Best Practices in Point-of-service (POS) Collections

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www.bch.org
"No, I don’t really need all this, but my food insurance co-pay is only $5 so I thought, why not?"
POS COLLECTIONS
– Introduction

Why Should the Patients Pay in Advance?

✓ Patients need to be educated and understands their financial obligations for the care they are receiving

✓ Need to identify who can/not pay their bills so they can be helped in the best way possible

✓ Eliminate worry about how to cover patient-pay portion

✓ Maintain or establish good credit record

✓ Patients earn piece of mind knowing their obligations have been met

✓ Avoid future collection headaches
Session Objectives:

1. Discussion of trends in current Health Care market
2. Identify best practices to maximize collection efforts
3. Understand components of Estimating Pre-Service
4. Understand Roles, Training Workflows
5. Next steps/Considerations/Regulatory changes
6. Closing Thoughts
We have a problem.....

**Medical bills make up half of bankruptcies**

AP - BOSTON — Costly illnesses trigger about half of all personal bankruptcies, and most of those who go bankrupt because of medical costs are not well-insured, according to a new study released today.

**Medical bills cause 62 percent of bankruptcies**

A study released Thursday by the American Journal of Medicine finds a huge increase—nearly 20 percent—in medical bankruptcies between 2001 and 2007. Sixty-two percent of all bankruptcies filed in 2007 were tied to medical expenses. Three-quarters of those who filed for bankruptcies in 2007 had health insurance.
We have a problem.....

• A study released in November [2008] by the **American Hospital Association** found that about one-third of hospitals had seen either a moderate or significant decrease in elective procedures in the previous three months....As the recession deepens....patients are deferring elective surgery....Some hospitals said their emergency rooms were already seeing patients with dire conditions that could have been avoided had they not deferred surgery for economic reasons.
I cannot afford it….so I’m not doing it......

- [2008] More than 25% of women delayed or went without care they thought they needed because they couldn't afford it. The finding comes from a Kaiser Family Foundation survey of almost 3,000 women age 18 or older. So this is not an issue of being uninsured. This is an issue of being unable to afford copayments.

- One in eight people with advanced cancer turned down recommended care because of the cost, according to a new analysis from Thomson Reuters, which provides news and business information. Among patients with incomes under $40,000, one in four in advanced stages of the disease refused treatment.
According to the Wall Street Journal…

- An increasing array of Americans, many with health insurance, are delaying or forgoing medical care because of concern about cost, according to a report from the Center for Studying Health System Change.

- Of those who said in the 2007 survey they had scrimped, 69% cited concern about cost as a reason.
  
  - "As health-care costs increase, more of those costs are shifting to people and families," often in the form of large deductibles or other requirements that patients pay for a significant share of their care out of their own pockets, said Peter Cunningham, lead author of the report.

- While the uninsured reported the highest rate -- 38% -- of delaying or going without care, the biggest rate of increase in such reports was among people who had health insurance. Seventeen percent of insured respondents said that they had scrimped, which was up from 11% in the 2003 poll.
Half Put Off Care Due to Cost

Percent who say they or another family member living in their household, have done each of the following in the past 12 months because of the cost:

- Skipped dental care or checkups
- Relied on home remedies or over-the-counter drugs instead of going to see a doctor
- Put off or postponed getting health care needed
- Not filled a prescription for a medicine
- Skipped a recommended medical test or treatment
- Cut pills in half or skipped doses of medicine
- Had problems getting mental health care

‘Yes’ to any of the above: 52%

Source: Kaiser Family Foundation Health Tracking Poll (conducted March 8-13, 2011)
Average Out-of-Pocket Health Services Expenses and Percent Increases, 1996 and 2009

- **Nonelderly Uninsured**: 1996: $426, 2009: $862, Increase: 102%
- **Poverty Line Through 125% of Poverty**: 1996: $455, 2009: $840, Increase: 85%
- **Age 65 and Older**: 1996: $459, 2009: $795, Increase: 73%
- **Perceived Poor Health Status**: 1996: $1,030, 2009: $1,663, Increase: 61%
- **Total**: 1996: $426 + $392 + $385 + $455 + $459 + $1,030 = $4,552, 2009: $862 + $706 + $638 + $840 + $795 + $1,663 = $7,994, Increase: 73%

Note: Percents are the percent increase from 1996 to 2009. Dollar amounts and percentages do not include health insurance premiums.

