Patient Financial Communications Best Practices

Adopter program and the MAP Award

Thursday, January 17, 2019 – 1:15 PM CDT
Learning Objectives

• Two HFMA revenue cycle programs:
  • Patient Financial Communications Adopter
  • MAP Award for High Performance in Revenue Cycle

• Practices and tools from a PFC Adopter and MAP Award winner

• Ideas and strategies to implement the PFC Adopter program and raise revenue cycle performance
Consumer Perspectives on Patient Experience 2018
- 2,000 individuals in 5 countries
- 6 of 10 believe patient experience is “extremely important”
- 3 of 10 believe the patient experience is “very important”
  - Because…it contributes to the patient’s health and well being

Consumer priorities
1) People – 56%
2) Process – 48%
3) Place – 34%
What Shapes Experience

**Highest Ranked**
71% - Listen to you
67% - Communicate clearly in a way you can understand
65% - Treat you with courtesy and respect
64% - Give you confidence in their abilities

**Lowest Ranked**
33% - Age of the healthcare facility
31% - Facility that provides amenities
26% - Facility that offers good food
21% - Involve family and friends in planning how to take care of you
Implications of the Patient Experience

Surprisingly, consumers are 2x more likely to **remember & share** their POSITIVE experiences than their negative experiences.

Will choose healthcare provider based on:

- Recommendation of family or friends – 72%
- Referral from another physician or provider organization – 70%
- Formal published rankings – 28%
- Designations or awards the provider has received – 28%
- Online ratings – 27%
Proven, successful patient communication strategy

Every day, healthcare professionals conduct sensitive financial discussions with patients. But there have been no accepted, consistent best practices to guide them in these discussions - until now.
Ensure That Conversations with Patients Are Done Right

Discuss specifics about each patient’s financial responsibility

Provide information on financial assistance & application process

Offer help applying for Medicaid or coverage through the ACA public exchanges

Discuss payment plans & options

Give information on how a prior balance does (or does not) affect current care
Patient Financial Communications

• Best practices for healthcare providers
  • Emergency Department
  • Time of Service (Outside the ED)
  • In Advance of Service
  • Patient Financial Communications – All Settings

• Measurement Criteria Framework
  • Training
  • Process compliance evaluation
  • Technology evaluation
  • Feedback and response evaluation
  • Executive level metrics reporting
Topics Addressed in Patient Financial Discussions

- Patient Share
- Prior balances (if applicable)
- Balance resolution
Parameters for Patient Financial Discussions

• Compassion
• Patient advocacy
• Education
Patient Financial Communications
Adopter Checklist

• Take Home Exercise: Think about the pre-service and time of service policies and processes in place in your organization. Complete the Adopter Status Checklist. Discuss within your team & identify opportunities for improvement.

• Go to this website to apply: http://www.hfma.org/Communications
Application Process

- HFMA membership required – used for login

Organization/facility demographics

PFC Processes and Policies
- Emergency Department
- Time of Service
- Advance of Service

Metrics
- Net Days in A/R
- POS Cash Collection as % of Self-Pay Cash Collected
- Pre-registration Rate
- Insurance Verification Rate
Signify Your Commitment to Excellence in Financial Communications

- Adopter recognition demonstrates commitment to excellence
- Based on HFMA review of an application and supporting documentation
- All provider organizations may apply
- No cost for this self-attestation process
- Recognition valid for three years
- Adopters may use the phrase “Supporter of the Patient Financial Communications Best Practices” in their marketing materials
Be Recognized for Excellence in Patient Financial Communications

Many more at hfma.org/adopterorganizations
MAP Award for High Performance in Revenue Cycle

• 5 Categories – Individual Hospital, Critical Access Hospital, Hospital System, Integrated Delivery System, Physician Practice

• Easy two-part application process

• Opens mid-November 2018; closes February 18, 2019
How to apply

- PFC Adopter status requirement
- Excel at patient satisfaction
- MAP Keys
- Healthcare Dollars and Sense
Two-part application process

