



# Revamping the patient medical billing experience to prevent surprises

*August 2020*

## Meet the Presenter

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### **Gordon Jaye** Vice President, Hospital Operations

- Over 25 years working in various IT, HIM and Revenue Cycle roles
- Expert in front-end solutions, pre-access model and optimizing the patient's financial experiences

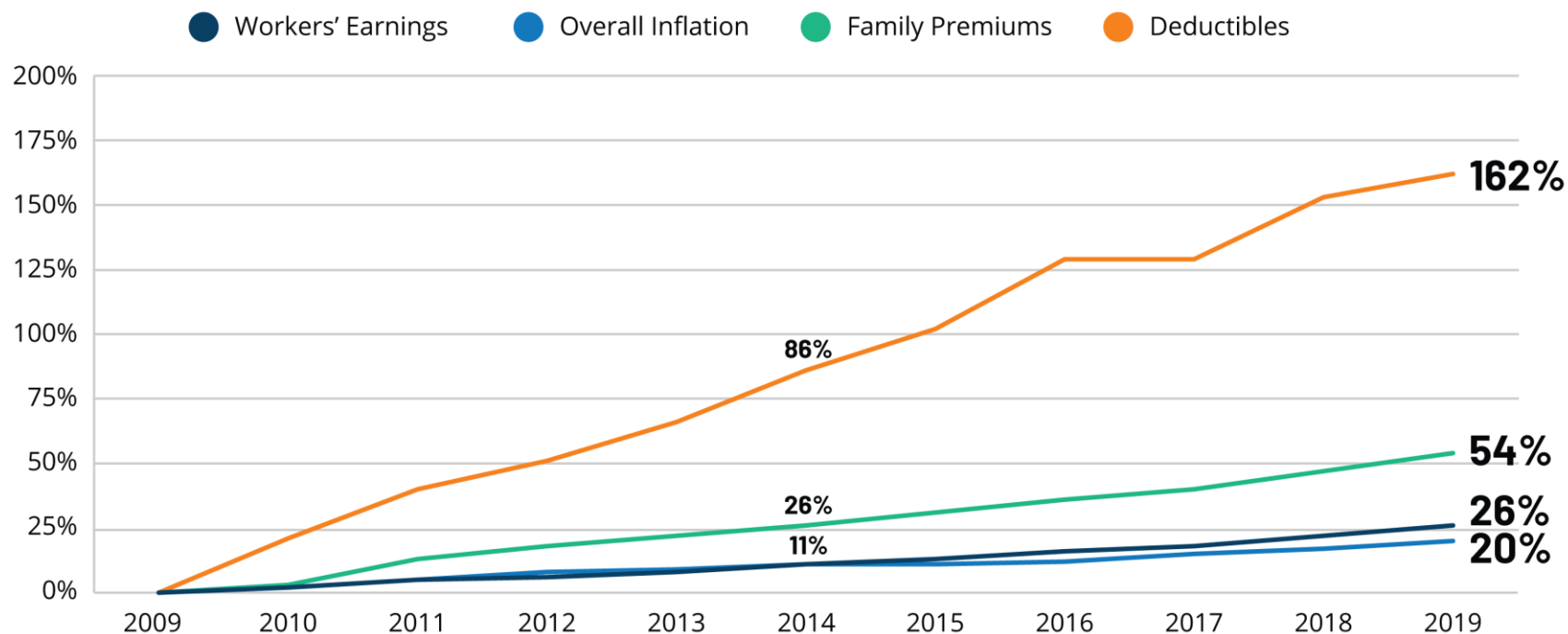
# Agenda

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- Today's Financial Landscape
- Surprise Billing Overview & Impact
- Focus Points for Patient Billing Experience
- Strategic Impact
- Questions & Answers

