

Florida Sunshine Chapter



Propensity to Pay ... Delivering a Provider/Patient Win/Win!

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- \$411,688, 973 NPR
- Avg. Stay (Days) 4.9
- Outpatient Visits 367,316
- Surgeries 18,732
- Employees 3,466
- Admissions 23,031
- Patient Days 113,726
- Emergency Visits 79,875
- Babies Born 1,830
- Licensed Beds 583

2014 Figures





- Propensity-to-Pay and Customized Scoring
- Automating Policies Fairly and Consistently
- Community Relations, Mission, Charitable Care
- Empowering the Staff
- Financial Screening/Payment Estimation
- New/Alternative Sources of Payment
- Eligibility Technology/Challenges
- Making the Case to the CFO
- Trends/Challenges/Predictions



Notable Patient Trends

- Patient Asked to Pay More
- Consumerism Reaches Healthcare
- Medicare, Medicaid, ACOs, Managed Care
- High-Deductible/Health Exchange
- Preventative Services (Example: Medicare AWP)
- Patient Access to Procedure/Test Pricing

Data





- Propensity to Pay provides a prediction of a patient's likelihood to fulfill out-of-pocket obligations so healthcare organizations can evaluate payment risk, determine the most appropriate collection policy and initiate financial counselling discussions.
- Providers are able to customize collection policies to the patient's financial situation.



- Tools, including scripts, empower staff to present, and achieve, an optimal result for all parties.
- Designed Outcomes: enhance patient experience, increase Point-of-Service (POS) collections, increase reimbursement, achieve compliance, and lower bad debt
- FAP (financial assistance policy) to the Front
- **No MARGIN, No MISSION** (Source: A Nun)

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Little ability to pay

No available credit,
low credit score



Strong ability to pay

Credit available

Collect payment

Potential charity
care or Medicaid



Identity issues

Incorrect data

Potential fraud



Borderline ability to pay

High credit score

Consider for
financing solutions







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Identification Accuracy

MESSAGES:  **RED FLAG ALERT**
Last name on file does not match entered name

RED FLAG ALERT
Social Security Number has not been issued by the Social Security Administration

	Input Subject Data	Returned Subject Data	
Name:	GEORGE STEVENS	GEORGE STEPHENS	 Does Not Match
Date of Birth:	01/01/1980	01/01/1980	 Match
SSN:	XXX-XX-2002	XXX-XX-2002	 Does Not Match
Address:	2345 W DAMEN AVE #3 CHICAGO, IL 60750	2345 W DAMEN AVE, #3 CHICAGO, IL 60750	 Match

Likelihood of Collection

MESSAGES:  **COLLECT CO-PAY**
AVAILABLE CREDIT: \$2,500

Type	Value	Explanation
TRANSUNION NEW ACCT MODEL	+541	019 Length of time most recent collection has been established is 1 053 Too many derogatory accounts or public records 006 Bankcard account balances are too high in proportion to cred 061 Too many recently opened accounts
FICO CLASSIC 98 ALERT	+580	038 Serious delinquency, and public record or collection filed 020 Length of time since derogatory public record or collection is t 010 Proportion of balances to credit limits is too high on bank revol revolving accounts

Probability of Financial Aid

MESSAGES:  **POSSIBLY QUALIFIED FOR MEDICAID**

Type	Value
RESIDUAL INCOME	\$357
DEBT-TO-INCOME RATIO (DTI)	28%
% FEDERAL POVERTY LEVEL	124%



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Procedure Code	Description	Charges
76700	US EXAM ABDOM COMPLETE	\$711.00

Total Charges:	\$711.00
Contracted Discount:	\$248.85
Estimated Charges:	\$462.15

Estimated Primary Insurance Portion:	\$0.00
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Estimated Patient Portion:	\$462.15
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Breakdown of Patient Portion

<u>What your insurance does not cover:</u>		<u>Estimated Patient Responsibility:</u>	
Co-Pay:	\$100.00	Co-Pay Amount:	\$100.00
Remaining Deductible:	\$1,000.00	Deductible Amount:	\$362.15
Co-Insurance %:	0.0%	Co-Insurance Amount:	\$0.00
Out-of-Pocket Remaining:	\$9,986.97	Out-of-Pocket Surplus:	\$0.00
Total Estimated Patient Responsibility:			\$462.15





New/Alternative Sources of Payments

- Multiple payments, including payment plans
- Health Savings Accounts (HSA)
- Credit cards (Yes, including AMEX)
- PayPal
- Interest Free Financing/No Recourse
- PayNearYou (17,000 locations)
- Borrow from the Dental Savings Plan Model
- Mobile payment enabled



Sample Payment Options

- Option #1: Payment Today, Prompt Pay Discount
- Option #2: Payment Terms Over 90 Days
- Option #3: Payment Terms Over 1 Year
- Option #4: Charitable Care (FAP Integrated)
- Option #5: Re-Schedule (non-Emergent)

• **BRIEF DISCUSSION OF STAFF**



Challenges facing DCH

- Limited in terms of a way to determine a Patient's Payment Estimate, Propensity to Pay, or Charitable Care Eligibility
- Bad debt was on the rise
- Staff time not being used efficiently



Solutions Implemented

- Focus on the Front-End, Pre-Service
- Registration and Pre-Registration Quality Assurance (QA)
- Eligibility and Identity Verification
- Authorization, ABN Management
- Payment Estimation
- Financial Screening/Propensity to Pay



Implementation Process

- Dedicated Implementation Team
- Initial Multi-Department Scope Call
- Project Plan
- Training
- Communication
- Ongoing Client Support Plan



DCH Outcomes

- Increased POS Balance After Insurance Collections
- Staff Empowerment
- A Decrease in Collections Accounts
- A Decrease in Accounts Receivable (A/R)
- Lower Bad Debt/Write-offs
- An Enhanced Patient Experience
- Reduced Level of Accounts in Re-Work



Making the Case to the CFO

- Patient Access No Longer Only a Cost Center
- Increased Point-of-Service (POS) Collections, Lower Denials & Write-offs
- Pre-Service Revenue Capture...Collections Culture
- Higher Quality (ex: Patient Surveys), Enhanced Patient Experience





Trends/Challenges/Predictions

- Hospitals/Health Care Systems Continue to Face A Downward Margin Trend
- Ability-to-Pay, Refuses-to-Pay = Re-Schedule
- New Propensity Data Sources and Algorithm Factors
- Additional Payment Options
- The “Art” of Care, Co-Exists with



THANK YOU!

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