

Point-of-Service Collections

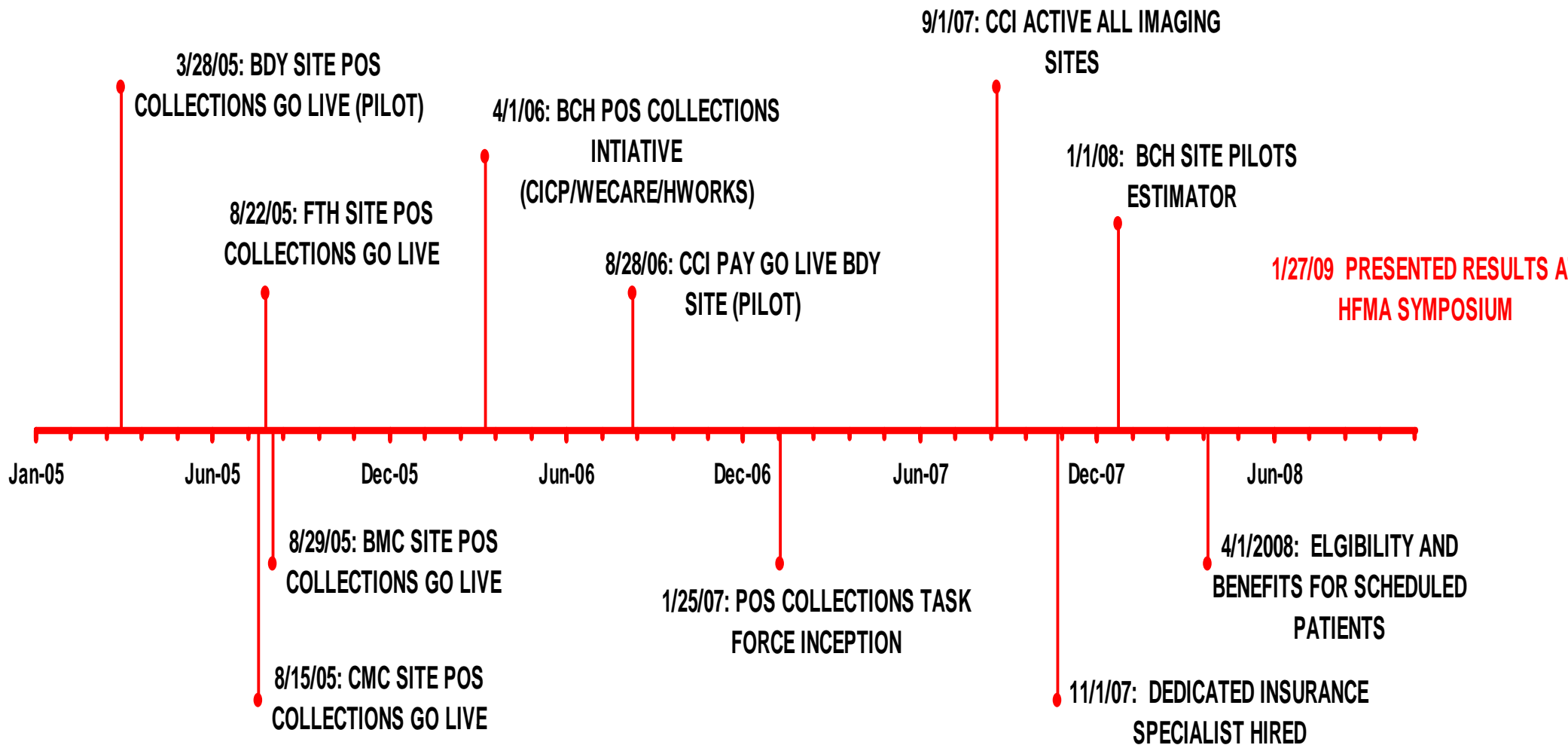
– Best practices and Industry Trends



