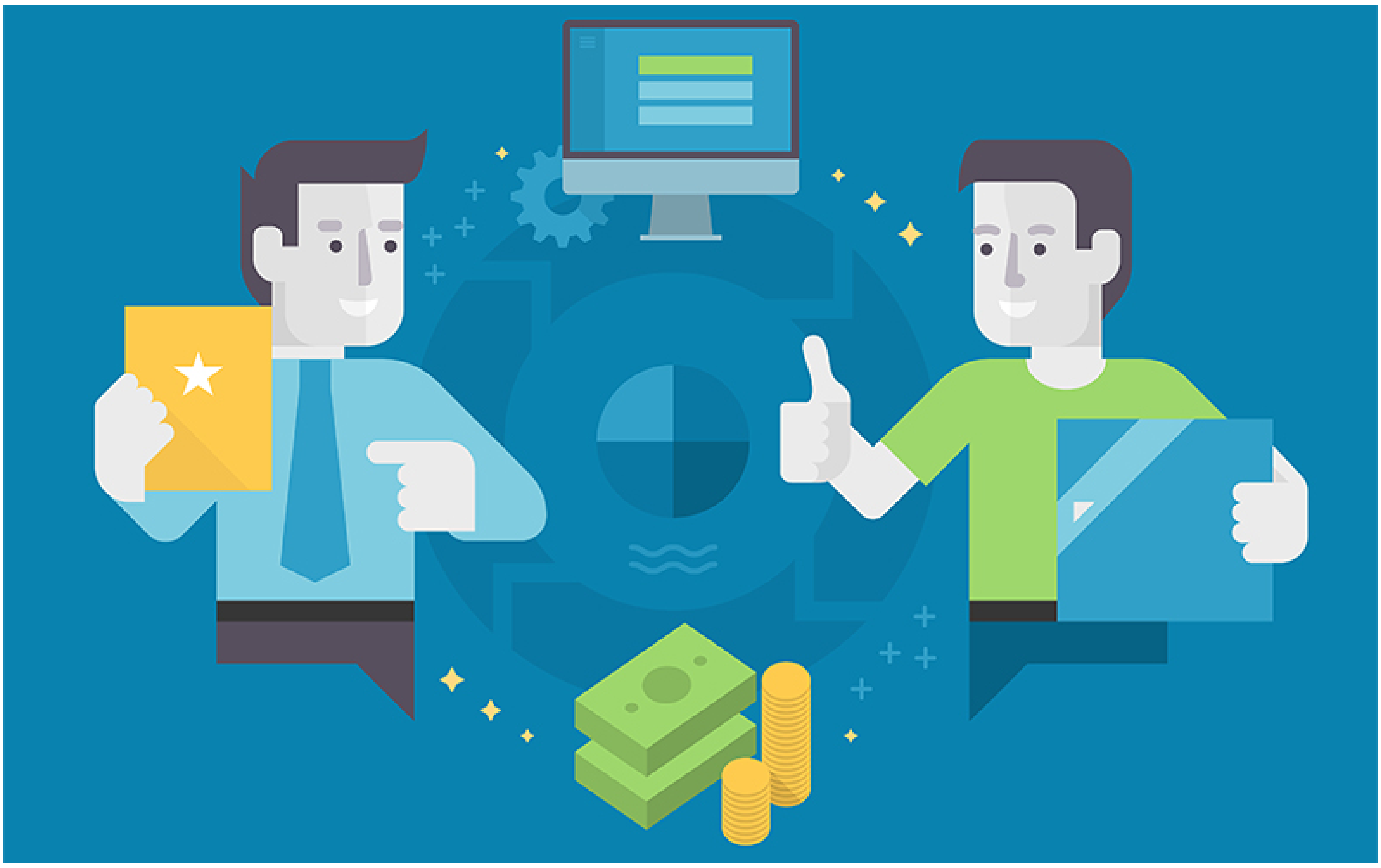
Effective RCM is Key to Urgent Care Independence



Any discussion of the meteoric growth of urgent care necessarily includes the growth of the physician-entrepreneur. Hailing from mostly from family practices and the ER, physician owner-operators looking to strike out on their own and head up independent centers have long been the driving force of the urgent care boom.

Lately though, hospital systems and private equity (PE) groups have risen to the forefront of the industry, developing an affinity for acquiring independent urgent care centers – given their ability to easily convert walk-in patients into long-term customers via referrals. So, for urgent care physicians who lack the necessary growth capital, are seeking different career opportunities, or simply wish to leave the urgent care model altogether, selling to a hospital or PE group represents a viable financial option, and can be an ideal exit strategy.

Many urgent care physicians, however, remain committed to urgent care as a practice model, and wish to remain an independent operator for many of the same reasons that initially drew them to practice:

- Complete control of their financial health
- The ability to run their practice as they see fit
- A confidence in their ability to thrive and adapt to industry change
- The challenge of growing their center and expanding their market footprint

In today's climate of value-based care, changing reimbursement models, increased regulatory burdens, and shifting payer mixes, though, the only sure way to continue thriving as an independent urgent care center is to be on strong financial footing. And the only way to maintain a strong financial profile is through having a firm handle on revenue cycle management.

Revenue cycle management (RCM) in healthcare consists of every clinical and administrative function involved in the timely and accurate capture, management, and collection of patient revenues throughout the patient account lifecycle. In short, revenue cycle management begins the moment the patient presents for treatment, and ends when the patient account has a zero balance. The faster, more efficient, and less error-prone the RCM, the steadier the clinic's revenue, resulting in a healthy and strong financial footing.

So, what's the key to a robust revenue cycle? As revenue cycles consists of a multitude of variables and metrics, a practice management (PM) software solution designed specifically for urgent care coding and billing, and created to handle the complexities of urgent care revenue cycle management. Basic, run-of-the-mill PMs fall short of the functionality needed to capture clinical data required for today's newer reimbursement models, which emphasizes metrics such as cost and quality data towards performance – no longer just service for a fee. A PM must also seamlessly integrate with the existing EHR to unify financial and clinical outcomes, while spotlighting points in the cycle-chain that can be better optimized to maximize revenue.

Additionally, a quality PM solution should support the revenue cycle in some of the following ways:

- Coding/ICD-10 – Properly coding encounters that conform Current Procedural Terminology (CPT) and ICD-10 helps practices avoid coding mistakes that can result in a costly denied claim
- Cloud-based interoperability – Cloud-based solutions allow for integration and exchange of patient information between separate EHRs such as those connected to an affiliated hospital system or provider networks
- Strong support of revenue cycle activities – PM software must allow for simple and streamlined billing, invoicing, patient scheduling, and claims processing activities that help shorten days in accounts receivable and reduce first pass denials.

In sum, urgent care centers that wish to remain independent amid sweeping industry changes and increased regulatory demands must maintain a strong financial profile. And as RCM is the foundation of a financially thriving practice, centers of today must utilize PM solutions designed to support new reimbursement models, track and manage key financial drivers, and provide end-to-end functionality and support at every stage of the revenue cycle.

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