



SPEND MEND

Key Questions for Selecting a Recovery Audit Firm in Healthcare



Before your Healthcare System settles on a Recovery Audit, you and your management team must ask your prospective recovery auditing firms several critical questions about their process and their approach to profit recovery.

The following list outlines some key question you should be asking, along with elements of the successful answers you should expect from a savvy provider.

Question: What is your priority as a Recovery Audit firm?

Your Recovery Audit firm should recover dollars for you, but their priority should be to provide visibility and insight that help to prevent future financial leakage.

Question: Can we perform background checks on principals and key personnel?

This step is critical. Your hospital's records are sensitive. Before handing over private financial information, perform due diligence on the principals that you will be working with.

Question: Why should we pick you over other firms?

Your provider should clearly differentiate themselves by their ability to prevent future losses. Otherwise, your provider may simply expect to revisit and exploit the same financial gaps year after year for their financial gain.



*Written By: Rob Heminger
SpendMend President*

Question: What internal resources will you need and how much time will the Recovery Audit require?

Your provider should clearly differentiate themselves by their ability to prevent future losses. Otherwise, your provider may simply expect to revisit and exploit the same financial gaps year after year for their financial gain.

Question: What experience, credentials or accreditations are held by the audit staff that will be assigned to your account?

In our experience the best credentials you can review are successful client referrals and testimonials in the healthcare space. Advanced degrees may provide some comfort, but by and large, you should be looking for a firm that has had sustained success serving other healthcare entities.

Question: What precautions do you observe to maintain good buyer/supplier relations?

A best-in-class supplier should present two clear elements to ensure supplier compliance and relationships.

1. A large, up-to-date, constantly refreshed supplier database that has grown organically from the work they do with healthcare organizations.
2. A documented process for communicating and escalating (where appropriate) with suppliers. All communication should be archived and time stamped.

Question: What assistance or follow-up consultations do you provide to help ensure the recommendations provided at the close of the audit have been adequately implemented?

Your provider should place emphasis on their focus to provide recommendations to help prevent future errors from occurring. Also, your provider should commit to providing follow-up consultations as well as transferring all vendor and claims data whenever requested.

Question: What is the ideal working relationship with your RA firm?

- Ideally you should work collaboratively with your Recovery Audit firm. They should offer a review of transactions at or around the 90-day mark after a transaction has occurred. This timing provides maximum cash flow benefit, timeliness for fixing gaps that lead to errors, and enough buffer to allow your staff to resolve 95% of issues on their own.
- In addition, you should work with a provider that presents claims in an electronic format mapped to upload directly into your remittance queue. You should work in an automated fashion avoiding manual input and collaborate so that you only receive claims that you are confident to take immediately without inserting additional work.

For more information regarding the benefits of using a Recovery Audit to help boost your hospital's bottom-line or to drive new insights and visibility into your Cost Cycle, contact SpendMend today...