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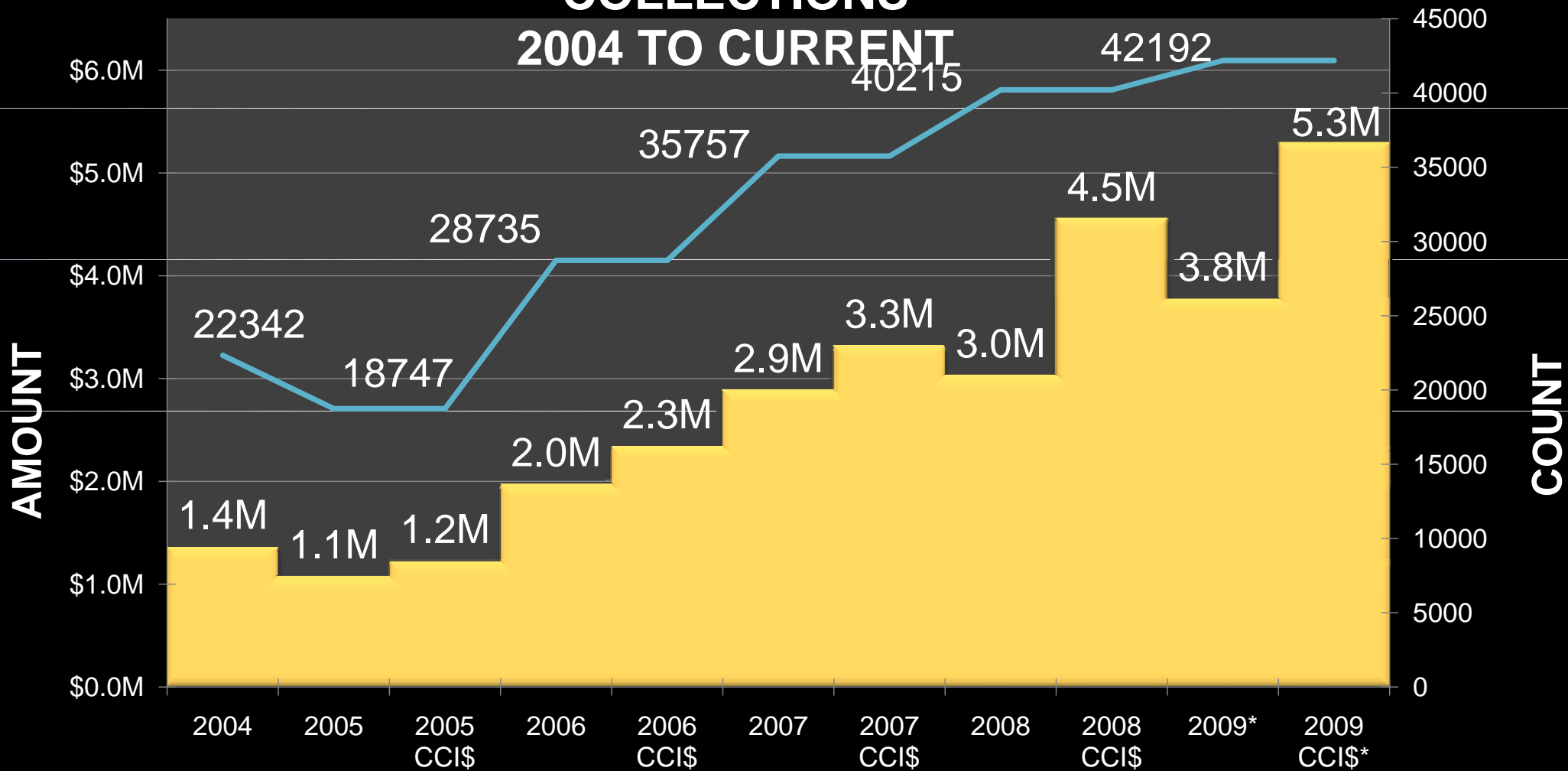
POS Collections – Industry Trends / Best Practices

