

Issue Brief:

The Top 7 Myths of Admissions for Continuing Care Providers

By addressing the myths and realities of admissions processes, and applying simple automation technologies, continuing care providers can admit more patients faster to increase revenue and overall performance.

It seems like there are always myths or urban legends circulating. Usually they're somewhat entertaining—Elvis sightings at Wal-Mart, crop circles, or big payoffs for forwarding emails.

Unfortunately, by neglecting to verify the facts, sometimes a misconception is regarded as truth. (You *cannot* avoid an IRS audit by not using the preprinted labels supplied with your income tax forms!)

There are even myths and misconceptions related to admissions and referral processes at continuing care facilities. Accepting these myths can be costly—often the real facts uncover better tools and processes that make you more efficient, responsive and even profitable. To set the record straight, here are the top 7 myths of admissions—along with the facts—that continuing care providers should know.

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Myth #1: Automating clinical and financial systems is more important than automating admission systems.

The facts: Skilled nursing facilities have always rightly focused on efficiency and accuracy in their clinical and financial systems. Automating the many steps that it typically takes to admit a patient can be just as important to efficiency and accuracy in patient care and financial profitability. As the number of patients and nursing homes grow, and specialization of care expands, many skilled nursing facilities are addressing efficiency in admissions with the same rigor as with clinical and financial systems.

Consider the room for improved efficiency. Consultants working with a Canadian nursing home organization conducted recent research that found the admissions process typically involves 160 steps: 69 handling steps, 36 forms to complete, four family trips to the hospital and 15 delays.

“We consider admissions to be an absolutely critical element of our overall operations. We have to be responsive and efficient, communicate effectively with our referral sources, and track admissions activity and performance at all of our locations.”

Jerry Patton, director of operations for A.G. Rhodes Homes in Atlanta, Georgia

The research also found that making an offer of a bed in a nursing home involved 53 steps, five staff members, and nine forms.

The following is a short sample list of the steps, people and time that are involved to admit a patient to a continuing care facility:

1. Inquiry received
2. Log inquiry
3. Store/manage referral docs
4. Append info to referral records
5. Schedule review/track status
6. Assess/score patient
7. Verify insurance
8. Communicate back to referral source
9. Identify watch list patients
10. Generate admissions forms
11. Track marketing tasks
12. Manage marketing activities
13. Report on referral activity

Managing and processing patient referrals and admissions require a significant amount of time and resources. Today there are simple tools and technologies that streamline your admissions process, from initial inquiry to final decision. Automation gives greater productivity at lower cost. For a long-term care provider, automation would mean greater market share by capturing more referrals and admitting more qualified patients faster. We'll discuss some of these tools for automation as we continue through the myths.

Myth #2: The fax machine is modern, up-to-date technology.

The facts: Alexander Bain was a clever man. He invented the electric clock and the first electric printing telegraph. He also invented the fax machine, the device many continuing care providers rely on for patient referral and admissions communications.

That was in 1843.

That’s right, the technology at the core of the referral and admissions process for many continuing care providers is more than 150 years old.

Needless to say, a lot has changed since then. Still, most continuing care providers still rely on paper-based fax machines the advances in fax technology that are available today, some continuing care providers may still be using a manual fax machine as part of the admissions process.

Today, online fax servers can receive and store incoming faxes electronically and then e-mail the faxes to others who need to review the documents. Dedicated toll-free fax numbers, along with centralized and consolidated online storage for all records, are some of the other features available. Add that to easy Web-based software that makes electronic document many as easy as a few mouse clicks, and your organization can dramatically improve speed and responsiveness in your admissions processes. Move ahead not one, but two centuries in technology you rely on to receive and manage referral documents.

Online Fax Servers	Standalone Fax Machines
No need for dedicated inbound analog phone lines, reducing costs.	Requires dedicated analog fax line.
Real-time 24/7 alerts for new faxes by e-mail, online, phone, or mobile.	If fax machine unattended, faxes are unanswered.
Ability to queue numerous faxes, then transmit one by one when line is free.	When fax machine is busy, incoming faxes blocked after several attempts.
Send and receive faxes anywhere with Internet access.	Someone must physically send and monitor faxes, deal with bad connections, paper-jams.
Electronic faxes more legible and professional looking.	Faxes often hard to read due to poor copy or low toner.
More secure faxing enhances compliance with HIPAA privacy requirements.	Confidential personal healthcare information potentially exposed.