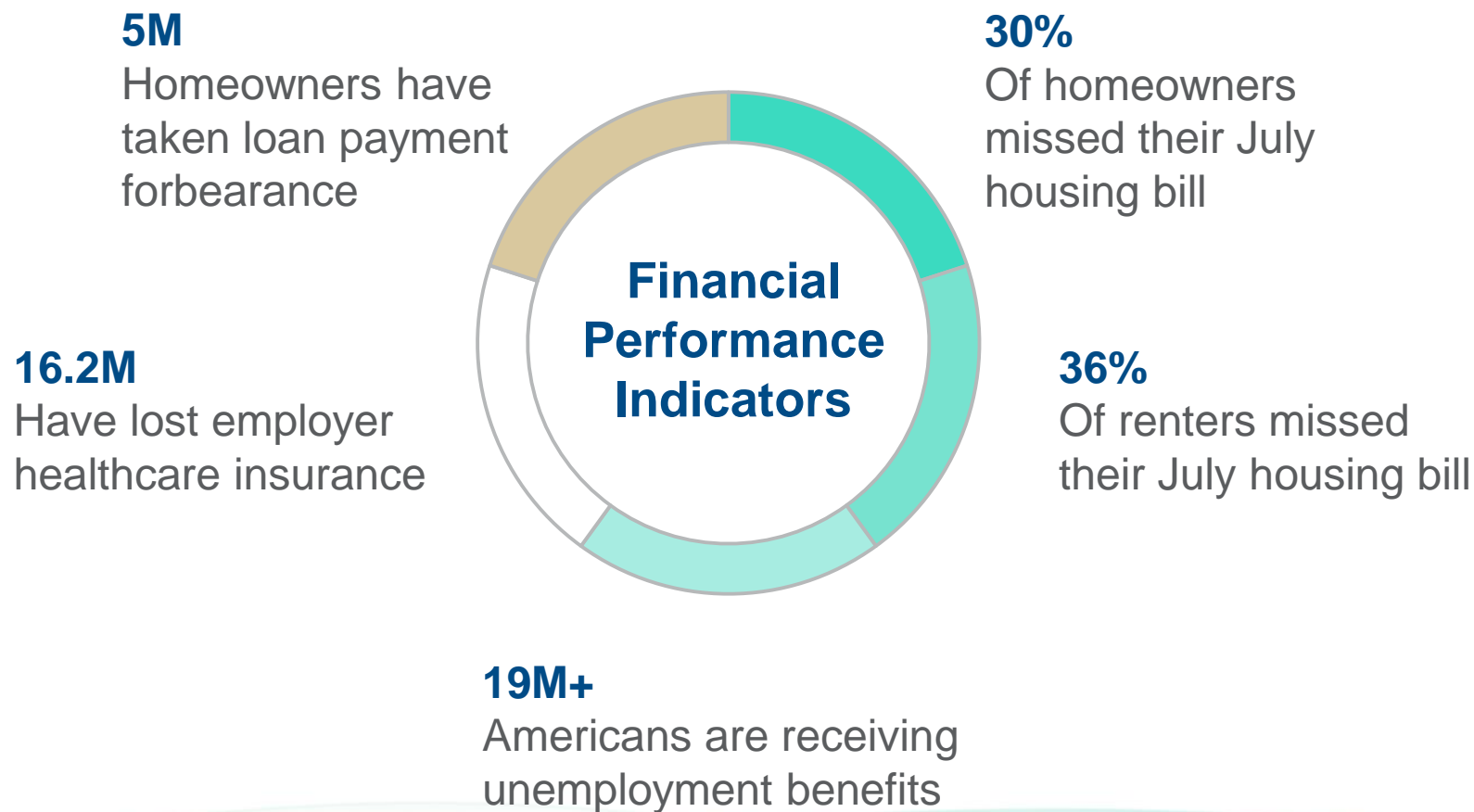
# The Shifting Healthcare Landscape

## Premiums and Deductibles Rise Faster than Worker's Wages Over Past Decade



Source: [KFF.org](https://www.kff.org)

## National Financial Performance Indicators Amid Covid-19



# Surprise Medical Bills & Balance Billing

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## Surprise Bills

Occur when patients seek care for scheduled and non-scheduled services such as:

- Emergency care at a hospital not in their insurer's network
- Surgical procedure at an in-network hospital, but an anesthesiologist or other assisting provider is not in-network

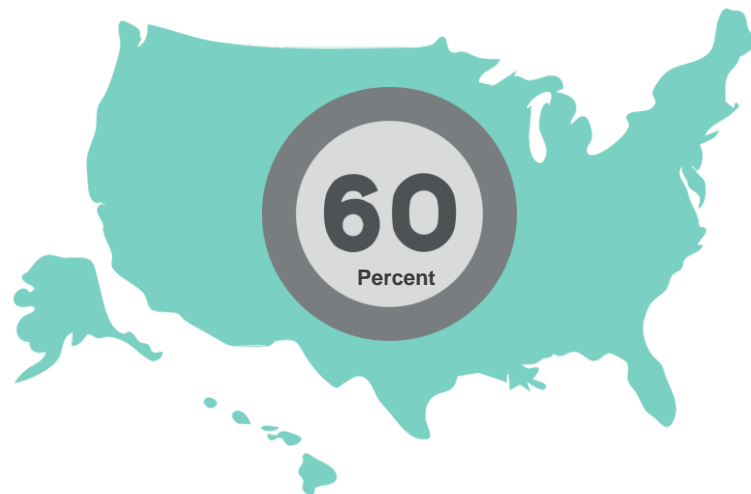
## Balance Billing

- Patients are billed for the portion of the charges not covered by the insurer for services rendered by an out-of-network provider.

## Financial Impact of Surprise Bills

### Covid-19 Creates Unique Challenges Related to Surprise Medical Billing

- Staffing shortages, triage protocols, and care gaps for conditions other than Covid-19 increase likelihood of patients to be sent to OON facilities and providers.
- ERISA prohibits state laws governing health insurance from applying to self-insured employer plans, leaving millions of American unprotected by state surprise-billing protections, cost-sharing prohibitions, & coverage mandates.