POS COLLECTIONS
Current Trends

Health Insurance Coverage in the U.S., 2010

- Employee-Sponsored Insurance: 49%
- Medicaid: 17%
- Medicare: 12%
- Private Non-Group: 5%
- Uninsured: 16%

Total = 305.2 million

* Medicaid also includes other public programs: CHIP, other state programs, military-related coverage. Numbers may not add to 100 due to rounding.
SOURCE: KCMU/Urban Institute analysis of 2011 ASEC Supplement to the CPS.

50+ Million uninsured!!!
POS COLLECTIONS
Best Practices

BCH POS COLLECTIONS TIMELINE

3/28/05: BDY SITE POS COLLECTIONS GO LIVE (PILOT)
8/22/05: FTH SITE POS COLLECTIONS GO LIVE
8/28/06: CCI PAY GO LIVE BDY SITE (PILOT)
4/1/06: BCH POS COLLECTIONS INITIATIVE (CICP/WECARE/HWORKS)
9/1/07: CCI ACTIVE ALL IMAGING SITES
1/1/08: BCH SITE PILOTS ESTIMATOR
7/29/08: PRESENTED RESULTS AT AHRA ANNUAL MEETING
11/09: HL7 ADT INTERFACE
2/10: ADVISORY BOARD PRESENTATION, WASHINGTON D.C.
6/10: SCHED FEEDS AND TU ADDRESS S/CREDIT
8/09: AHRA ANNUAL MEETING
3/10: 278 N UHC NOTIFICATION
4/1/08: ELIGIBILITY AND BENEFITS FOR SCHEDULED PATIENTS
5/15/05: BMC SITE POS COLLECTIONS GO LIVE
11/1/07: DEDICATED INSURANCE SPECIALIST HIRED
2010: 270/271 SCRIPTED CALCULATION AND HIS INTEGRATION
# IMAGING SELF PAY PRICING TABLE

<table>
<thead>
<tr>
<th>DEPT</th>
<th>CATEGORY</th>
<th>SELF PAY DISCOUNT PRICE</th>
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<tbody>
<tr>
<td>CT</td>
<td>ANGIO / RUNOFF</td>
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<tr>
<td>CT</td>
<td>NON ANGIO</td>
<td>$900.00</td>
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<tr>
<td>CT</td>
<td>ABDOMEN SCREENING**</td>
<td>$965.00</td>
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<tr>
<td>CT</td>
<td>CT VIRTUAL COLONOSCOPY**</td>
<td>$695.00</td>
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<tr>
<td>CT</td>
<td>CARDIAC SCAN CALCIUM SCORE**</td>
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<tr>
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<td>SPINAL PROCEDURE (I.E. MYELO)</td>
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<tr>
<td>DX</td>
<td>ARTHROGRAM</td>
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<td>DEXA</td>
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<tr>
<td>DX</td>
<td>PLAIN FILMS (ALL OTHER)</td>
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<tr>
<td>DX</td>
<td>PLAIN FILMS (&lt; 3 VIEWS)</td>
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<tr>
<td>MA</td>
<td>STEREO BX (Deposit Platform*)</td>
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<td>MA</td>
<td>NEEDLE LOC / GALACTOGRAM</td>
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<tr>
<td>MA</td>
<td>DX MAMMO (BILAT, incl CAD)</td>
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<tr>
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<td>SCREEN MAMMO (BILAT, incl CAD)</td>
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<tr>
<td>MA</td>
<td>DX MAMMO (UNILAT, incl CAD)</td>
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<tr>
<td>MR</td>
<td>BREAST MR LOC / BX</td>
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<tr>
<td>MR</td>
<td>BREAST MR &amp; W/O CONTRAST</td>
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<tr>
<td>MR</td>
<td>BREAST MR W/O CONTRAST</td>
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<td>PROCEDURE (INCL DRAIN, BX, VEIN MAPS, ETC)</td>
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<td>PET</td>
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</tbody>
</table>

*Deposit Platform is a partial payment (deposit), patient will be billed for the remainder at a 40% discount.

