The True Foundation of the Healthcare Revenue Cycle

September 1, 2020
Jennifer H. Vines, Founder/CEO, Eddy

Who are the most important people in the healthcare revenue cycle? The physicians provide medical services to treat patients' injuries and illnesses. The nurses are caregivers that meet the needs of patients while they are receiving treatment. Medical billers and coders generate patient invoices, prepare claims for insurance companies, manage rejected claims, and do all they can to ensure payment for services. What about patients and insurance companies? Would they not be the vital piece in a healthcare organization's revenue?

<div align="center">The simple answer is no.</div>

The most crucial contributors are active before any of the above mentioned players, and they are the credentialing specialists. Often referred to as members of a "Non-Revenue Generating Department," it can be substantially argued that these overworked and underpaid professionals are the foundation of any healthcare revenue cycle regardless of organization size, location or the population served.

Credentialing healthcare providers of all levels is far from a simple background check. Vital documentation is collected from the doctor, nurse, dentist, physical therapist, nurse practitioner, and any other professional who provides direct care to patients. Driver's licenses, education, specialized training, professional licenses, certifications, insurance, work history, and current privileges all must be collected and then verified individually via "primary sources," which are dictated by each facility's policies and procedures and/or bylaws. Every step of this undertaking must be clearly documented for audit events that, if found to fall short of the accrediting body's standards, could result in significant fines. All the while, these saints might encounter providers who are less than responsive to requests for documentation while restless department heads and executives wonder why the process can take anywhere from fifteen to ninety days, depending on the tools being used.

Credentialing is what allows providers to obtain privileges in hospitals, enroll in health plans, and must be done every 1-3 years (depending on the organization's protocol). The altruistic credentialing specialists, sometimes referred to as medical staff specialists, might be available for a long lunch if it wasn't for the additional responsibilities: maintaining current provider licensure, renewing provider certifications, identifying locations and specialties for each provider, coordinating payor plans, overseeing continuing professional education requirements, facilitating performance reviews, monitoring malpractice claims, and more. Sounds like a significant role that should earn a substantial salary, right? No, the average salary range for a Credentialing Specialist is $31k-$54k, and most work no less than 60 hours a week.

Why do they choose this career, since it is obviously not the superfluous salary? The number one reason is to protect patients. They serve as the initial shield by confirming that a healthcare provider is who they say they are and that they can apply the practice of medicine effectively without causing harm. Credentialing specialists and medical staff professionals are society's guardians against those who try to slip through the cracks with multiple medical malpractice claims, suspended licenses, and other fraudulent behavior that puts patients' lives at risk. They are passionate about their mission and understand that cutting corners could result in patients receiving inadequate care or even death.

The secondary purpose of this department is to generate revenue. Without the completion of the verification process, providers don't provide services, invoices are not generated, and revenue is not received. Being labeled a "Non-Revenue Generating Department" in the healthcare industry usually means that they are the last to access new technology or earn a salary increase, and they certainly don't receive frequent visits from leadership.

A disconnect seems to exist between the leadership of healthcare organizations and the Medical Staff Office or Credentialing Department. Executive officers are focused on value-based care initiatives, risk mitigation, loss management and clinical requirements at the very least, while credentialing remains in their periphery, if visible at all. If delays impact the credentialing timeline, this can be very costly for healthcare facilities. Practitioners cannot provide services, billing offices cannot file claims, and reimbursements or payments do not exist. Additionally, if providers are found to be noncompliant due to expired credentials, then fines are assessed.

"Non-Revenue Generating Departments" are often the last to be considered for new technology. Hospitals that average 400 providers and boast about advanced medical care technology can have the credentialing department managing provider information on spreadsheets with data collected via paper applications. Providers complete a "pre-application" to request an application, and the credentialing application is submitted after 2-3 hours of data entry. Supporting documents are emailed or faxed, and this contributes to the paperwork burnout experienced by so many healthcare providers. When the leadership is asked about technology solutions in this department, the general response is, "We have a solution," but few have ever evaluated that solution for its efficacy.

How much time is lost to redundant actions or processes within the solution?
Do specialists work on multiple platforms due to inadequate features?

With the increase of millennials in the healthcare industry, both as providers and administrators, the aggravation with current credentialing procedures is likely to increase at a rapid rate. The misconception is that this generation is lazy and expects instant gratification, and only the latter is true. Millennials have rarely waited in line for concert tickets, searched the yellow pages, or depended on encyclopedias due to the technology that has been afforded to them. Ineffectual methods are considered to be a waste of time. It is time for the technology in healthcare administration to catch-up to the astounding capabilities of medical care technology.

Identifying the foundation of the healthcare revenue cycle is key in stabilization, but applying value to the credentialing specialists and medical staff specialists who support that foundation is critical. Prioritizing salary increases and offering state of the art technology that further protects patients from injury and death caused by practitioners without the training to safely practice medicine will be beneficial for the facility as a whole. Going a step further by personally interacting with the credentialing manager or medical staff specialist brings a new level of morale to an office that has been overlooked, but deserves so much more.