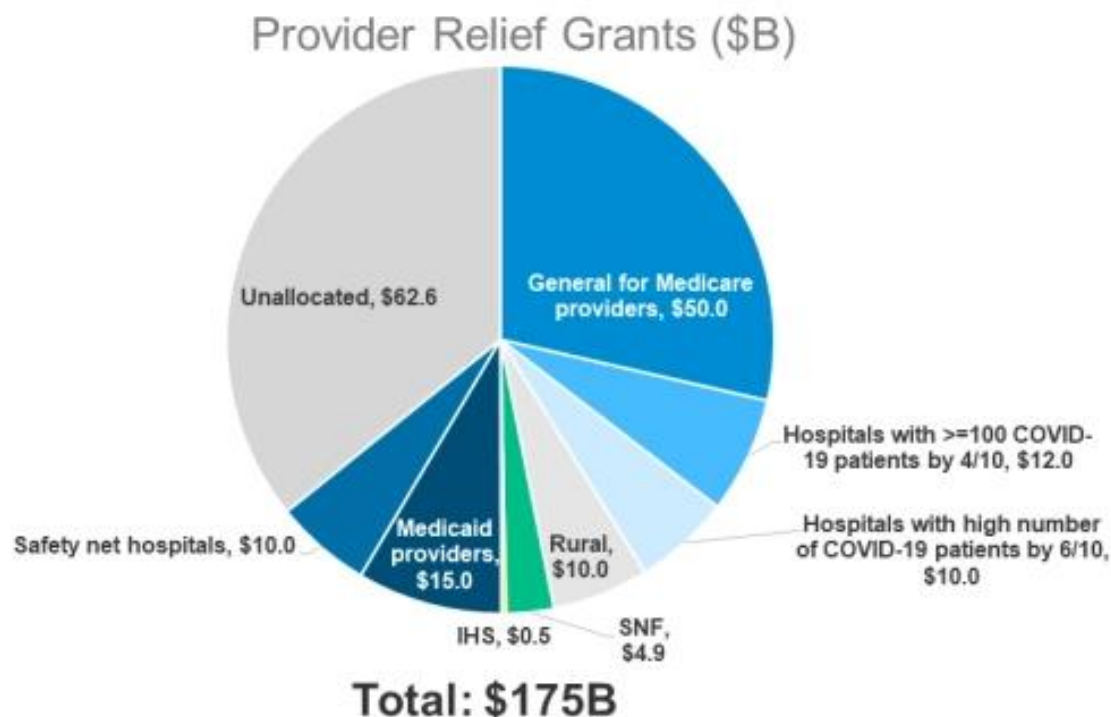


Nearly **60%** of Americans with employer-sponsored health insurance – approximately **30%** of the total population

# Surprise Bills and Covid-19

Figure 1

## Announced Provider Relief Allocations as of June 15, 2020

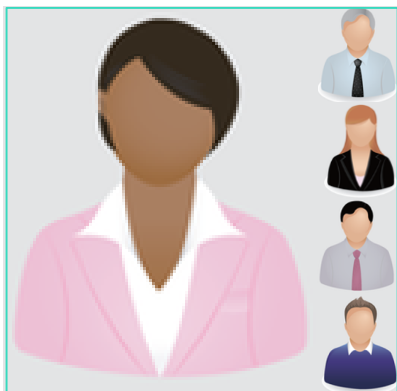


NOTES: General allocation for Medicare providers was based on their total net patient revenue; \$15B for Medicaid providers will also be based on total net patient revenue; \$12B for hospitals with at least 100 COVID-19 patients by 4/10 includes the additional \$2B for safety net hospitals; SNF is skilled nursing facility, IHS is Indian Health Service.

SOURCE: KFF analysis of HHS announcements regarding CARES Act provider relief allocations



## Pervasiveness of Surprise Bills



### Average of 1 in 5

Insured Americans with an ED visits incur at least one surprise medical bill



### Nearly 3 in 4

Of all ground and air ambulance rides involve potential surprise bills



### Nearly 1 in 5

Surprise bills were a result of a doctor not being part of the network

Sources: [KFF Health Tracking Poll](#) (April 2019); [Health Affairs](#); [NORC Study](#)

## Surprise Bill Legislation

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Four committees in Congress have introduced legislation:

- Senate Health, Education, Labor, and Pensions (HELP) Committee
- House Energy & Commerce Committee
- House Ways & Means Committee
- House Education & Labor Committee

Key principles for surprise bill legislation include:

- Ban Surprise Balance Billing and Fully Protect Consumers
- Contain Total Costs for Consumers
- Ensure Comprehensive Protection Nationwide

## Surprise Bill Senate Legislation

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June 26, 2019 - Passed the Lower Health Care Costs Act of 2019 (S. 1895)

- Focuses on health care cost reduction.
- Bans providers from balance billing patients for more than the in-network cost-sharing amount .
- Requires the health plan to pay the practitioner and/or the facility based on the median in-network contracted rate for services in the geographic area.
- Includes price transparency and provider/health plan contracting provisions.

Dec. 8, 2019 - Surprise billing legislation agreement announced

- Includes both a benchmark rate and an independent dispute resolution process for claims over \$750.

## Surprise Bill House Legislation

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### July 17, 2019 - H.R. 2328 Approved

- Prohibits balance billing for OON emergency services and certain OON ancillary & post-stabilization services.
- Sets reimbursement for OON providers at the median IN contracted rate for services in the geographic area.
- Includes a voluntary arbitration process for hospital & physician claims with median IN reimbursement of \$1,250 or more.

### Feb. 11, 2020 - H.R. 5800 Approved

- Relies on a median IN rate to resolve OON payments.
- Sets an independent dispute resolution process to determine the final payment allowed for amounts above \$750 or \$25,000 for air ambulance services.

### Feb. 12, 2020 - H.R. 5826 Approved

- Prohibits providers from balance billing for emergency services/medical care the patient reasonably could have expected to be IN.
- Bans providers from charging patient more than IN cost-sharing amount.
- Sets a period for health plans/providers to negotiate OON reimbursement, followed by a mediated dispute resolution process if necessary.

Source: [AHA.org](https://www.aha.org)



## NO BALANCE BILLING PROTECTIONS

- No Balance Billing Protections
- Partial Balance Billing Protections
- Comprehensive Balance Billing Protections

Source: Commonwealth Fund

# Revamp the Medical Billing Experience

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**Know the  
Patient**

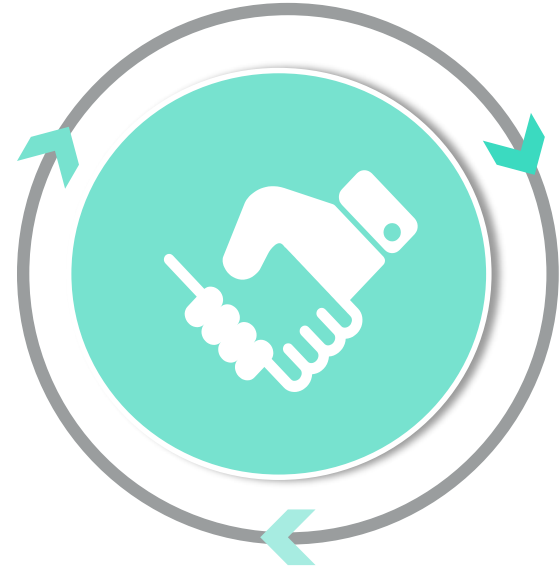
1. Change Patient Confidence
2. Change the Conversation
3. Change the Culture