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# ESTIMATED PATIENT FINANCIAL OBLIGATION SUMMARY

**Date: 07/10/2009 9:19 AM**

**Patient Name:** JOHN DOE  
**Date Of Service:** 07/10/2009  
**Medical Service:** Radiology

**Insurance Company:** CIGNA  
**Plan:**

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<thead>
<tr>
<th>Benefit</th>
<th>Individual</th>
<th>Family</th>
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<tr>
<td>Deductible Met</td>
<td>$528.43</td>
<td>$1,628.43</td>
</tr>
<tr>
<td>Out of Pocket</td>
<td>$2,000.00</td>
<td>$4,000.00</td>
</tr>
<tr>
<td>Out of Pocket Met</td>
<td>$528.43</td>
<td>$1,628.43</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Benefit</th>
<th>Allocation</th>
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<td>Deductible</td>
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<tr>
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</tr>
<tr>
<td>Co-Insurance</td>
<td>$0.00</td>
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<tr>
<td>Non-Covered</td>
<td>$0.00</td>
</tr>
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</table>

<table>
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<tr>
<th>Patient Responsibility Details</th>
<th>Allocation</th>
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</thead>
<tbody>
<tr>
<td>Estimated Patient Payment*</td>
<td>$378.00</td>
</tr>
</tbody>
</table>

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**Procedures**

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<tr>
<th>Description</th>
<th>Qty</th>
<th>Copy($)</th>
<th>Co-insurance($)</th>
<th>Charges($)</th>
<th>Plan Allowed($)</th>
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<tbody>
<tr>
<td>CT CHEST W/O CONTRAST</td>
<td>1</td>
<td>20.00</td>
<td>1,840.00</td>
<td>378.00</td>
<td></td>
</tr>
</tbody>
</table>

**TOTALS:** $1,840.00 $378.00

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**Note:** This is an estimate of charges for exam(s) ordered. Additional charges will apply should the order change or if additional studies are performed. In addition, this charge may not include ALL charges for material, auxiliary procedures (i.e. injections, isotopes, tray, etc.) or Professional Interpretation. You will be billed separately for these items when applicable. Thank you.

**Note:** The “Prompt Pay Cash Discount” is provisional based on policies specific to the department in which the services were obtained. Some provisions stipulate that payment must be made in full prior to services being rendered, or the discount will be removed. Please check with the department regarding the policies surrounding the discount.

**What are my choices if I choose to not receive care today?**

Call your physician first so he or she can advise you of the best action for your care. Sometimes a condition does not need immediate attention and you can wait until you can speak with your physician. We encourage our patients to contact our Financial Counselors (303-445-2139), who can help you develop a plan or help you apply for Medical Assistance. If you are concerned that delaying your care could seriously harm your health or that delay in your care would subject you to severe pain, please contact your physician immediately.

A Medical Emergency is defined as a sudden and unexpected sickness or injury. In the absence of immediate medical attention, a reasonable person could believe this condition would result in death, placing one’s health in jeopardy, serious impairment of bodily functions, a serious dysfunction of any body part or organ, serious jeopardy to the health of a fetus. If you believe you have a Medical Emergency, report to an Emergency Room immediately or call 911.
POS COLLECTIONS
Best Practices

BOULDER COMMUNITY HOSPITAL
POS COLLECTIONS
2004 TO CURRENT

AMOUNT

COUNT

$6.0M

$5.0M

$4.0M

$3.0M

$2.0M

$1.0M

$0.0M

2004
2005
2006
2007
2008
2009
2010
2011
2012

CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$

1.4M
1.2M
1.1M
2.3M
3.0M
3.3M
4.7M
3.3M

2.0M
2.9M
2.9M
4.5M
4.4M
4.7M
4.5M
4.7M

40215
22342
-2500
2500
7500
17500
22500
32500
42500

2004
2005
2006
2007
2008
2009
2010
2011
2012

CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$

$0.0M
$1.0M
$2.0M
$3.0M
$4.0M
$5.0M
$6.0M
$7.0M
$8.0M
$9.0M
$10.0M

BOULDER COMMUNITY HOSPITAL
POS COLLECTIONS
2004 TO CURRENT

AMOUNT

COUNT

$6.0M

$5.0M

$4.0M

$3.0M

$2.0M

$1.0M

$0.0M

2004
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2008
2009
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2012

CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$

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1.2M
1.1M
2.3M
3.0M
3.3M
4.7M
3.3M

2.0M
2.9M
2.9M
4.5M
4.4M
4.7M
4.5M
4.7M

40215
22342
-2500
2500
7500
17500
22500
32500
42500

2004
2005
2006
2007
2008
2009
2010
2011
2012

CCI$
CCI$
CCI$
CCI$
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CCI$
CCI$
CCI$

$0.0M
$1.0M
$2.0M
$3.0M
$4.0M
$5.0M
$6.0M
$7.0M
$8.0M
$9.0M
$10.0M

BOULDER COMMUNITY HOSPITAL
POS COLLECTIONS
2004 TO CURRENT

AMOUNT

COUNT

$6.0M

$5.0M

$4.0M

$3.0M

$2.0M

$1.0M

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4.7M
3.3M

2.0M
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2.9M
4.5M
4.4M
4.7M
4.5M
4.7M

40215
22342
-2500
2500
7500
17500
22500
32500
42500

2004
2005
2006
2007
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2012

CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$
CCI$

$0.0M
$1.0M
$2.0M
$3.0M
$4.0M
$5.0M
$6.0M
$7.0M
$8.0M
$9.0M
$10.0M

National Association of Healthcare Access Management
NAHAM
GOALS:

• 100% of scheduled patients are checked for insurance eligibility, auths, and benefits

• 100% of scheduled patients have a funding mechanism for their services before the date of their appointment

• 100% of scheduled patients are told what they owe prior to their service or discharge

• 100% of ALL patients meet the above criteria within one (1) business day or prior to discharge

Patients should be able to access and pay for their health care expenses as easily as they book a plane ticket
Best Practices of Top-Performing Facilities:

• Adopt guiding principles and communicate the message
• Set the expectations, and establish accountability
• Update the mission, job descriptions, policies, and procedures
• Couple patients with the **best** funding mechanism available
  – “best” could be charity care
Quick check:

• What % of your patients do not have insurance?
• Of those who do, what is their average out-of-pocket?
• What % of your patients are you collecting from up front?
• What % of your claims have remittances?
• How are your staff checking for insurance? Pre-service? At reception? Post service?
• What are your credit balances? What is the cause?
• Who gets asked for money? By whom? When?

- Point of Service Collections, Techniques that Work, HFMA, Sandra Wolfskill
NON SEQUITUR

MAYBE IF YOU TRIED ANOTHER CARD...

THE H.M.O. SURGICAL PROCEDURE

TO OPEN OPERATING ROOM DOORS, SWIPE CREDIT CARD HERE.

1. SELECT TYPE OF SURGERY.

2. HIT ENTER FOR CREDIT APPROVAL.

WILEY
Components of a Successful POS Collection Program:

1. Metrics (Data)
2. Executive-Level Support
3. Active Participation at All Levels
4. Policy, Procedure, Protocol and Scope
5. Patient Education
1. **Metrics - DATA**

*High Level*
- Billed Revenue
- Reimbursement
- Up-front (POS) Collections (if any)
- Bad Debt Write-offs ($)

*Detail*
- Payer Mix including Self-Pay (uninsured)
- Account Aging and Costs (A/R, Collections agency, etc.)
- Patient Mix (Outpatient, Inpatient, ED)
- Number of Scheduled Patients and Walk-ins
- Procedure Mix (CT, MRI, TEE, PTCA, ACD)
- Access Points and Volume at each area (Scheduling/Reception/Intake/Admissions)
Why so much data?! 

- Get a Baseline (What can we track?)
- Identify Priorities (Why is this important?)
- Focus efforts (Who will be impacted?)
- Establish Goals (When can we do this?)
- Determine Needs (How can we do this?)
KNOW your numbers….

- How much should an *uninsured* person pay?
- What do we collect if it is not on the card?
- What do we do if data is not available?
- How do (or can) we estimate *allowable*?
- What can we (or can we not) estimate in advance?
2. Executive-Level Support

- Bottom-up, top-down, sideways, and up-side-down, the organizational CULTURE must live, breathe, and act consistently

- Every person, from the Clinician to the Receptionist, from the Office Manager to the patient, must clearly understand the project and its rationale

- Services should not be reduced in a POS Collections Program – they should be ENHANCED
2. Executive-Level Support (cont.)