Myth #3: We don't lose any potential patient referrals because of the fax machine.

The facts: It can be easy to overlook the important role faxes play in the admissions process at continuing care and skilled nursing facilities.

Hospitals focus on rapidly discharging patients into appropriate post-acute care. Those hospitals are sending each patient referral to multiple continuing care providers—and transferring those patients to the first provider that responds to accept the patient. If the referral comes over a fax machine, consider the following questions:

- Have errors ever delayed or blocked referrals trying to come over your fax machine?
- Did you know that, typically, about 8% of outbound faxes don't reach their intended destination on the first try?
- Is your staff alerted every time a fax arrives, or do faxes sometimes sit in the tray, waiting for busy staff to notice?
- How many pieces of paper come with each referral that comes over your fax machine? 25? 40? 60?
- How much time does your staff spend at your fax machine, waiting for referrals documents to come through?
- How much time is spent each day faxing, locating, and filing all that paper?

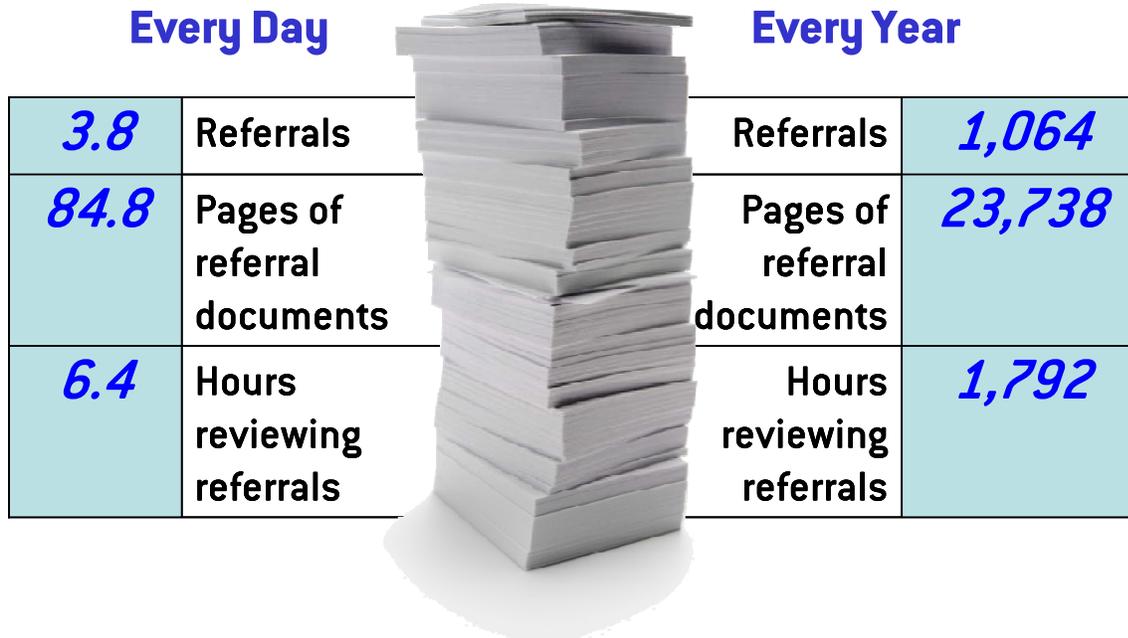
Is your organization capturing every opportunity to accept qualified patients, or is your fax machine inadvertently obstructing your ability to receive and respond immediately to referrals?

Myth #4: We don't really use that much paper.

The facts: Often service providers don't realize the actual volume of paper referrals they must manage day after day.

It's also hard to manage what you don't measure. For example, how many referrals do you receive per day? Per month?

