



Whitepaper

How Can Maintaining Strong Provider Relations Reduce Network Leakage?

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Overview

Over the years, the healthcare industry has evolved and has been successful in delivering care to patients with acute conditions in one setting, but there is still a lack of continuity across multiple care settings. The needs of patients are not as complex as they are numerous, and complexity rises as conditions change. Changes like escalations in care, shifts in diagnosis, or the involvement of multiple caregivers can all present challenges. Hence, creating and defining a provider network is important to managing patients across the healthcare system and facilitates continuity of care while enhancing efficiency and effectively tracking care quality.

While referrals are critical to patient journeys, they can complicate value-based reimbursements. Creating and maintaining provider profiles that go beyond traditional credentialing data can help define your provider network, improve patient navigation, reduce referral leakage, and provide up-to-date notifications on provider availability. Examples of additional data include services provided, procedures performed, outpatient settings, and scheduling restrictions at the provider level.

This paper explores the importance of provider relationship management in reducing network referral leakage while delivering competent care aligned with unique patient needs. It also highlights the rising demand for referral management in everyday patient care.

What is referral leakage and what are its potential causes?

Network leakage, also known as referral leakage, occurs when patients receive care from a facility or provider that is not part of the hospital's network. This can cause inconsistencies in patient information that interfere with the continuity of care management. Network leakages can cause loss of revenue, reduced efficiency in care coordination, and negatively affect the patient experience.

While leakage can occur for a number of reasons, the root cause of all leakages is referrals made between primary care physicians and specialists. Some other reasons for network leakage include:



Out-of-network referrals

Providers who have recently joined a health system do not know about the specialists in their network. Additionally, providers may refer to providers in outside networks because of personal relationships, which is in fact a significant factor behind patient leakage.



Messy and incomplete workflows

Research has demonstrated that 25% - 50% of referring providers do not know if their patients completed the referral. Each step happens in a silo across disparate systems. Providers often face challenges in following up with patients or have poor visibility across the entire process.



A challenging system to navigate

Due to gaps in communication, some patients are left to select a specialist on their own, to make sure records are exchanged and actually schedule the referral appointment. Patients may spend hours coordinating all of these activities which are inconvenient and sometimes overwhelming for them.



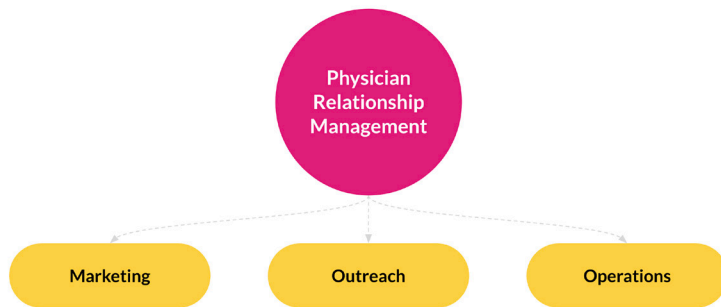
Limited communication among providers

Both the referring and receiving providers face complications in communicating with each other. Studies show that around 50% of providers do not have contact with one another.

Why is provider relationship management important to reducing referral leakage?

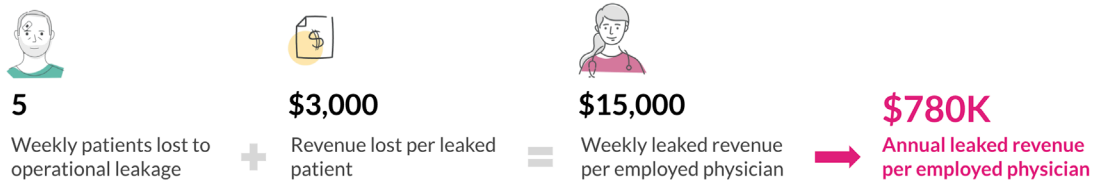
With patient-centered care gaining momentum, it is no surprise that hospitals and healthcare systems are increasingly focused on building and sustaining relationships with referring physicians to offer more coordinated care to members. Referring physicians account for a substantial percentage of patient volume and serve as a channel for patients to seek health services. Providers can also use referrals to connect to a broader network across multiple electronic medical record systems (EMRs).

After referrals, the next steps for providers are driven not only by clinical goals but also by plan design and by available resources within the provider organization.



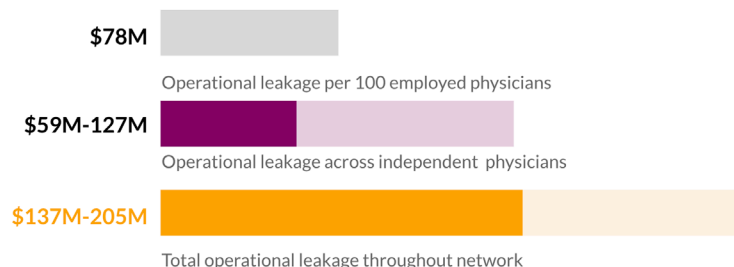
Having a provider relationship management strategy in place facilitates strong referring physician relationships. It also creates opportunities for collegial and mutually beneficial interactions between a hospital's internal staff and external referring physicians. It outlines a plan to cultivate relationships with referring physicians that will promote loyalty and advocacy, supporting clinical goals.

