



FIRST TIME RIGHT METRICS

Introduction

In a Services origination, the most efficient method for cutting waste is to attack anything and everything that is not done right the first time. This concept, known as First Time Right (FTR), involves making sure all activities are carried out in the right manner - First time and every time.

The efficiency of a medical practice's billing operations has a significant impact on financial performance. Determining the ultimate concierges of the billing function – whether an in-house team or a third-party firm is one of most important judgments for any firm

Challenge

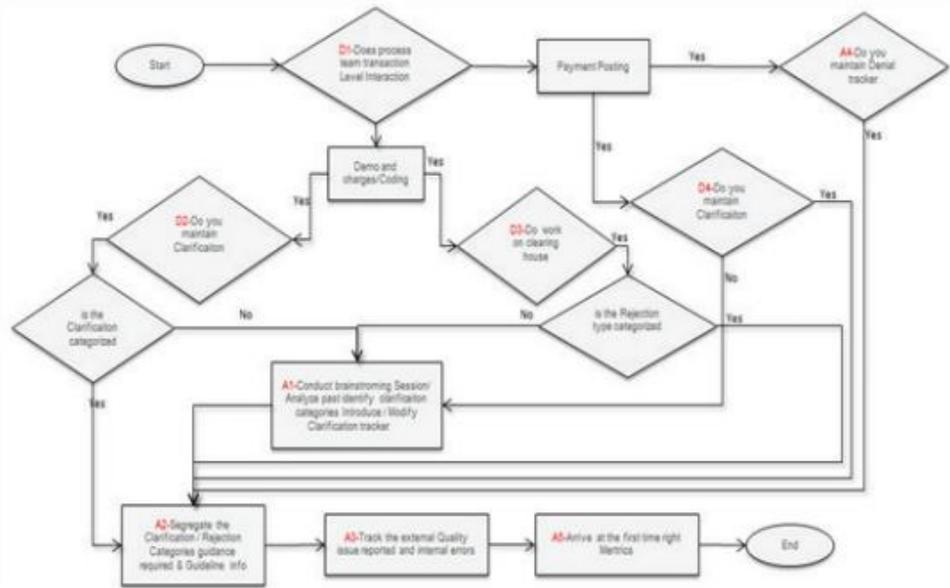
Not able to do 'FTR" means you are putting twice the energy for the same job/work, once while doing it and second time while correcting it. Zero defects process is an execution strategy reinforcing the concept that defects are not acceptable, and every claim processed should be done right the first time.

With the tenure of the process in service centers increasing, branches expected the operations teams to use the information provided and process the claims with no/minimal dependency on the branches. To measure and improve, how independently a team processed the request, the metric – "First Time Right" is a good indicator for both process owners and managers in the service center.

ExdionRCM took the FTR approach proactively by streamlining operational and financial processes for optimal financial performance. Our Revenue Cycle Management (RCM) services touched every practice function — from the front desk to the back office — to help manage customers' revenue cycles from initial patient encounter to collection and beyond. We offered the tools and training practices needed to track claims data, ensured accurate and timely claims submission, boosted collection rates and optimized billing practices. It's time to stop being reactive and get proactive.

ExdionRCM Approach & Unique Solution:

ExdionRCM took a unique approach to turn this situation around by leveraging some quick fix methodologies to start with but rapidly put in place holistic metrics. ExdionRCM began with a consultative and transformation approach through FTR Strategy that helps deliver consistent outputs with predictable outcomes. The target category in the Phase 1 was "Clarifications"



Analysis that were done for this categories:

Time spent on clarification/transaction/clearing house rejection

Clarifications/ Queried transaction

Clarifications leading to SOP Updates

Clarification by category

Segregation of clarification /Rejection categories

Clarification

Group	Month	Input incorrect	Missing information	Knowledge Gap	Not Legible	Instruction not clear	Not in System	Total	Variable
Guidance Required	May	0	47	0	7	0	7	50	x
	Invalid Clarification	0	0	0	0	0	0	0	y
Guidance Required	Jun	0	83	0	0	0	0	83	x
	Invalid Clarification	0	0	0	0	0	0	0	y
Guidance Required	July	1	50	0	7	0	7	54	x
	Invalid Clarification	0	0	0	0	0	0	0	y

Rejection

Group	Month	Coding Issue	Dema Issue	Duplicate Billing	Instruction not clear	Insurance Issue	Missing information	System Issue	Total	Variable
Rejection	May	6	2	0	3	565	25	20	640	x
	Jun	6	2	1	1	0	20	15	46	x
	July	7	2	1	0	0	32	9	45	x

After some brainstorming sessions involving relevant team members we analyzed clarification categories and introduced clarification trackers to address any discrepancies. The team segregated the clarification/rejection categories which required guidance and tracked the quality issues reported to arrive at the FTR target metrics

Arrive at the First Time Right Metrics

Parameters	Formula
Total No. of claims Processed	A
Total No. of Errors	Z
No. of Requests with clarifications	xy
No. Of Clearing House Rejection	C
No. Of Claim Denied	D
Total 1 st time right requests	$b = a - (xy + cd)$
First time right accuracy %	b/a
First time right accuracy %	$(a-z)/a$

Group	Month	Total	Variable
Charges Entered	May	7136	a
	Jun	6395	a
	July	6408	a

Parameters	May	Jun	July	Formula
Total No. of claims Processed	7136	6395	6408	a
Total No. of Errors	42	11	9	z
No. of Requests with clarifications	50	63	54	xy
No. Of Clearing House Rejection	640	48	45	c
No. Of Claim Denied	1811	1490	352	d
Total 1 st time right requests	4635	4794	5957	$b = a - (xy + cd)$
First time right accuracy %	64.95%	74.96%	92.96%	b/a
First time right accuracy %	99.41%	99.83%	99.86%	$(a-z)/a$

Solution

Defects are a failure of the process to meet a "Critical to Quality" specific standard - This is a characteristic that every process owner should care about. The number of challenges must be determined based upon these "Critical to Quality specific", and should be based upon a well-reasoned process. Inflating the number of opportunities will lower the ratio of defects to opportunities. The lower level of defects per million opportunities, the process is said to have achieved Six Sigma status.

Benefits

- More efficient business processes Improved standardization
- Proactive and predictive organization
- Fewer FTEs required for performing non-value activities
- Less correction of documentation errors Satisfaction- Positive publicity and feedback from customers

About ExdionRCM:

ExdionRCM comes with over 15 years of Insurance Process Management expertise. ExdionRCM services clients ranging from Fortune 500 to small and medium sized healthcare businesses. ExdionRCM is ISO 9001 certified for Quality and ISO 27001 and HIPAA certified for information security.

The company thrives on Business Excellence and leverages models such as Kaizen and Six Sigma along with technology enablers, to continually enhance value to customers. ExdionRCM lays great emphasis on Accountability, Integrity, Innovation, Transparency and most importantly Customer Focus. ExdionRCM continually strives to deliver transformational excellence through technology-centric process optimization and continual knowledge enhancement.

ExdionRCM's solutions include Transformation Consulting, Business Process Management, Analytics and Revenue Cycle Maturity frameworks that leverage CLOUD FIRST technologies.

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