Typical POS Collections Team:

- Executive - VP/CFO, Owner, Office Manager
- Director / Site Manager (s)
- Billing and Contracting
- Admissions / Scheduling / Reception
- Front line personnel
- Others???

- If multi-site/functional areas, leads from each access point should be represented
- Should end up with 6-8 “key” personnel involved in patient and billing flow

* This group should have a philosophical, business-decision discussion concerning “boundaries” PRIOR to any implementation
3. Active Participation at All Levels

- Administration and Management
- Billing
- Financial Counselors
- Clinical Personnel
- Front Line
POS COLLECTIONS
Components and Tools

Letters/Communication do not hurt.....
3. **Policy, Procedure, Protocol and Scope**

“Three Doors” for funding their care:

- Insurance
- No Insurance (self-pay)
- Other Funding Mechanism (be specific)

ONE (AND ONLY ONE) OF THE ABOVE MUST BE ELECTED BY THE PATIENT PRIOR TO RENDERING SERVICES – NO EXCEPTIONS!!!
“DOOR” will determine *direction* and *conversation* we take with the patient:

- “Collection Advisory” List
  - Medicare/Medicaid
  - Third Party Liability (Work comp, MVA, Litigation)
  - “Agreements”

- Patient Types
  - ED, STAT, URGENT, SAME DAY ADD-ONS
  - Procedure changes
  - Oncology, Mammography, DEXA
  - Indigent, Homeless, Out-of-network
3. **Policy, Procedure, Protocol and Scope (cont.)**

Be VERY clear on the following:

- who is asked
- when the question is posed
- what is said
- what happens when people refuse or get upset
- who is contacted for service recovery
When is the question posed?

- At Physician’s office?
- At Scheduling?
- At Reception?
- On the Table?

- Earlier and the more frequent, the better
  – ELIMINATE SURPRISES

What is said?

- Tailor the conversation to fit the situation…
POS COLLECTIONS
Components and Tools
What’s Realistic?

- Scripting is difficult and does not afford flexibility, however in some cases you must ensure consistency

- Key Phrases are best where possible

- The 4 “C”s:
  - Confident
  - Competent
  - Compassionate
  - Collaborative
EXAMPLES:

- Key Phrases

  - All of our patients are expected to….
  - Do you know what your payment is today?
  - We have several options available for payment, our best is…?
  - We typically do ______ when patients ________....
  - Most patients elect this option as it....
Strategies to Determine Amounts:

1. Self-pay (and No-pay…choice vs affordability)
   - Take average net-deduction-in-revenue (NDR) and add 5-10% for “administrative savings”
   - For example, if block of business has an NDR of 25%, make the self-pay amount 35%
   - Take charge master and reduce billed amounts by 35% to establish Prompt Pay Fee Schedule by Category and/or line-item CPT
   - “ALL PATIENTS WHO PAY AT TIME OF SERVICE WHO DO NOT HAVE INSURANCE ARE ELIGIBLE FOR THE PROMPT PAY DISCOUNT. PAYMENT MUST BE MADE IN FULL AT TIME OF SERVICE TO BE ELIGIBLE”
## Strategies to Determine Amounts:

### 2. Indigent Amounts

- Program Copay, Coinsurance, Deductibles
- Sliding scale to Federal Poverty Level (FPL)

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<tr>
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<th>Peoples Clinic Discount Plan</th>
<th>Wecare Rating</th>
<th>Inpatient Copayment</th>
<th>Outpatient Surgery</th>
<th>MRI, CAT Scan, Nuc Med</th>
<th>ER Visit</th>
<th>Lab Work</th>
<th>X-Ray</th>
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<td>$0.00</td>
<td>$0.00</td>
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</tr>
</tbody>
</table>

* Peoples Clinic Discount Plan is equivalent to Boulder Community Hospital's WeCare Plan.

