

Step in Revenue Cycle

Step in revenue cycle ¹	Note time and place for in your organization and potential improvement opportunities
1. Preregistration <ul style="list-style-type: none"> • Collect personal, demographic, and payer information and information about service • Generally, by telephone 	
2. Precertification, payer verification <ul style="list-style-type: none"> • Contact payer such as Medicaid, insurance plan. • Certify, verify coverage. • Electronic preauthorization? 	
3. Registration <ul style="list-style-type: none"> • Complete paperwork, signatures. • Financial counseling, and payment agreement 	
In behavioral health, assessments and treatment planning often precede external authorizations.	
4. Charge capture (In BH, ongoing with services) <ul style="list-style-type: none"> • Timely and accurate record keeping and generation of charges • Verification of documentation 	
5. Coding and reimbursement <ul style="list-style-type: none"> • Receipt of patient pay at time of service • Controls for cash management • Revenue maximization 	
6. Third party bill preparation and transmission <ul style="list-style-type: none"> • Manual production • Electronic production • Contract management system for amounts, other variations 	
7. Denials management <ul style="list-style-type: none"> • Billing audits • Internal controls • Legal and compliance issues 	
8. Follow-up <ul style="list-style-type: none"> • Third-party: Medicare, Medicaid, insurance • Self-pay: deductible, co-insurance 	
9. Cash collecting and posting <ul style="list-style-type: none"> • Bad debt expense • Financing • Collection agency and collection agency performance monitoring • Cash posting 	

¹ First column of table below adapted from Berger S, *Fundamentals of Health Care Financial Management: A Practical Guide to Fiscal Issues and Activities*, 4th Edition (Jossey-Bass Public Health, San Francisco CA) 2014, P. 148