



6 ways to grow hospital revenue through billing for locum tenens



Is your health system collecting revenue when using locum tenens providers? When billed for correctly, locum providers can be revenue generators rather than cost centers. Follow these six tips to increase your revenue from locum tenens providers.

1. Evaluate for payor enrollment.

It's important to consider when it's worth it to enroll a locum provider with your payors and when it might not be, especially when deadlines are tight.

- **Short term:** A provider who's working a short-term locum tenens assignment with a close start date may not be worth enrolling. Approvals are unlikely to happen before the assignment ends.
- **Long term:** A provider who is working a longer assignment or isn't starting for a couple of months should usually be enrolled with your major payors. You will be able to bill for most of the services they provide.

For larger facilities, it's worth it to enroll most locum providers. Returns are assured in the long run, even if you may not get a return on each individual job.

2. Classify locum providers correctly.

Classifying your locum providers upfront will enable you to decide whether or not to initiate the payor enrollment process. Locum tenens providers fall into one of two categories for billing purposes.

- **Replacement services:** This type of locum tenens provider replaces a full-time provider for a limited time (less than 60 days). There usually is no need to enroll them with payors because you can bill as if they were the provider they are filling in for.
- **Supplemental services:** These are providers who are needed for longer than 60 days or who are supplementing a facility's permanent staff. Best practice is to consistently enroll these providers with major payors and bill for their services.



3. Gather information for billing.

Once you've classified the locum provider, you'll need to gather the documents needed to set up billing.

- **For replacement locums:** The only information you need from the locum provider is the information that's required to set them up in the billing software.
- **Supplemental services:** If you decide to enroll them with your major payors, you will also need to gather information similar to the documents required for credentialing and privileging.

4. Determine which payors to bill for locums.

When deciding which payors to bill for locum tenens services, the best practice is to enroll locum providers with your top five payors. Enrolling with Medicare, Medicaid, and your top commercial payors will allow you to bill for most patient visits. Enrolling with additional, smaller payors may make sense if you expect to need a locum provider for an extended period.

5. Observe filing deadlines.

It's important to start the payor enrollment process as soon as an assignment is confirmed, because contractual terms vary from state to state and among payors. Early enrollment will allow you to capture as much revenue as possible. If a provider begins an assignment before the enrollment process is completed, you won't be able to bill for any services performed prior to the approval date.

6. Develop a consistent process.

Whether your organization is large or small, your process should handle every locum provider the same way and have a uniform workflow. A consistent process for enrolling and billing for locum providers is key to increasing revenue collected for the services locum providers perform.

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