BCH POS COLLECTIONS TIMELINE



POS Collections – Industry Trends / Best Practices

BOULDER COMMUNITY HOSPITAL POS COLLECTIONS



POS Collections – Industry Trends / Best Practices

Industry Trends / Benchmarks:

- POS collections at/above 3% of net A/R (HFMA)
- Self-pay A/R >90days less than POS Collections (Advisory Board)
- Self-pay A/R (as percentage of gross A/R) should be *flat/decreasing* (HFMA)
- 30-50% POS Collection Rate of “eligible accounts” (HFMA)
- <1% Denial rate for authorization / eligibility (HFMA)

POS Collections – Industry Trends / Best Practices

Observations:

- Majority of hospitals do not have a formal POS collections program
- Of those with a program, less than half are estimating allowable or collecting on “indemnity” amounts – most do not have a means to do so
- Very labor intense to check eligibility and estimate benefits (typically telephonic)
- Majority do not have a “collections” culture

POS Collections – Industry Trends / Best Practices

Best Practices:

- Know your customers, get the data
- Obtain and sustain executive support
- Create a *collection culture* under the philosophy of patient education and collaboration
- Educate your staff, reward, recognize, and hold accountable
- Check eligibility, benefits, and auths **pre-service**
- Collect from patients prior to the service – couple with the best funding mechanism
- Adapt often, and celebrate your accomplishments

POS Collections – Industry Trends / Best Practices

Metrics - DATA

High Level

- Billed Revenue / Reimbursement
- 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
- Access Points and Volume at each area (Scheduling/Reception/Intake/Admissions)

POS Collections – Industry Trends / Best Practices

Executive-Level Support / Culture:

- Bottom-up, top-down, sideways, and up-side-down, the organizational CULTURE must live, breathe, and act consistently
- Every person, from the Physician to the Receptionist, from the CEO to the patient, must clearly understand the project and its rationale – Align Goals
- Services should not be *reduced* in a POS Collections Program – they should be ENHANCED

POS Collections – Industry Trends / Best Practices

Educate your staff:

- + Insurance 101
- + Customer Service / Service Recovery
- + Key Phrases:
 - × All of our patients are expected to....
 - × Do you know what your payment is today?
 - × We have several options available for payment, your best is...?
 - × We typically do _____ when patients _____....
 - × Most patients elect this option as it....

POS Collections – Industry Trends / Best Practices

Who should I ask and how much should I ask for???

