

PNC HEALTHCARE ADVISORY BOARD REPORTS KEY INSIGHTS AND RECOMMENDATIONS

By Vince Fiano, Senior Product Manager – Treasury Management Sales Strategy

Healthcare providers and payer face many changes and challenges, including the Affordable Care Act and the desire to pursue acquisitions, reduce expenses and evaluate new reimbursement approaches.

PNC's Client Healthcare Advisory Board provides valuable insight, which helps PNC to anticipate healthcare provider needs. PNC uses this knowledge to develop products and services that meet those needs. Advisory Board meetings are also opportunities for clients to network and share best practices.

RESULTS AND REACTIONS TO STRATEGIC RESEARCH

With the passage of the Affordable Care Act and other recent trends in the U.S. healthcare system, we are experiencing a paradigm shift toward patient-centered care. PNC Healthcare commissioned Shapiro+Raj to explore this shift and what it means for the future of healthcare.

The study revealed that the Millennial generation (ages 21–32) will demand more information transparency, digital access, collaboration with physicians and responsiveness from providers than previous generations. At the same time, all generations — especially Millennials and Gen-Xers (ages 33–49) — are seeking to interact with the healthcare field in the same way they interact with other segments of the economy.

The competitive intensity among providers will continue to increase.

Advisory Board members commented that they are looking into designing patient-centric healthcare processes and are interested in healthcare consumer segmentation and how to build loyalty among Millennials in order to address these challenges.

Members of the Board confirmed that it is difficult to collect patient payments upfront due to the unpredictable nature of office visits and variations in patient demographics. They commented that healthcare providers may also find it difficult to change the organization's culture so that upfront collections become routine. They also noted that patients may reschedule elective surgery if financial clearance cannot be obtained in time.

Board members felt that product innovation in the areas of intelligent workflow, automation and patient segmentation may help with some of these issues.

A copy of a white paper detailing the study "The Road Ahead in U.S. Healthcare: Will Patients Take the Wheel?" is available on pnc.com/healthcare under the Market Matters heading.

BUILDING BRIDGES BETWEEN TREASURY AND REVENUE CYCLE MANAGEMENT

Healthcare Advisory Board discussions revealed a gap in understanding between treasury management and revenue cycle management as a result of revenue cycle functions being more aligned with finance on a day-to-day basis. At the same time, treasury groups have limited staff and consequently can't focus on all stages of the revenue cycle, commented one Board member.

Another Board member noted that their system's treasury group has found it helpful to build a relationship with the revenue cycle team in order to understand ICD-10 for cash forecasting purposes. And yet another suggested it would be beneficial for treasury associates to spend time with their revenue cycle peers to understand how cash flow can be improved.

A COLLABORATIVE APPROACH TO IMPLEMENTATIONS

Board members noted that they appreciate their financial institution employing a collaborative approach when implementing new treasury management processes. Project management, the ability to "see around corners," and a willingness to step up to complete specialized tasks were also important. Clients want to see as much detail as possible with project plans as well as a high-level executive plan.

They value long-standing relationships with Treasury Management Officers who are pleasant to work with and possess very detailed knowledge of the client's health system. They expect their TMOs to keep up with press releases and to proactively suggest ideas based on this knowledge. PNC's investment in the Shapiro research and our Healthcare Innovations team presentations were also named as differentiators.

PRODUCING MORE DATA SOLUTIONS INTERNALLY

Board members have found that employing metrics and benchmarking can lead to positive results. At the same time, they are trying to reduce reliance on software suites from outside providers and to employ enhanced solutions for revenue cycle automation including predictive analytics and denial write-offs. They look to their financial institution for solutions that more directly meet the unique needs of their organizations.

KEYNOTE SPEAKER PROVIDES UPDATE ON CHANGES IN HEALTHCARE

Keynote speaker Dr. Delos (Toby) Cosgrove is chief executive officer and president of the Cleveland Clinic, a \$6.2 billion healthcare system comprising a main campus, more than 75 outpatient locations and a clinic in Abu Dhabi.

Dr. Cosgrove discussed the changes in the healthcare environment that are occurring now and anticipated in the future. He noted that technology, demographics and legislation are all contributing to the accelerating pace of change. The basis for reimbursement is shifting to outcomes from fee for service. The number of beds in the United States is shrinking, and more hospital closures are expected. A growing share of the population will be covered by Medicare. There is more transparency around provider cost, and consumers are using this information to guide decisions.

With more than 700 patents, the Clinic is using the latest technology to improve the delivery of medical education and patient care. For example, the Clinic is moving toward providing "Care anytime anywhere" through cutting-edge technology and has increased patient satisfaction scores by improving physician communications.

ABOUT THE AUTHOR

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