Hospital Lost Revenue = Opportunity



The bigger a physician network, the bigger the losses

Annual average revenue lost to operational leakage



What are the benefits of having a referral management system in place?

A **study** has estimated that an average hospital annually loses 10–30% of its revenue—or \$200–\$500 million—to patient referral leakage. A referral management system can help mitigate revenue loss in the following ways:

- Keeping customers within the network and creating patients for life (acquiring new customers can cost twice as much as retaining existing ones), the referral management system allows the healthcare organizations to provide better quality care. With access to patient's historical records, they can continue to build robust patient profiles designed to meet their care preferences.
- Avoiding out-of-network referrals that create opportunities for competitors to acquire patients that leave your network.
- Creating stronger patient-physician relationships via continued care, as access to complete medical history can enable health networks to provide more personalized care
- Simplifying referral tracking process, creating a single source of truth enabled by data-driven workflows and smart analytics
- Creating accountability on both sides, capturing the time and revenue that would otherwise be lost due to inefficiencies and poor communication around patient financial responsibility

How does Innovaccer help combat network leakage?

As care management shifts to digital methods, especially after the COVID-19 pandemic, comprehensive technological solutions—as well as personalized care within the network itself—can reduce network leakage by preventing patients from going out-of-network for care that is accessible within their current health system.

Strengthen **in-network referrals** by **20-30%** through analytics and streamlined workflows

Streamline referral process

Pre-populated referral form that allows direct referrals/routing to CRT, and reduces documentation burden

Instructions for patient
Avoid salty or fatty foods till the appointment.

REFERRING TO
Referral type
Specialist

Specialty
Cardiologist

Select a provider

Save draft Place Referral

Optimize referrals to improve follow-through

Create custom preferred specialist list; Identify and sort specialists based on factors such as distance from patient, network status, cost/quality rankings and more.

11003 PPO Health Plan 1

Search by name... Sort By Distance

Additional Applied Filters
Health plan in-network providers

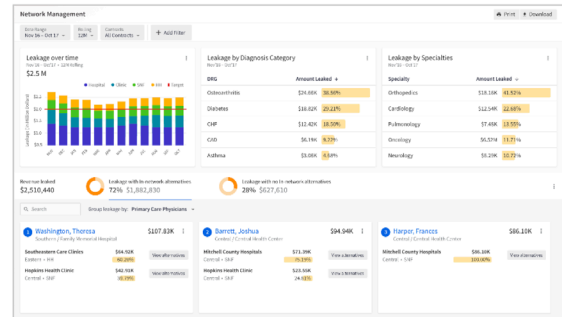
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Monitor provider performance & control referrals

Use interactive referral dashboards to track utilization, identify physician recruitment gaps and monitor in-network revenue



Innovaccer's Patient CRM solution is an all-encompassing patient engagement platform that unifies care management to drive patient loyalty and reduce network leakage. It is powered by the Innovaccer Health Cloud, which helps close the referral loop and prevents patient information from falling through the cracks. It makes the outgoing referral process easy, reportable, and trackable, and it provides feedback. Electronic health records (EHRs) usually provide data on referral appointments, but Innovaccer goes a step further by providing actionable data to clinicians at the point of care. By adopting Innovaccer's technology, providers can stay focused on their patients without changing their workflow or leaving the EHR.

Innovaccer's connected care platform accounts for clinician workflows and administrative burdens for reporting and reimbursements while putting patients first and making processes easier. Managing patient referrals across the network can be exhausting and complicated, but Innovaccer's state-of-the-art solution can manage all referrals in just one place to minimize network leakage and improve health outcomes by caring as one.



Hassle-free referral generation

The solution surfaces the point-of-care insights about the patient and enables providers to conduct the best referrals. It ensures easy, hassle-free patient referrals in and out of the network.



Customizable network leakage dashboards

With the solution's strong analytics, providers can keep track of every referral with customizable dashboards and identify out-of-network referrals with just a single click.



Appointment and medication adherence in real-time

The solution enables the providers to track and analyze patients' adherence to referred appointments and their prescribed medication right within the EHR. The solution's strong algorithm prevents the chances of double documentation thus, eliminating the chances of any discrepancy.



Automated e-fax and prior authorization capability

The solution eliminates the necessity to manually send referral documents to the referred provider. With its e-fax capability, providers can exchange relevant data with prior authorization to the referred provider in just a single click.



Specialist ranking with a holistic physician scorecard

With Innovaccer's Referral Management solution, providers can access physicians' specialty and filter them out based on their expertise area, geography and payer affiliations, all visible in the form of scorecards.

About Innovaccer

Innovaccer, Inc. is a leading San Francisco-based healthcare technology company committed to helping healthcare care as one. The company is recognized as a Best in KLAS vendor for 2021 in Population Health Management and #1 customer-rated vendor by Blackbook. Using its Data Activation Platform, Innovaccer unifies patient records and leverages artificial intelligence and analytics to automate routine workflows and facilitate whole-person care. Its solutions have been deployed across more than 1,000 locations in the U.S., enabling more than 37,000 providers to transform care delivery and work collaboratively with payers, employers and life sciences companies. By using the connected care framework, Innovaccer has helped healthcare organizations unify records for more than 24 million people and generate more than \$600M in savings for the healthcare ecosystem.

For more information, please visit innovaccer.com

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