* A patient will be charged multiple copays for multiple services done during the same admission or the same visit.
Strategies to Determine Amounts:

3. KNOWN insurance amounts

- Collect what is on the card:
  - Copays
  - Coinsurance/Deductible
    - Estimate *allowable* amount(s)
    - BEWARE of the “floating deductible”

- Have patients bring in Benefits Screen Prints/EOBs
- Have patients or staff call insurance in advance
- ASK patient and collect that
Strategies to Determine Amounts:

4. UNKNOWN insurance amounts
   - Consider **benefits** of collection *versus* downstream **costs** to refund
   - Avoid “over collecting”
     - Customer Service issues
     - Refund Turn Around Time
     - Inflated Results
     - Carrier and Employer “ripple effect”
   - Consider FLAT “Deposits” by service line – ED, Imaging, etc.
   - Credit Card on File
Strategies to Determine Amounts:

Credit Card on File

- Store Credit Card Numbers for subsequent billing
- Line of Credit
  - Compare to when you check into Hotel and they take a card for “incidentals”
- Several vendors offer a software solution that integrates/replaces existing credit card terminals
- BCH Imaging alone generates ~600-700 per month, or approximately $100K+ in downstream revenue per month!
Other considerations with Amounts:

- Distribution and communication of amounts is critical
- Paper or Plastic?
  - Do you have hard copy price sheets, or do you have software
  - Version Control
  - Usability/Math
  - Accuracy
Other considerations with Amounts:

- **Estimators**
  - **Homegrown**
    - Spreadsheet, Database, Calculators, Abacus, Paper
    - **PROs**: Cheap and Easy
    - **CONS**: Time investment, Maintenance, Inaccurate
  - **Proprietary**
    - Real-time estimate and/or eligibility
    - Configured to managed care contracts
    - **PROs**: Accurate, Fast, Professional
    - **CONS**: Initially can be expensive with hardware/software, Interface/integration concerns
Estimators (Continued):

- Determine Risk at front end from Eligibility, Auth, Benefit/OOP, and propensity to pay
- Couple with Credit Scoring to establish eligibility to other funding mechanisms
- Pre-qualify scheduled appointments
- Streamline estimation and eligibility checks
Other considerations with Amounts:

- Estimators (Continued):

  But we “NEED” this fancy new thingy?!!!

  - Prove it:
    - Pilot/Trial in focused area to demonstrate value
    - ROI
    - Proformas
    - Customer Service

- Huge Opportunities –
  - several vendors
  - “buyers market” currently
  - ROI is typically a matter of months
# POS COLLECTIONS

## Components and Tools

### BCH Eligibility and Estimation Tool Justification

#### Justification

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Potential Savings</td>
<td>$2,530,676</td>
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<tr>
<td>Tool Costs (Current Cost Structure)</td>
<td>$(750,000)</td>
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<tr>
<td><strong>Net</strong></td>
<td>$1,780,676</td>
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</table>

#### ROI

<table>
<thead>
<tr>
<th></th>
<th>Savings</th>
<th>ROI</th>
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</thead>
<tbody>
<tr>
<td>Day</td>
<td>$8,694</td>
<td>62.2</td>
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<tr>
<td>Week</td>
<td>$74,564</td>
<td>7.3</td>
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<tr>
<td>Month</td>
<td>$161,556</td>
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</table>

### Eligibility and Benefits Estimation Tool Justification

*Projected 2008 - BCH Imaging*

#### Net Additional Revenue 2008:

- **$359,000**

#### Graph

- **Revenue with Tool**
- **Revenue without Tool**

#### Assumptions
Implementation Suggestions:

- Test the workflow
- Role Play
- Roll out in Phases
- Focus efforts on simple items first
  - low-hanging fruit, e.g. uninsured/self-pay
- Identify Physician Champion(s)
Keep it simple…..