Consider these results from a fall 2008 survey of 383 continuing care providers:



That amounts to an eight-foot stack of paper referral documents each year the average provider must collect, track, file and manage. Automating the admissions and referral process lets providers focus on admitting more qualified patients, not managing more paper.

Myth #5: Automating our admissions process is too expensive.

The facts: In today's financial climate, optimizing competitiveness and profitability is absolutely critical. Most companies are under pressure to examine their existing processes and come up with cost-efficient alternatives. Automating the admissions and referral process for continuing care facilities and nursing homes is one technology that's a true bargain today.

Web-based tools for automating admissions process are a cost-effective solution.

- Web-based software for referral and admissions management is available at low, predictable subscription prices with flexible terms.
- The low, monthly subscription fees typically cover training, secure online data storage and archiving, all system upgrades and maintenance, unlimited support during business hours, and access to electronic user and system documentation.
- No up-front costs required; no capital investment.
- Return on investment (ROI) from the technology can and should begin immediately.

That last point is key. Our fall 2008 survey of 383 continuing care providers indicates that 57 percent of all patient referrals ultimately result in an admission. At an average of 1,064 referral inquiries, that would mean an average location accepts 606 new patients each year.

What if a faster, more responsive and efficient system for admissions creates even a modest increase of 3 percent in patients accepted? A 60 percent acceptance rate translates to 638 admissions, an increase of 32 patients in a year. This incremental improvement has a huge affect on the bottom line:

- 32 patients x \$200/patient day x 400 days average time under care = **\$2.6 million**

We've shared this example with continuing care providers who questioned the volumes of additional patients, saying that they typically admit far fewer than 600 patients each year or that average patient stays are shorter. Even with more conservative assumptions, the returns from accelerated admissions are considerable. Let's say an automated admissions system helps you be responsive and nimble enough to capture one additional patient every other month—six additional patients each year. We'll also assume an average length of care of 200 days:

- 6 patients x \$200/patient day x 200 days average time under care = **\$240,000**

Even with these more modest assumptions, the returns are obvious. This example doesn't even factor in the benefits of more efficient operations, reduction in paper usage, and better communications with referrals sources.

In fact, the returns relative to the costs are staggering. The PatientPlacement.com Referral Management System, the industry's leading Web-based solution for automating admissions, starts at a subscription price as low as \$99 per month. Would you invest \$1,200 each year for a \$240,000 return? How about for \$2.6 million? It appears to be more costly *not* to automate your admissions processes.

Myth #6: Software to automate admissions is hard to learn and use.

The facts: A Web-based admissions solution can typically be installed and running within several hours. Providers that have adopted the Web-based PatientPlacement.com Referral Management System, for example, typically begin receiving and managing referrals with in a matter of hours, with minimal training needed for the staff.

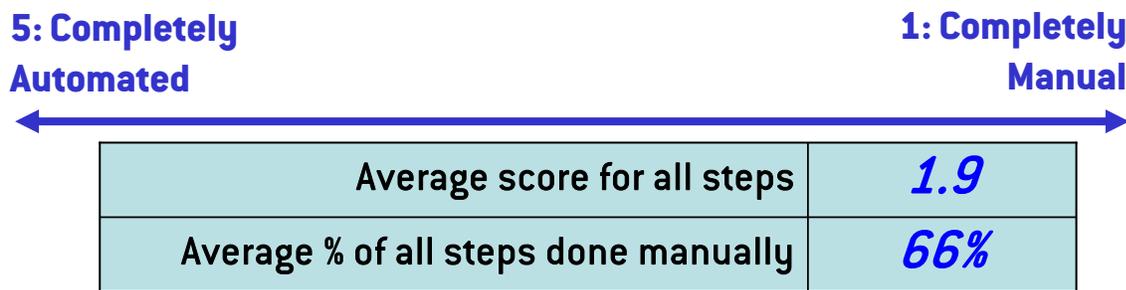
The system itself is designed to work the way a typical provider of long term continuing care services handles the admissions process, so employees find it's intuitive and easy to use. Authorized employees with an Internet connection have anytime, anywhere, online access to track and manage referral documents and electronic medical records.