## Change Patient Confidence

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To prevent surprises and regain patient confidence, providers must give patient-consumers what they want:

- Transparent, consistent prices
- Easy-to-understand bills
- Payment plans that fit individual financial circumstances



# Price Transparency



## Cost of Care

Provide a clear understanding of cost of care prior to scheduled or walk-in services



## Pricing Information

Publish pricing information on your public website, more than just the charge description master



## Self-Service Estimates

Allow for self-service bill estimates with the ability to reference estimate during scheduling



## Average Cost Information

Where bill estimation is not supported, make average cost for common services rendered



## Payer Coverage

Provide how to best to ensure all involved are covered by their payer



## Quick Estimates


Use your Pre-Access Center and Patient Access to provide quick estimates including the ED



# Billing Statements

Billing statements should be clear and concise

- Provider's name should be front and center
- Clearly define payment due vs. insurance portion
- Offer multiple payment methods
- Stay away from healthcare jargon






**Patient Name:** JOHN DOE  
**Account Number:** 70A71241  
**Medical Record Number:** 402P00  
**Responsible Party:** JOHN DOE  
**Dates of Service:** 12/15/2019 - 12/15/2019

**Your Statement (as of 7/17/2020)**

The balance on your account is past due. We ask that you make payment or contact us within the next few days. We stand ready to help you arrange a payment schedule, discuss payment once account representative may be contacted by calling 800-785-4

**Payment Options**

 Pay your bill online at [www.iredellhealth.org](http://www.iredellhealth.org)  
 Pay by phone by calling (704) 878-4000  
 Mail in a check or money order or pay with credit/debit card with coupon below

**Total Amount Due \$334.06**

**Understanding Your Bill/Statement**

1. Number that identifies the patient's visit
2. Number that identifies the patient
3. Dates that the services were rendered
4. This area may contain important information regarding your statement
5. Summary Description of the services for which you are being billed
6. If paying by credit card, this box must be filled out with the proper information
7. eStatement ID used for patient authentication on the payment portal
8. The address to which payments must be sent if paying by mail. Please detach and include the bottom part of the statement with your payment to ensure proper credit to your account.

**\*\*\*PATIENT HAS THE RIGHT TO REQUEST A DETAILED ITEMIZED BREAKDOWN OF CHARGES\*\*\***

Iredell Health System offers a generous financial assistance program for patients. The program offers discounted charges to those who are uninsured, underinsured or simply cannot otherwise pay for all of their medical care. The Financial Assistance Program supports medically necessary services to qualified patients on a "first-come-first-served" basis until the annual budget has been reached. Iredell Health System's annual budget for free and discounted services is \$13.9 million. Eligible patients who reside in a family or household where their net worth is less than \$75,000 and their household or family income is within the ranges detailed on the left. If you think you may be eligible for the program, we encourage you to contact the Financial Counselor at 704-878-4000. An application and financial information will be required to determine eligibility.

**DESCRIPTION**

Patient Name: JOHN DOE

**Total Charges for Patient Visit:**

Discount from Charges:

**Amount Due Hospital:**

**Payments to Date:**

Simple, Se  
Make online Payments on the go from any of your m  
Go to [www.iredellhealth.org](http://www.iredellhealth.org) click on

**Total Amount Due**

Detach this coupon and

**Pay Online at**

[www.iredellhealth.org](http://www.iredellhealth.org)

Your eStatement ID: QB7E4F7C

JOHN DOE  
123 Elm St  
Anywhere, NC 12345-6789

**Family Size**      **100% Iredell Guidelines**

1	\$31,598
2	\$38,779
3	\$43,943
4	\$47,336
5	\$53,416
6	\$53,496

For family units with more than 6 members, the annual incomes above will be increased based upon Federal Guidelines.

**If any of the following has changed since your last statement, please indicate**

Your Name (Last, First, Middle Initial)		Date of Birth	Your PRIMARY Insurance Company's Name	
Address			Primary Insurance Company's Address	
City	State	Zip	City	State
Telephone	Social Security #		Policyholder Name	Date of Birth
Employer's Name	Telephone		Policyholder's ID Number	Group Plan Number
Employer's Address			Your SECONDARY Insurance Company's Name	
City	State	Zip	Secondary Insurance Company's Address	
Please Indicate if Applicable: <input type="checkbox"/> Auto Accident <input type="checkbox"/> Worker's Compensation			City	State
Date of Injury			Policyholder Name	Date of Birth
			Policyholder's ID Number	Group Plan Number

2 of 2

# Anticipate Patient-Guarantor Behavior

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## Identify Unique Payment Path

1. Analyze credit-reporting data and other financial demographics
  - Guarantor Credit Score
  - Payment History
  - Residual Income Measurements
2. Identify reasonable financing options for each patient-guarantor

# Guarantor Assessment Example

## GUARANTOR ASSESSMENT EXAMPLE

### Assessment 5

Hold for patient payment plans

### Assessment 4

Consider holding for extended payment plans based on patient history, process some through early-out vendor