**Part One**
- Organization demographics
- MAP Key metrics
- Nominal application fee ($100-$200)

**Part Two**
- 15-20 question short answer narrative application
- Short interview with your team
- No fee
# MAP Keys

## HFMA’s Revenue Cycle Score

### MAP Key

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<thead>
<tr>
<th>MAP Key</th>
<th>Net Days AV/R</th>
<th>DNSP</th>
<th>Billed AV/R&gt;90 Days</th>
<th>POS Cash Collection %</th>
<th>Cash Collection %</th>
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<tr>
<td>Desired Direction</td>
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<td>Actual Metric</td>
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<tr>
<td>MAP Key Range</td>
<td>30 days-60 days</td>
<td>2 days-10 days</td>
<td>15.0%-30.0%</td>
<td>5.0%-35.0%</td>
<td>86.0%-100.0%</td>
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<tr>
<td>Range Points (0-100 pts)</td>
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<tr>
<td>MAP Key Weight (sum to 100%)</td>
<td>29.5%</td>
<td>25.5%</td>
<td>14.5%</td>
<td>12.5%</td>
<td>18.0%</td>
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<tr>
<td>Revenue Cycle Points</td>
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### Revenue Cycle Score (100 pts Possible)

To see how HFMA defines these MAP Keys®, click here.

hfma.org/MAP/MAPAward
Win and be recognized!
Henry County Health Center
Mount Pleasant, Iowa

- Critical Access Hospital (May 2005).
- Located in Southeast Iowa.
- 25 Bed Acute & 49 Long Term Care.
- 61 million in Gross Revenue.
- County Hospital (347b)-$969,661 in Tax Receipts.
- 538 admits, 120 births, 1,913 surgeries and 8,787 ER visits.
Henry County Health Center
Mount Pleasant, Iowa

Medical Staff

- Independent Family Practice - 5 Physicians, 4 PA.
- 2 Independent Podiatry Clinics.
- Two Ophthalmologist.
- Employed OB/GYN, Midwives, General Surgeon, Ortho Surgeon.
- 2 Hospital Owned Clinics in Rural Communities.
- Soon to open onsite Rural Health Clinic.
The History 2002

- Total Margin was ($463,000).
- Days in AR 110 and climbing.
- Billing balance 1.2 million and climbing.
- Reduction of patient volumes.
- Too many stand alone systems. Sunset of current HIS vendor.
- Accuracy of Registration: 40% at initial registration & 80% after manual review.
Henry County Health Center
Mount Pleasant, Iowa

Organization’s commitment to enhance the patient experience. Establishing a corporate philosophy focused on the patient.

- Strategic Plan with pillars
- Service Excellence
- Community Advisory Groups
- Regular Spots on local Radio Station
Henry County Health Center
Mount Pleasant, Iowa

Finance’s commitment to enhance the patient experience regarding their financial health

- Early Adaptor of HFMA Patient Friendly Billing Project
- Formed a Transparency Task Force
Henry County Health Center
Mount Pleasant, Iowa

Strategic Plan, Department Dashboards, and Department Huddles based on “Pillars”

- People
- Service
- Quality
- Growth
- Community
- Financial
## STRATEGIC PLAN 2017-2020

### Our Mission
"To enhance the health of individuals and our communities through high quality, effective, and efficient services."

### Our Vision
"To be the healthcare provider and employer of choice."

### Our Values:
- Quality
- Service
- Teamwork
- Accountability
- Respect
- Trust

### People
Create an environment to work towards achieving our Vision as the Provider and Employer of Choice for our Associates

- Work together as an Integrated Medical Community caring for the communities we serve
- Achieve Associate Turnover rate below IA and National average for our peer groups
- Achieve Associate engagement scores above the 80% benchmark

### Service
Deliver excellent care to patients by providing an experience that exceeds expectations through teamwork and innovation

- Achieve Patient Satisfaction scores above the IA and National average
- Improve Elder Satisfaction annually
- Improve Provider Satisfaction annually
- Develop initiatives to enhance transparency and service to effectively deliver care in a more consumer based health care market

### Quality
Provide excellent outcomes in patient care, process improvement and infection control metrics.

- Achieve a Minimum of 4 star hospital and LTC rating
- Implement a new integrated electronic health record for the community
- Achieve metrics on the Iowa Healthcare Collaborative Hospital Improvement Innovation Network report better than Peer/National Averages
- Report successfully and achieving new MIPS/APM reimbursement

### Growth
Utilize resources to achieve consistent advancement of healthcare services.

- Work together as an integrated medical community to enhance access for communities we serve
- Remodel the Clinics for our HCHC Specialists
- Expand Ambulatory surgical services
- Expand Mental Health Services locally
- Strengthen & expanding on regional partnerships