- “It is an expectation of your job to ask for patient portions”
- Ask the simple question – “Do you know your amount to pay today?”
- Provide Options, NOT ultimatums
- Start small, use paper, then expand to system-wide integration
# POS COLLECTIONS

## Streamlining Workflows

### BCH POS COLLECTIONS ROLL-OUT

<table>
<thead>
<tr>
<th>APRIL</th>
<th>MAY</th>
<th>JUNE</th>
<th>JULY</th>
<th>AUG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PHASE I: DESIGN</strong> (APRIL 10 - MAY 22)</td>
<td><strong>PHASE II: EDUCATE</strong> (MAY 29 - JUNE 12)</td>
<td><strong>PHASE III: GO LIVE</strong> (JUNE 19 - JULY 10)</td>
<td><strong>PHASE IV: MONITOR</strong> (JULY 10 - ONGOING)</td>
<td></td>
</tr>
</tbody>
</table>

**MTG 1:** Kick-off meeting

**MTG 2:** Current assessment

**MTG 3 AND 4:** Current state analysis and design/process flow

**MTG 5:** Create launch plan

**MTG 6 & 7:** Develop tools and RSP

**MTG 8:** Create incentive programs and task productivity

**MTG 9:** Evaluate and train staff

**MTG 10:** Go live. Launch POS strategy

**MTG 11:** Track success of the practice (ONGOING)

**MTG 10D:** Results meeting

### FLOWCHART

**STEP 1:** Current state analysis (COMPLETION TARGET)

**STEP 2:** Communication plan (COMPLETION TARGET)

**STEP 3:** Tools, P & Ps (COMPLETION TARGET: Monday, May 15, 2006)

**STEP 4:** Incentive plan (COMPLETION TARGET: Monday, May 29, 2006)

**STEP 5:** Staff education (COMPLETION TARGET: Monday, June 12, 2006)

**STEP 6:** Implement (COMPLETION TARGET: Monday, July 10, 2006)

**STEP 7:** Track success (COMPLETION TARGET)
LOOK BEFORE YOUR LEAP…

✓ **Know** the amounts (even if estimates) before you ask people, to ask patients, for it
✓ **Know** how you are going to handle and process the money
✓ **Know** how to handle customer service issues and complaints
✓ **Know** how to defend the mission of the POS Collections Effort
✓ **Know** how to adjust the process quickly
Workflow Development:

- Develop *POLICY* to support the *PROCEDURE* within the *SCOPE* of the project
- Determine:
  - When (Specific Steps)
  - Who (Collection Advisory)
  - Why (“Doors” and “Bulls eye”)
  - What (how much $)
  - How (Scripting/Key Phrases)
POS COLLECTIONS
Streamlining Workflows

ID INSURANCE

SELF-PAY?

ID INSURANCE

SELF-PAY?

PRICE USING SELF PAY PRICING PAGE

QUOTE PRICE, DOCUMENT IN SCHEDULING SCREEN

ASK FOR PAYMENT – PATIENT DECIDES:

ALL

NONE

DONE

BOH expects payment of the patient portion at the time of service for Imaging Exams. If you have insurance, please contact them prior to your appointment to determine the amount of your responsibility. Please be prepared to provide documentation of this amount when you arrive, or we can estimate the amount(s) for you. Please note that services will not be performed unless payment is received prior to your exam.

I.S.R. "Do you know what your patient portion is today?"
1. YES - collect that
2. NO - Estimate and COLLECT using "10% column" the copayment schedule, or collect a COJ / Blank Check
3. Unwilling to pay, Refer to Financial Counseling at x2139 (303) 410-2139 and reschedule

PRICE USING IMAGING SELF PAY PRICING PAGE

QUOTE PRICE, DOCUMENT IN ADMISSIONS SCREEN

MEDICAL SERVICE FOR PATIENT REQUESTED (SELF REFERRAL OR PHYSICIAN ORDER)

INSURANCE?

YES

NO

EXECUTE ARM / INSURANCE PAYER

FINANCIAL ASSISTANCE REQC'D?

YES

NO

REFERENCE FINANCIAL ASSISTANCE APPLICATION

COMPLETE FINANCIAL ASSISTANCE APPLICATION

CONTACT REFERRAL / PAYER CENTER / PATIENT PORTAL / PHONE

AFFORD PORTION

YES

NO

PAYMENT $0

BAD DEBT

WE CARE CHARTY FUND
• **Be empathetic** not sympathetic
  • understand patient’s situation but pursue reasonable payment options with the patient
  • Staff motto: “Do you want a hug or a paycheck”?!  

• **Put yourself in the patient’s shoes**
  • how would you want the situation explained, presented and handled?

• **We must** be sincere when empathizing with the patient
How Do You Request For Payment In Advance?

