functions as a seamless extension of your business office.

2. **Team expertise and structure.** An ASC billing company with a skilled staff, managed in a way that maximizes productivity and effectiveness, will be in a better position to provide a service experience that meets or exceeds your expectations.

3. **Best-in-class security.** Considering the cyber threats facing ASCs, centers need a billing company that treats security as a priority and takes steps to strengthen protection of sensitive data. Evidence of such a prioritization can include achieving SOC 2 Type II compliance, treating security and compliance as complementary, and ongoing investments in security.

4. **Next-generation analytics.** Next-generation analytics enable a billing company and its clients to take deeper dives into revenue cycle performance, unearthing insights that are more time-consuming or even impossible to reveal through legacy platforms.

Don't wait to protect your bottom line

If your revenue cycle performance isn't where it should be, and you're not closely collaborating with your current vendor on how to get it there, a change may be warranted — and fast.

Unaddressed revenue cycle problems grow and multiply. It's not much different than a leak. Unless fixed, the water keeps coming in and spreading. Don't wait to act if your revenue cycle is struggling. Doing so could eventually cause your ASC to experience bigger and potentially irreversible damage.

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Achieving and maintaining high client satisfaction: Q&A with Surgical Notes' Angela Mattioda

Angela Mattioda is senior vice president of revenue cycle management solutions and client experience for Surgical Notes.

Q: What are the contributing factors to high levels of ASC satisfaction with their billing partner?

Angela Mattioda (AM): The top request from any current client or client transitioning over to Surgical Notes from another billing company is communication. That includes keeping clients current on issues while not asking for help with issues we should handle as the experts.

A partner should know a client's account inside and out to keep billing processes moving smoothly. ASCs are also looking for transparency from their billing partners. That means sharing the good and the bad.

Strong collections are paramount. ASCs also want details on their performance metrics. If metrics start moving in the right or wrong direction, centers want to know, which goes back to communication.

Another factor is sharing feedback on ways ASCs can improve processes that may contribute to optimizing metrics and cash flow. ASCs should always feel their revenue cycle management team is a partner and extension of the business office.

Q: How does Surgical Notes maintain excellence in these areas?

AM: We understand our clients and prioritize communication, transparency and high levels of performance. A big reason we maintain excellence is by having managers specialized in their departments, such as those in payment posting, billing and accounts receivable. Clients benefit from that expertise and the support from an assigned senior manager who oversees their account.

Surgical Notes takes pride in its service excellence. No client is considered less important than another. Our reputation in the market is unparalleled because we value every client equally and work hard to build strong relationships.

Q: What are ASCs looking for when they switch to Surgical Notes from another ASC billing company?

AM: A better experience in the areas I've highlighted, especially communication. Usually, the biggest complaint we hear is ASCs feel there's no meaningful relationship with the billing company.

Then comes a desire for greater attention to their AR. Cash suffers because AR is not being worked timely. I completed an audit of an ASC with another billing company and found they lost substantial money to missed timely filing deadlines and other avoidable issues. These problems show a serious disconnect and point to a vendor not treating the client as a priority.

ASCs should never feel like they need to oversee their revenue cycle management team's performance. Centers should have a high level of confidence in the team and know their facility is well taken care of.

Q: How does Surgical Notes ensure an effective, efficient transition?

AM: We have a veteran team dedicated to onboarding. We use project management software to ensure everything is tracked with who owns the tasks and deadlines. We take as much work off the client's plate as possible while being clear on a client's transition responsibilities. We regularly meet with clients and provide updates.

Key to a smooth transition is involving the assigned revenue cycle management team in the onboarding. They are part of building a strong foundation and relationship.

Setting expectations, clear communication and putting together an action plan for addressing issues in AR from the start is something that typically impresses new clients.

Once we sign a contract, our onboarding team reaches out to the new client and share a list of the most time-consuming tasks needed for the transition, like pulling copies of contracts and providing us with access to technology systems. With this information, the client can start on this work before our kickoff call, which cuts down on the time needed to complete the switch.

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