



Optimize Your Billing System: Assess the Situation

By Larry Houghton

Part One of a three-part series

Rarely done and time-consuming, system optimization projects may be considered IT department busy work. The common refrain is, *My department is too busy working on project work and fixing urgent issues to work on something like this*. And often this may very well be the case. But optimizing your system presents an opportunity to show your customers (the users) that you are willing to go the extra mile to ensure that the system is operating to its best possible potential.

So for whom is this advisory intended? For any organization whose billing system has been in place for a while (say, three years or longer) and where those who are responsible for its maintenance (maybe you?) have done all they could to make things work well.

The first step in optimizing your billing system is to perform a written assessment, detailing issues within your system that can be tweaked to make the system and its users work with more efficiency. Who needs to perform this type of assessment? Pretty much the majority of billing organizations.

If you have not looked at ways to optimize your system in a while (or ever), the initial process might take some time and planning. However, if you review areas for optimization regularly, the process should be quick and highlight areas that you know you have wanted to fix/change.

Also, periodic review and remediation of your system will help you in the long run and perhaps avoid reinstallation of your billing software. There is no right or wrong timeframe for scheduling optimization assessments. It varies organization to organization. For simplicity's sake, use every two years as a general guideline and adjust accordingly to your particular situation.

Why an Assessment?

Fail to plan. Plan to fail. An assessment is the only way you are going to find out where your system's areas of opportunity are. Anyone in IT responsible for running a billing system has a good idea of changes that could improve the system but may not know all of the pertinent details. An assessment provides the details - and often reveals previously unknown opportunities.

System optimization is all about making it easier to get information into and out of the system. The goal of your assessment is to find improvements that can be made to make the billing system more user-friendly. In many cases the changes that you identify as improvement opportunities are transparent to the users and allow them to perform the same processes in the same way but with better results.

Do not get hung up on trying to find a *big score* – a major issue that is going to make the system fly. Focusing only on the major improvements is time-consuming and creates complexity in implementation. A large volume of smaller improvements allows you to change and test more quickly and provides a more comprehensive optimization. A lot of little modifications will let you *score big!*

Where to Look

Everywhere! Interfaces, data files, data entry screens, production processes - everything. Over time your system gets cluttered with alterations that were installed quickly due to turnaround constraints or just plain not well thought out. These are the changes your assessment should target.

Since a billing system optimization assessment is all about making things work better, there are two categories on which to focus: *Things to Correct* and *Things to Automate*.

Typically issues that users are required to work around every day, Things to Correct take precedence.

You do want to look at everything. However, you do not always have the time to do so. The following three areas are the minimum that should be included on your Things to Correct List:

- Master files, tables and/or dictionaries.
- Data entry screens and/or questionnaires.
- Production activities.

The changes identified in the Things to Automate list are typically not problems that are being worked around and will take longer to implement. However, there may be items on this list that can be implemented fairly quickly. The major improvement opportunities identified should be itemized and a plan created for their implementation.

These are the areas you need to review, at minimum, on your Things to Automate List:

- Interfaces (incoming and outgoing).
- Reporting.
- Production activities.

Your assessment should reveal a great deal. At the very least it will identify improvement opportunities. If your organization has solid policies and procedures for system updates and everyone follows them, outstanding issues should be manageable. If not, you may need to take a phased-in approach to any changes.

The next two parts of this series will discuss what to look for and how to address common issues with your Things to Change and Things to Automate lists.

Larry Houghton is a Beacon Partners Senior Consultant. Beacon Partners is one of the fastest-growing privately-held healthcare management consulting firms, coaching organizations in the development of strategies that are centered on maximizing Enterprise Yield performance. To achieve top levels of performance, an organization must factor strategic direction, physician alignment, economic incentives and overall market impact. Our experience has proven that focus on these critical success factors will strengthen an organization's position in the market and, ultimately, improve the patient's experience with the provider.

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