### Assessment 3

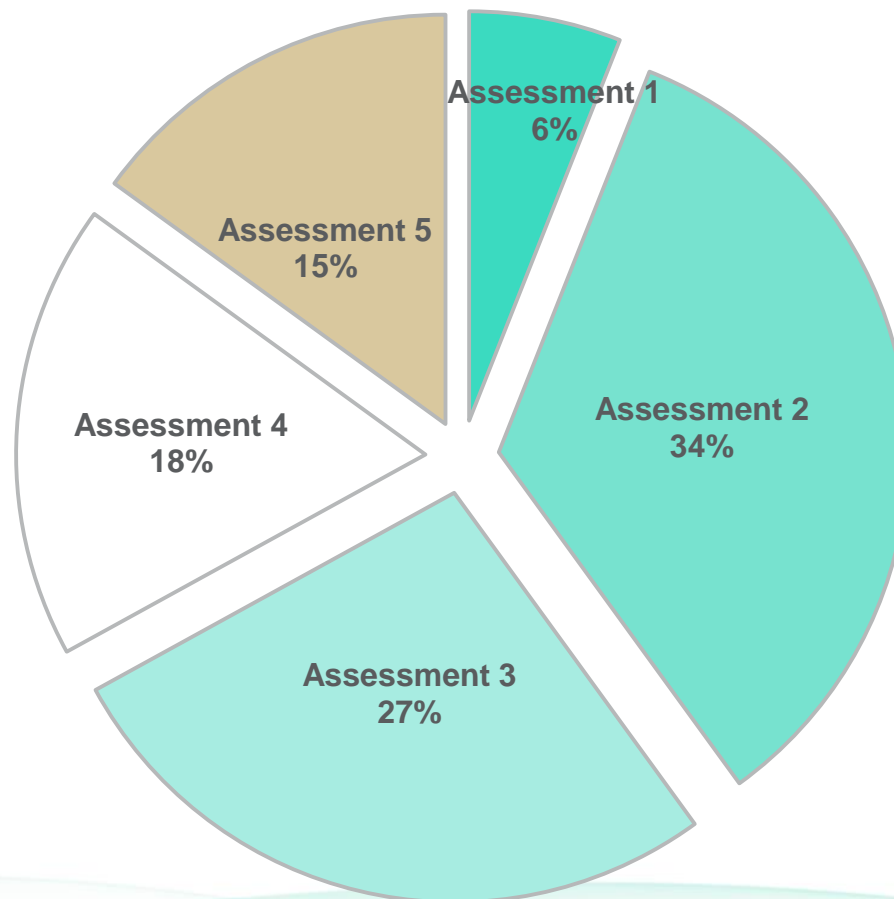
Release to early-out vendor

### Assessment 2

Release to early out vendor; Consider hospital charity

### Assessment 1

Hospital charity program



■ Assessment 1 
 ■ Assessment 2 
 ■ Assessment 3 
 ■ Assessment 4 
 ■ Assessment 5

## Develop Patient Relationship Prior to Care

### Relationships that recognize patients as individuals

1. Contact patients by phone at least 3 days prior to appointment
2. Verify insurance information, deductibles, and co-payments
3. Run bill estimates
4. Assess patient ability to pay
5. Determine the most appropriate payment options & generate a customized financial care plan
6. Offer free advocacy services to connect patients to public and third-party assistance programs
7. Pre-register patients for all approved services



**Pre-Registration  
& Scheduling**



**Authorizations & Validation**



**Bill Estimates  
& Payment Plans**



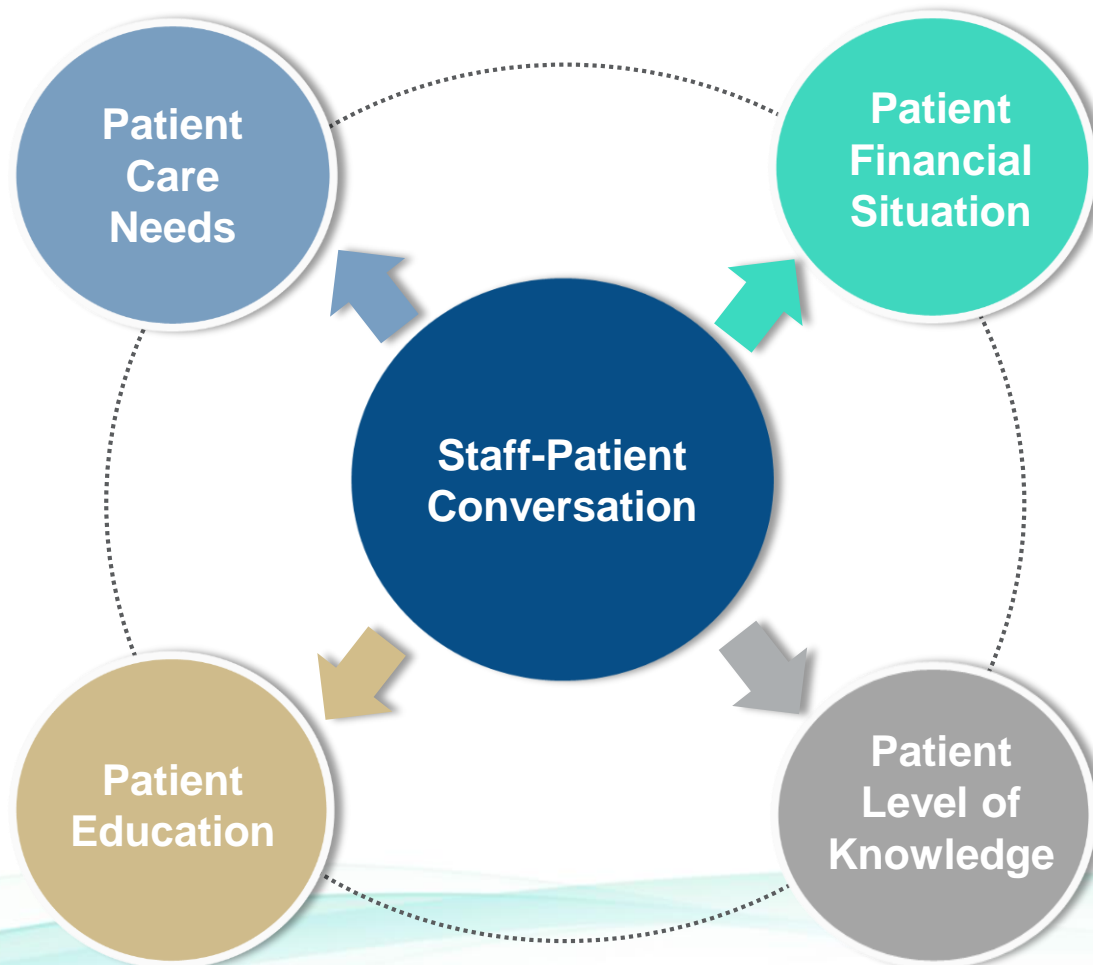
**Financial Education  
& Counseling**



**Upfront  
Collections**

## Change the Conversation

Develop Guided Workflows to Personalize the Patient-Staff Dialogue



## Patient-Centric Workflows

### Unite People and Technology Systems to Drive Performance

- Create short, simple, task specific workflows to get higher compliance
- Introduce automation but don't over complicate workflows