### Finance
Maintain and increase financial success and stability, productivity, and efficiency.

- Achieve positive financial indicators –
  - Debt Service >2.5
  - + Total Margin
  - Days of cash on hand >150
- Review of services for financial success and sustainability

### Community
Impact the local community by serving as an ambassador and contributing to the needs of the public

- Increase philanthropic donations
- Enhance community partnerships by being engaged and active in our communities
- Enhance health status of Henry County

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HENRY COUNTY HEALTH CENTER
CARE YOU TRUST. COMPASSION YOU DESERVE.
Henry County Health Center
Mount Pleasant, Iowa

Service Excellence

- “Partners In Care”.
- “Happen Kit”.
- Career Ladders
- Yearly Service Excellence Trainings
- QSTART
Establish Associate Values (Major Portion of Associate’s Annual Evaluation)

- Quality
- Service
- Teamwork
- Accountability
- Respect
- Trust
Henry County Health Center
Mount Pleasant, Iowa

Established Community Advisory Groups

- Employers
- Seniors
- Government
- Education
- Retired HCHC Associates
- HCHC Foundation
Henry County Health Center
Mount Pleasant, Iowa

Regular Spots on local Radio Station

- What is going on at the health center
- Spot lighting Clinical Department
- PFS, Billing, Point of Service, Centralized Scheduling
- HCHC involvement in the Community
- HCHC Foundation
Patient Friendly Billing Project

- Revise Patient Bill
- Bundled Med/Surg Supplies
- Eliminate Recovery Charges in OR
- Restructure Pharmacy Charges for Outpatient Setting
- Correlate ED Physician Charges with ED Facility Charges
- Active Chargemaster Management
### Summary of Patient Services Provided

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Radiology</td>
<td>$5.00</td>
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<tr>
<td>Room and Board</td>
<td>$10.00</td>
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<tr>
<td>Surgery</td>
<td>$15.00</td>
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<tr>
<td><strong>Total Charges</strong></td>
<td><strong>$30.00</strong></td>
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</table>

### Summary of Transactions

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<th>Description</th>
<th>Amount</th>
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<td>Total Charges</td>
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<tr>
<td>Amount Paid by Insurance</td>
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<tr>
<td>Insurance Adjustments</td>
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<tr>
<td>Amount Paid by Patient</td>
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<tr>
<td>Other Adjustments</td>
<td>$0.00</td>
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<tr>
<td><strong>Amount Patient Owes Now</strong></td>
<td><strong>$10.00</strong></td>
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</tbody>
</table>

### Statement of Account

- **Statement Date:** 12/16/2019
- **Service Date:** 08/15/2009
- **Patient Name:** TEST, IMA
- **Account No.:** 123456
- **Reference No.:** 4873578
- **Primary Insurance:**
- **Service Description:** HOSPITAL SERVICES
- **Amount Due:** $10.00

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- **Date:** (Blank)

- **Amount:** (Blank)

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HCHC’s response to Transparency

- The HCHC Board of Trustees approved the Iowa Hospital Association Principles for Transparency.
- HCHC formed a Transparency Task Force.
  - Members include:
    - Chief Financial Officer
    - Patient Financial Services Director
    - Health Information Services Director
    - Cardiopulmonary Services Director
    - Public Information Director
    - Quality Director
    - Information Technology
- Task Force Completion Date: 12/31/2016
Steps to Enhance Transparency

- Enhance the Chargemaster
- Enhance Patient Communication & Engage Patients
- Promote Associate Education & Awareness

Henry County Health Center
Mount Pleasant, Iowa
Henry County Health Center
Mount Pleasant, Iowa
The Rate Change Request Workflow:

- The Rate Change Request Form is submitted.
  - Finance is notified via email. Submitter is notified of submission.
- Rate Change Processing.
  - Finance Approves or Declines the request.
  - If Finance declines it, the Submitter receives notification.
  - If Finance approves it, it processes the requests.
  - Deletes are completed by the IT Systems Admin.
  - Clinical IT staff, Revenue Director and Submitter are notified.
Enhance Patient Communication

- Collecting Payments
- Providing Payment Information
- Assisting Patients in Applying for HCHC’s Financial Assistance Program
- Referring Private Pay Patients for Presumptive Medicaid or Bank Loan Program
- Provide Estimates for Future Services
Collecting Payments