A hosted online solution also eliminates any need to depend upon in-house IT staff.

Myth #7: My admissions system is already automated.

The facts: Spreadsheets and manual fax machines are not designed to automate the many steps in the admissions process that will benefit from automation. Often, admissions professionals will consider tools that help manage one discrete element of admissions to be “automated”—for example, logging new referrals into a spreadsheet. This might be an improvement over keeping a handwritten log, but it’s still just a list, with no means of automatically sharing information, assigning review tasks, or tracking the referral status. To optimize the advantages from automating the admissions and referral processes, consider how well a solution is capable of automating *all* the necessary steps, not merely a few.

And it appears most continuing care providers actually do acknowledge that their admissions processes are mostly manual. In our fall 2008 continuing care admissions survey, we asked providers to rate the relative automation of 12 key steps in the admissions process. Here are the summary results:



Here are the detailed results for all 12 steps:

Assess / score patient medical condition pre-admission	1.76
Identify “watch list” patients that may need additional review and consideration before accepting	1.76
Schedule referral review tasks and track referral status	1.83
Communicating back to referral sources	1.83
Generate and fill out standard admissions and referral forms	1.84
Manage marketing programs and activities	1.93
Store, retrieve and manage referral documents	1.94
Log initial receipt of referral	1.96
Append information to referrals / patient records	2
Track marketing tasks and contacts	2.02
Report on referral activity and performance (such as sources, payors, referral win/loss, reasons for decline)	2.28
Verify insurance	2.62

Clearly, providers recognize that most of their admissions steps are done manually. In fact the third-most manual step is “schedule referral review tasks and track referral status”—which is really the core of the referral management process. If review and tracking is done manually, then the admissions process overall would benefit from automation tools.

Fact: Automate and Accelerate Referrals and Admissions with the PatientPlacement.com Referral Management System

These myths of continuing care admissions, and a look at the facts, clearly establishes why it's important to improve and accelerate your admissions processes. Efficient, responsive admissions management is the foundation for meeting census and performance objectives.

Patient Placement Systems recognized this critical need in continuing care. That's why we developed the Web-based PatientPlacement.com Referral Management System, which completely automates patient admissions for continuing care providers. Patient Placement designed the low-cost Web-based subscription service specifically to fix the fax problem and automate *every* step of the long-term care admissions process, including:

- Verify insurance from any carrier instantly online.
- Track marketing campaigns and associated activities, and link them to specific referrals.
- Enter a new referral and assign for review in just seconds.
- Generate standard admissions and patient forms quickly with patient information already entered.
- Receive instant referral and task alerts by fax, email, online or mobile device,
- Trigger immediate communications to referral sources when accepting a patient.

There's much more. Inbound faxes convert automatically to electronic documents—no more long fax waits and mountains of paper. Review, track, approve and manage all referrals from all sources, whether received by fax, phone, email or Web. One simple, low-cost solution provides the functions of a fax server, document database and archive, and communications service.

The Web-based service provides anytime, anywhere access. Marketing and admissions teams can even enter, track and approve patient referrals from their portable mobile devices, including PDAs and cell phones. Your admissions team also can set, assign and track tasks with ease. And instants reports of all referral activity and sources, reasons for decline, acceptance rates and more drive smarter processes and decisions.

Fast, simple, low-cost—with huge returns: Pay zero up front and a minimal subscription fee—as low as \$99 per month. Setup takes about an hour. With all admissions and referral activities automated, your admissions team can react immediately to capture opportunities before they get away.

And the return for your organization is tremendous. If being more nimble, efficient and responsive helps your admissions team accept even one additional patient per month, the solution pays for itself many times over.

Admit more patients, faster, while lowering the costs of managing your entire referral and admissions process.

Ready to see the PatientPlacement.com Referral Management System in action? See a demo at www.patientplacement.com/rmsdemo.

Ready for a free trial? Sign up here: <http://www.patientplacement.com/rms-free-trial.aspx>

Have questions? Call us today at 888 657-9480 or send us an email at info@patientplacement.com.