**Strategy**



**Document**



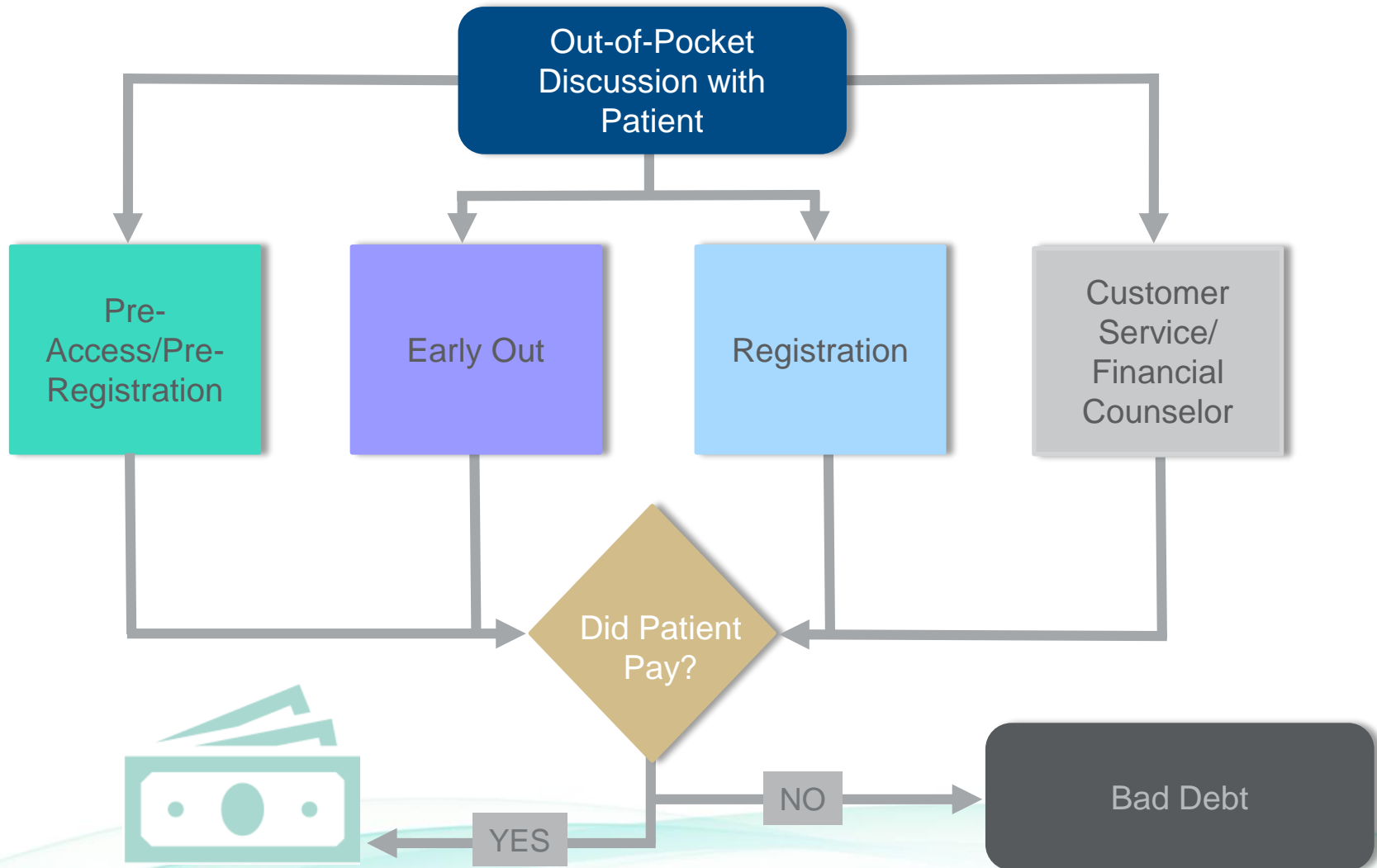
**Educate**



**Monitor**

**AUTOMATED WORKFLOWS**

# Patient-Centric Workflow



## Automated Workflow

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### Benefits

- Accurate patient out-of-pocket estimates
- Real-time features pinpoint the patient deductible met to date
- Payment plan options tailored to each patient's budget and ability to pay
- Connects uninsured patients with financial assistance programs