1. Self-Pay
2. Indigent Copay / Portions
3. Known Insurance Patient Portion
4. Unknown Insurance Patient Portion*

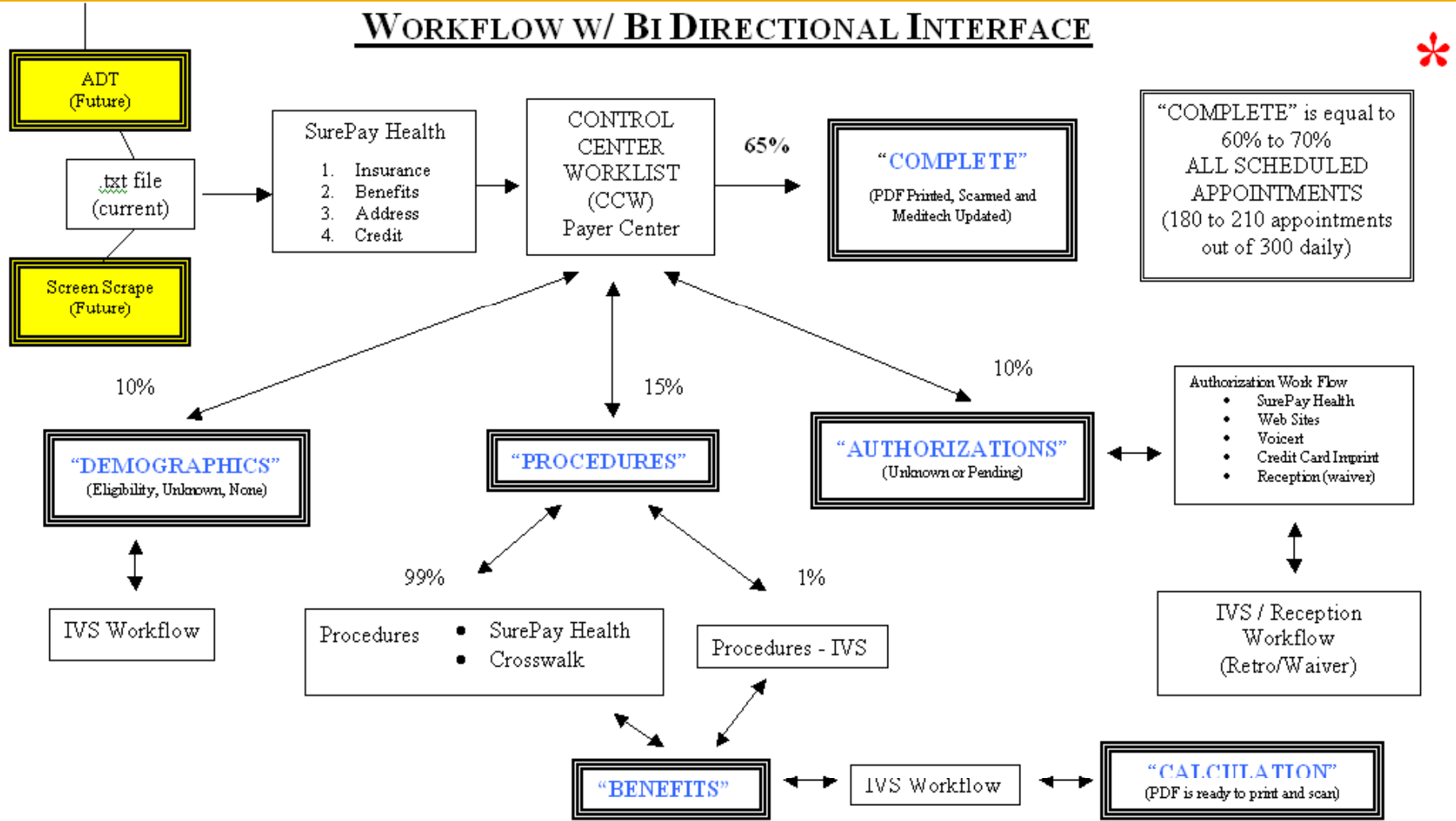
POS Collections – Industry Trends / Best Practices

Unknown Eligibility / 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

POS Collections – Industry Trends / Best Practices

WORKFLOW W/ BI DIRECTIONAL INTERFACE



"COMPLETE" SPH ITEMS INTERFACE TO MEDITECH (PRIORITY)

FEED TO MEDITECH (5 min refresh):

1. "INS VERIFIED" DATE/FLAG
2. BENEFITS (PRP) – amount to pay (\$)
3. AUTH #
4. PRE-REG STATUS

SECONDARY ITEMS TO MEDITECH (Future)

1. SPECIFIC BENEFITS (Import to Meditech Summary Page)
2. PDF imported into Meditech Scanned Documents
3. Address / Demographics (user defined)
4. Propensity to Pay / Health Credit Score
5. Charity Case Eligibility Flag
6. Medicare Flag

POS Collections – Industry Trends / Best Practices

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
- Bad debt is minimized through automating the process and having an efficient health care experience
- Patients should be able to access and pay for their health care expenses as easily as they book a plane ticket

POS Collections – Industry Trends / Best Practices

The future of healthcare finance....

- Move Collections processes to front end
- Couple with Credit Scoring / Propensity to Pay
- Pre-qualify scheduled appointments
- Prioritize accounts by benefit and risk
- Streamline estimation and eligibility checks

POS Collections – Industry Trends / Best Practices

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

Questions?

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