



Improving Referral Management

5 Tips to Improve Referral Management

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The importance of referrals

Referrals are an important part of any healthcare company's new patient pipeline. Today's referral is tomorrow's repeat patient. Referrals come from a wide variety of places including physicians, rehab clinics, hospitals, referral coordinators, or even a family member of the patient. It all depends on your company and your clientele. But no matter where they come from, responding appropriately and retaining the business is critical to your success.

As important as referrals are, they often don't get the strategic focus they deserve. Some of the challenges we see include referrals falling through the cracks or being buried under other paperwork, human error, and a lack of overall insight into the referral process. There can be a surprising lack of rigor, even though this is such an important source of revenue.

Below, we detail 5 tips on how to improve referral management

1. Utilize a standard process

Ensure all referrals are handled by a single, consistent workflow



You might be surprised how many organizations have developed their referral handling process organically. It just grows and evolves bit by bit. As one person trains the next person, the process becomes rooted in institutional history – not in organizational efficiency. One of the most important ways to improve referral management is to ensure you have a consistent process for handling it.

A clear example of inconsistency is when companies have different processes for handling referrals that come in through different channels. Ones that come in through fax are handled differently than emailed referrals or phone referrals. If a referral comes in by phone, often the person taking the information is simply jotting down notes on a piece of paper. And then it's just up to them and their memory to follow up – and there is no accountability if they don't.

You need to take a fresh look at how your referrals are handled from a process-centric point of view: Who needs to be involved, what has to happen, and when - meaning what are your deadlines. Apply the same protocol no matter by what method the referral arrives. Make sure the process is documented and make sure all employees are trained.

Streamlining your referrals an area where technology can be extremely helpful to get everyone on the same page. A business process management tool can be invaluable for capturing and enforcing a standardized process and ensuring accountability.

2. Don't let referrals get lost in the shuffle

The strategic priority of referrals should be clearly communicated



Sometimes, providers miss out on new referrals because they were slow to respond. A referrer may put the referral out to several providers on a first come first serve basis. But, employees may not know how to balance the work that is already on their plate with the new work that is incoming. Which is more urgent: a new order or a current patient?

You must make sure it is clearly understood how referrals should be prioritized. You can't assume people will innately have the same priorities or have priorities aligned with the company's strategic vision. It needs to be clearly communicated whether or not the expectation is that other work will be put down to address referrals as they come in, or if it's okay to wait a few hours or even days.

3. Respond to referrals quickly

Following up swiftly can bolster your reputation as a responsive provider



Building off of point two, sometimes being slow to respond can cost you a referral. This is important to fix not just from a revenue standpoint, but also from the standpoint of building good relationships with your referral sources. If you seem to always be the last to respond – or don't respond at all – you can damage your reputation with that referrer, and they may be less likely to reach out in the future.

Set standards for your team about expectations around referral response time. Make it a key metric that you track and report.

Assigning someone to be a monitor for referrals can be helpful in the timeliness of response. This ensures there is a dedicated resource helping to stay on top of referrals and ensuring they are addressed quickly.

4. Analyze your pipeline

Monitor your referrals and report on channels and employee performance



Knowledge is power. When you have all of your referrals going into a single pipeline, regardless of source, you gain a tremendous ability to analyze them. Especially if you use a technology like a business process management tool, you will be able to monitor how many referrals you're getting in a month, whether that's up or down from the previous month – and maybe find out why. You can also look employee performance to see if people are adhering to the process.

All of this should be in service of better decision making. The more information you have, the better decisions you will make regarding resource allocation and process and procedures. Use this information to refine the process as necessary. Plus, the process of analysis has the potential to teach you a lot about your business you didn't know before.

5. Nurture your referral sources

Build strong networks to guarantee a continual stream of referrals



Referrals shouldn't be a one way street where your sources pass patients on to you and that's the end of it. It's a relationship that needs to be kept up, and having the information from the analysis of your pipeline can be extremely helpful.

You should work to identify your top referring sources, however you strategically define them. For some organizations it may be quantity/volume or dollar value or even by certain products and services that are higher margin. Knowing which ones are your best allies gives you an opportunity to open lines of communication, to improve the process. It also can help you identify who you should be educating about new products and services to further grow your business - maybe they don't know the full breadth of what you do.

This kind of analysis can also highlight which referring entities are just creating noise in your system and don't ever pan out, or you constantly have to chase for needed documentation and the effort outweighs the revenue. But it's most important with the top performers.

Building a relationship that works seamlessly with expectations appropriately set and all of the needed paperwork in the right place at the right time will serve you well. Having a strong referral pipeline isn't just about perfecting what happens after the referral arrives – it can truly be a collaborative process.

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In summary

Every referrals counts

With margins shrinking, retaining new business is as important as ever. Responding quickly to referral sources is critical, yet most referral management processes rely heavily on manual follow up which is vulnerable to human error. Opportunities fall through the cracks and revenue can be lost.

Recognizing referrals as an important lifeline for your business and approaching it from a process-centric, strategic perspective can pay off not just today but far into the future. Technology can assist in the automation and prioritization of referral handling, mitigating the risk of human error and providing needed insight to stay on top of this valuable source of new business.

About Medforce Technologies

Medforce Technologies provides productivity-enhancing software and services to help healthcare organizations adapt quickly to change and do more with less. Our flexible and highly-customizable document and process management products work across all areas of the business from intake and claims to procurement, mailroom, accounts payable and human resources, and assist in daily decision making based on real time information and strategic priority. We offer the industry's most feature-rich software that conforms to your preferred way of operating and returns more time and money to fuel your mission. We offer a Referral Management App that is a focused solution that addresses common challenges and provides a centralized resource to improve and optimize the handling of referrals. to learn more about the power of productivity, visit www.medforcetech.com.

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