• Registrars must choose their words carefully and be respectful, yet be direct with the patient

• Registrars need to be aware of their tone of voice when speaking with the patient

• Be firm about hospital policy and reassure the patient that paying in advance is for their benefit
Sustainment trials, techniques, and tools:

- Monthly POS collections task force (yes, monthly)
  - Front-line dialogue and troubleshooting
  - Mandatory Trainings with Admissions/Billing Collaboration

- LEAN RIE (Kaizen) annually
  - Six figure benefits every time we do it (CP, SX, et.al.)
  - Team polishes entire process in a week 😊

- Performance metric reporting
  - Consistent Feedback to team on performance and gaps
“The goal of the BCH POS Collections Program is not to collect money. Our goal is to educate patients as to the costs of their care, and help them navigate these costs”

‘Boulder Community Hospital strives to help patients understand their health care costs. In that effort, coverage is verified, costs are discussed, and payment arrangements are made - in advance. Through this, bad debt is reduced and the operations of our hospital remain financially viable to continually serve our community”
POS Collections – Challenges/Next Steps

BCH Challenges…

- Oversight of operations varied
- Consistency and Accountability
- CIO and CFO transition
- IT engagement and support
- HIS transformation – 8th Hospital in the country (post beta)
BCH Challenges...

- **Data Mining from Client**
  - Departmental idiosyncrasies (e.g. Imaging vs OP Sx)
- **Recondo programming enhancement timetable**
  - Scheduling Mnemonics / Customs
  - Sort, Select, Filtering (by appointment types)
  - Multiple Procedures
  - Missing Accounts
  - Quick Estimates
- **Working outside of an interface**
- **Resources (Updates, Testing, Configuration)**
- **Testing / Development**
POS Collections – Challenges/Next Steps

The future of healthcare finance….

- Move Collections processes to front end
- Couple with Credit Scoring / Propensity to Pay
- Pre-qualify scheduled appointments
  - Establish charity care or assistance EARLY
- Prioritize accounts by benefit and risk
- Financially Counsel and direct to BEST funding mechanism
- Streamline estimation and eligibility checks
Current and Future trends:

- Increased Transparency (internet marketplace)
- Increased Patient Education and Expectations
- Tighter reimbursement
- Pay for Performance / contracting
- Increased patient accountability and risk
- Increased diligence with managing revenue cycle
- Automation and Streamlining – data is readily available anytime
In Summary…

• Critically analyze market trends and evaluate best practices

  • FEDERAL CHANGES (PPACA/ARRA) – how are YOU documenting you screening and collections from uninsured patients? 😊

• Adopt what would work well in your organization

• Identify the components and scale the project to the resources you have available

• Train, retrain, and adapt the workflows

• Educate your coworkers, customers, and community
Accurate, timely information on the front and back end of the revenue cycle is essential to this process…Yet technology can go only so far in preparing patients and providers for the new age of consumerism in health care. There are three things hospitals must accomplish beyond implementing new technology:

- They must be able to justify charges in a way that ordinary people will accept as reasonable, which means, of course, that the charges themselves must be reasonable. And that means, among other things, the end of cost-shifting.

- They must offer on-the-spot, skilled, and comprehensive financial counseling, discounts, and flexible payment options to self-pay patients who are unable to pay their bills.

- They must educate patients thoroughly, in more than one way and at more than one time, about provider billing practices—including who, what, where, when, why, and how.
With effective programs in place and the technological tools and training to help PFS staff deliver top-notch customer service, healthcare Organization sin the vanguard of POS collection are finding patients to be not resentful but grateful.
Develop a Strategy and Collection Mechanism that is:

- Easily deployed
- Elegant and simple
- Flexible by role and patient type
- Supported by management
- Scalable
Have clear direction and momentum:

1. Have a meeting
   - At an early stage, ensure to include the people who are going to ask people for their money
2. Assemble a team
3. Build from existing workflows and add to them
4. Develop the “plan”
5. Test the workflows and track your results
6. Discuss Challenges and Celebrate Successes
7. Lead by example
8. Do not ever give up
Questions?
Thank you.

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Chief Revenue Officer
Boulder Community Hospital
(303) 440-2156
jwiik@bch.org