- Started Point of Sales Collection Oct 2015.
- Started estimates on elective surgeries and high dollar deductibles Fall 2015.
- Instituted a bank loan program in Spring 2016.
- Offered prepay discounts on payments received prior to services.
- Started ED co-pays November 2017 (collected of $2,000 the first week).
- Communication takes after hours payments.
Brochures are given to patients to help them understand the new Transparency Process:

- How does the payment process work?
- What happens if I do not have a scheduled appointment?
- Will I know my portion of the bill for an elective procedure or service?
- What if I need help paying for my bill?
- What if I come to the Emergency room?
- When is my payment due?
Henry County Health Center
Mount Pleasant, Iowa

Annual Report

- The annual report for Henry County Health Center gives information about HCHC’s revenue, expenses, tax levy rate, admissions, and patients served.
- It also contains information about quality, service and patient safety.
- This report shows how the health center is working toward our mission to enhance the health of individuals and our communities through high quality, effective and efficient services.
Price Estimator for Scheduled Patients

- Patients are pre-registered. All information is checked for accuracy & Insurance Verification.
- Private Pay & high dollar procedures are run through estimator. Financial Counselor prints and sends estimate to patient. Appointment reminder call is made within to discuss questions/options with patient as well as payment at time of service.
- If patient is marked for Financial Counseling on the schedule they are escorted to our Financial Counselor to discuss options.
Price Estimator for Unscheduled Patients

- Information is verified and orders are reviewed and checked for medical necessity and options are discussed
- Cards are scanned and insurance verification is done
- Prior Balances are discussed with the patient. Options include making a payment or setting up a payment plan
- Patients who present as Private Pay are escorted to Financial Counselor to check for presumptive access.
Future Transparency Plans

- Use Medicare Cost Report to educate about the charge to cost ratio.
  - Example A: Therapy Services .93 (110 out of 115)
  - Example B: Delivery Services 4.03 (6 out of 57)
- Educating Department Directors regarding the true cost of their department revenue.
- Promote to the public about HCHC’s transparency initiative.
- Linking quality indicators to cost.
Henry County Health Center
Mount Pleasant, Iowa

How do we know we are Successful?

- **Days in AR**
  - FY 2002 = 110 Days
  - FY 2008 = 51 Days
  - FY 2018 = 44 Days

- **Cash Reserves**
  - FY 2008 = $18,704,000
  - FY 2018 = $21,750,000

- **Patient Satisfaction**
  - FY 2018 = 93.6% (Outpatient Press Ganey)
Henry County Health Center
Mount Pleasant, Iowa

How do we know we are Successful?

- **Point of Sale Collections by Patient Access**
  - July-Dec 2015 = $15,857 (first year)
  - July-Dec 2017= $87,738
  - Jan-June 2018= $143,914
  - July-Aug 2018 = $63,718

- **Bad Debt Collections by Patient Access**

- **Bank Loans**
  - Mar 2016 = $4,005
  - Sept 2018 = $18,239
Henry County Health Center
Mount Pleasant, Iowa

How do we know we are Successful?

- Changed process to check Medicaid eligibility at beginning vs. end of revenue cycle.
- All Patient Access can sign patient up for Presumptive Medicaid.
- Accuracy of Registration: 95% at initial registration & almost 99% after electronic rules engine verification.
- Increased companies available for insurance verification.
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Mount Pleasant, Iowa

HCHC Recent Milestones
2009: Received the High Performance in Revenue Cycle Award from HFMA (Patient Friendly Billing).
2013: Awarded the MAP Award for High Performance in Revenue Cycle.
2014: Outstanding Rural Health Organizations awarded by the National Rural Health Association.
2016: Recognized by iAdvantage as a Top 100 CAH Hospital.
2016: Recognized by HFMA as a Patient Financial Communication Adopter.
2018: Awarded the MAP Award for High Performance in Revenue Cycle.
Henry County Health Center
Mount Pleasant, Iowa

Want would be preventing you from applying for the Patient Financial Communication Adopter Program or the MAP Application???????
Henry County Health Center
Mount Pleasant, Iowa

Questions
??????????
Henry County Health Center
Mount Pleasant, Iowa

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Healthcare Financial Management Association

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