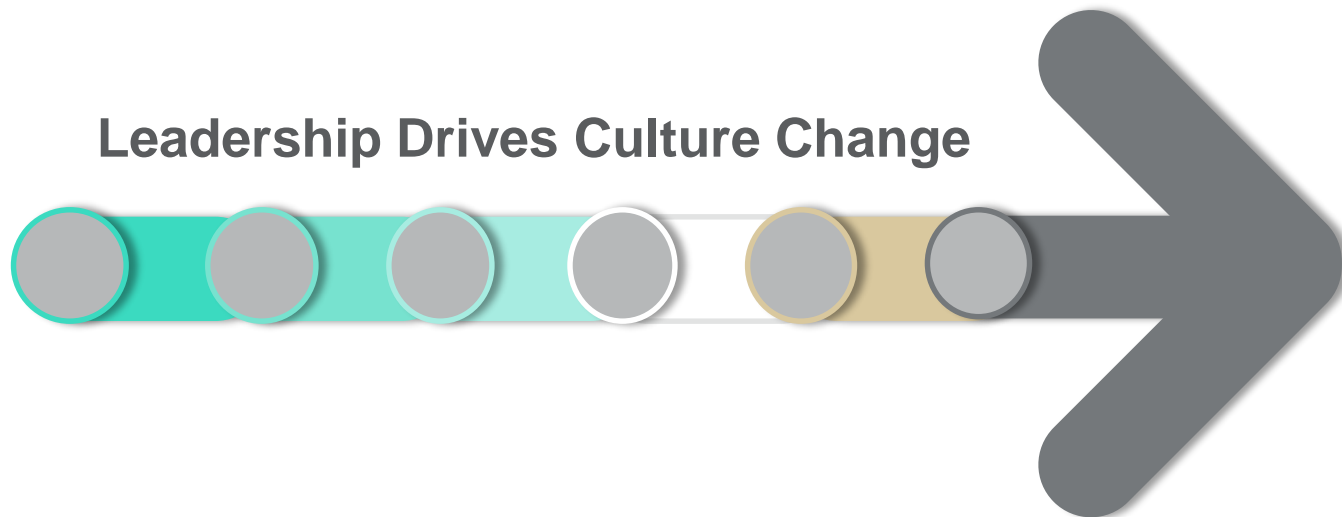




## Change the Culture

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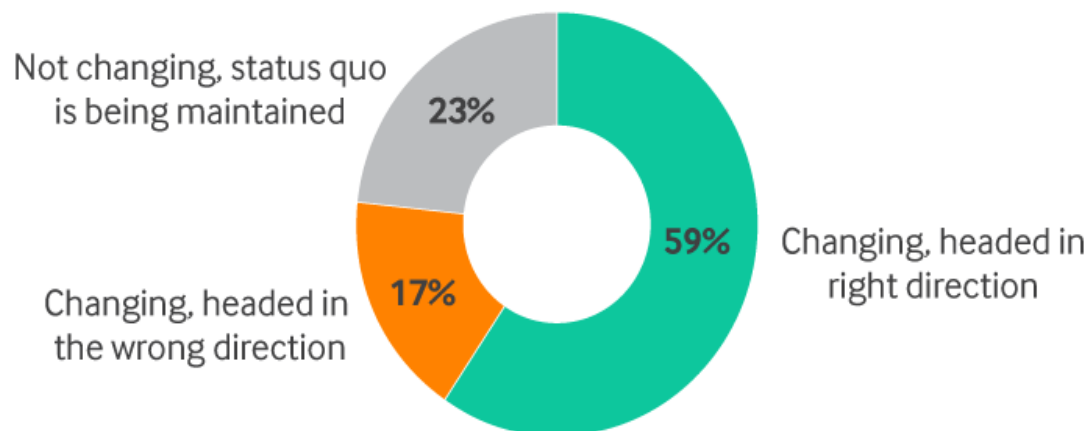
Eliminating surprise billing is largely a matter of having the right tools and processes in place, but organizational culture is often an overlooked factor.



## Change the Culture

### Culture Within Health Care Organizations Is Changing for the Better

What is the current state of culture change at your organization?



Base: 710

NEJM Catalyst ([catalyst.nejm.org](https://catalyst.nejm.org)) © Massachusetts Medical Society

## Change the Culture

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Providers must ensure their organization's culture will support a shift in the patient financial experience.

**75%**

of **consumers** would consider switching providers for a better healthcare experience

**35%**

of **provider** revenue comes from patients

**75%**

of **patients** want their healthcare experience to be the same as other industries

## Registration Quality Rules

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### Effective Rules Management is Key to Combatting Surprise Billing

- Incorporate a comprehensive group of standard & facility-specific business rules
- Identify and alert the staff of potential patients who fall outside the patient demographic before they impact your cash flow and the patient experience
- Leverage performance monitoring and reporting to ensure staff education and accountability is maintained

# Performance Monitoring



Data Current as of: 7/10/2020 2:00:12 AM

## Campus Selection

- ☒ Select all
- ☒ Cancer Treatment Clinic
- ☒ SPH Provider Based
- ☒ St. Peters Hospital Proper
- ☒ Urgent Care

## Campus Code

- ☒ Select all
- ☒ BAR.STP
- ☒ PBR.CTC
- ☒ PBR.STP
- ☒ PBR.STPC

## Post Date

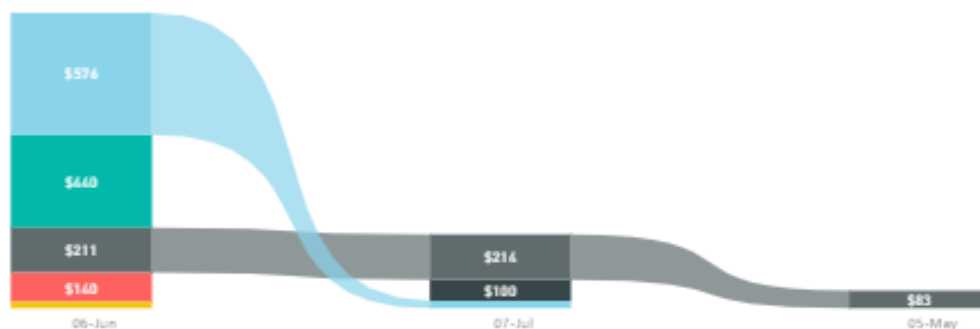
Last  Months

## Collections Total for Period

\$1,828

## POS Collections Total by Campus for Selected Posting Period

Code ■ SAIL.STP ■ PBR.CTC ■ PBR.STP ■ PBR.STPAD ■ PBR.DCNMC ■ PBR.UCSTP



## Service Provided

- ☒ Select all
- ☒ 1-NO SERVICE DESCRIPTION
- ☒ 23-NO SERVICE DESCRIPTION

## Cash Code

- ☒ Select all
- ☒ CCFFS
- ☒ P POSCASH
- ☒ P POSCC
- ☒ P POSCK
- ☒ P PRECC

Code	RegistrationUser	CalendarYearNumber	Total
		AccountNumber	
Total			

## Performance Accountability

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Capture and monitor productivity reports that measure individual and team performance, including:

- A daily activity report showing all transactions for that day
- POS collections report, including missed opportunities
- An eligibility report for both active and inactive eligibility results
- Review denial on trends
- Patient satisfaction scores
- Volume/Census reports

## Strategic Impact

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By re-focusing your billing efforts on the patient you can:

1. Change Patient Confidence
2. Change the Conversation
3. Change the Culture

This patient-centric approach will lead to increased front-end cash collections, reduced bad debt write-offs, and assure patient loyalty for years to come.



# Questions & Answers





## Engage with Us!

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[Judy.Griffith@patientmatters.com](mailto:Judy.Griffith@patientmatters.com)

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### Additional Resources:

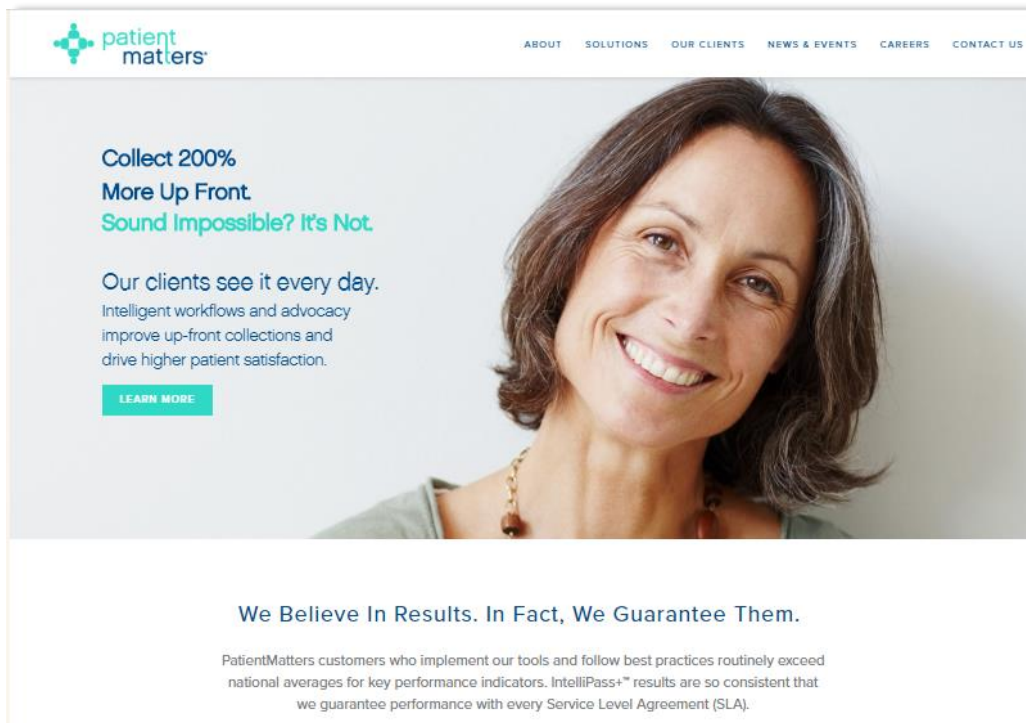
Integrated Healthcare Executive

[Breaking Down Pricing Transparency Rules Within Health Care Systems](#)

Healthcare Business Today

[Three Essential Steps to Eliminate Surprise Medical Bills in 2020](#)

# About PatientMatters

A screenshot of the PatientMatters website. The header includes the PatientMatters logo and a navigation menu with links: ABOUT, SOLUTIONS, OUR CLIENTS, NEWS & EVENTS, CAREERS, and CONTACT US. The main content area features a large portrait of a smiling woman with dark hair. To the left of the portrait, the text reads: "Collect 200% More Up Front. Sound Impossible? It's Not." followed by "Our clients see it every day. Intelligent workflows and advocacy improve up-front collections and drive higher patient satisfaction." and a green "LEARN MORE" button. Below the portrait, a section titled "We Believe In Results. In Fact, We Guarantee Them." contains a paragraph stating that PatientMatters customers routinely exceed national averages for key performance indicators and that IntelliPass+ results are so consistent that they guarantee performance with every Service Level Agreement (SLA).

PatientMatters is a Patient Access and Advocacy leader delivering highly-personalized financial solutions that improve hospital cash flow, profitability and outcomes as well as positive patient financial experience.

To learn more, visit [www.patientmatters.com](http://www.patientmatters.com).

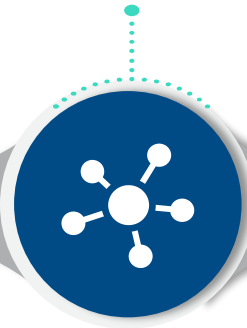
## About PatientMatters

### Revenue Cycle Pioneer



30 years of RCM and  
Medicaid Advocacy  
experience

### Broad Client Base



280 clients in 22 States  
comprising of rural and  
urban markets

### Diverse Client Focus



Regional hospitals, health  
systems (IDNs), specialty  
medical & physician groups

### EMR Expertise Includes



 Allscripts®
  cpsa
  MEDITECH
  Cerner
  athenahealth
  Epic
  nextgen<sup>healthcare</sup>