

census success snapshot: Royal Health Group

The Referral Management System builds census, strengthens relationships with referral sources, guides RUG-IV strategies

The family-owned Royal Health Group operates six skilled nursing facilities and one assisted living facility in Massachusetts, all dedicated to meeting the medical, spiritual and social needs of residents. The company's manual referral management and reporting processes could not keep pace with its growth and expansion, nor with its goals for exceptional sustained census. Royal Health Group chose the Referral Management System (RMS) from Patient Placement Systems to manage, track and report on all patient referrals, from all sources, across all locations—and ultimately improve marketing, build census and grow revenue.

Speed and Intelligence Drive More Referrals and Admissions, Help Adjust for RUG-IV

Stronger Referral Source Relationships Increase Referral Volumes: In just a few months of using the system, Royal Health Group has improved referral response times by more than 80 percent, from 60 to 70 minutes down to 10 to 15 minutes on average. Referral source trend reports helped Royal Health Group identify that 80 percent to 90 percent of its referrals were coming from three hospitals, prompting it to allocate more resources to maintain relationships with those hospital case managers. This swiftness and focus has led to what Royal Health Group calls a “dramatic increase in referral volumes.” Case managers know they will get a decision and place patients faster.

Declined referral reports guides strategies for RUG-IV reimbursements

Conversion rates for eReferrals up to 40+% from 15-18%

Dramatic increase in referral volumes from key hospitals

80%+ faster referral response times

Overall number of referrals handled has increased by 19.6%

Significant Improvements in Operations and Census Performance: Royal Health Group recently provided some interesting new data: Its overall number of referrals handled has **increased by 19.6 percent** since it started using the RMS system at all six facilities in summer of 2010. In an increasingly competitive market, in which many SNFs report diminished referrals, a nearly 20 percent growth in less than two years marks a performance milestone.

Royal Health Group attributes the increase to the efficiency realized with the Web-based RMS solution, which enables the six facilities to handle more referrals and strengthen relationships with hospital referral sources. Those stronger referral source relationships make a huge difference, as Royal Health Group noted previously: “Case managers know they will get a decision and place patients faster.”

Better Reporting Improves RUG-IV Reimbursement Strategy: By reporting reasons for declined referrals, Royal Health Group has identified high-demand clinical services that its facilities did not offer. Many such services align with favorable reimbursements under RUG-IV rules. Royal Health Group now offers or plans to offer specialized, niche clinical services that will increase overall admissions and offset declines in other RUG-IV reimbursements.

Liaisons Work Faster in the Field: Previously, liaisons initiated referrals by sending faxes to the facility and to the business office. Now, laptop-carrying liaisons initiate the referral process online, notifying everyone in the review chain with instant alerts. Liaisons also verify insurance instantly, eliminating time spent waiting on phone calls. As Royal Health Group says, “The more time we save the liaisons, the more patients we can screen.”

Faster Processing of eReferrals Boosts Conversion Rates: Royal Health Group reports that it has “absolutely” increased conversion rates across all facilities. Of note, it has improved response times and conversions for electronic referrals received through other online hospital discharge systems. Admissions coordinators upload those referrals into RMS, and then use superior approval, tracking and reporting tools to make decisions faster. For hospitals sending lots of electronic referrals, conversion rates improved from 15 percent to greater than 40 percent.

“*The system gives us unprecedented power to respond faster, outcompete other facilities and report trends and analysis we simply couldn't capture before. The benefits have exceeded our expectations. We have realized significant revenue growth through increased referral volumes and conversion rates, as well as a stronger reimbursement mix. That's money we invest right back into our people and facilities to ensure exceptional care and quality of life for our residents.*”

James Mamary Jr., Chief of Business Development, Royal Health Group