


# Driving Patient Cash Collections with Technology

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# Patient Access Harder to Navigate and More Critical

## Patient Obligation Will Make up 25% of Total Charges in 2017



**13.8M**

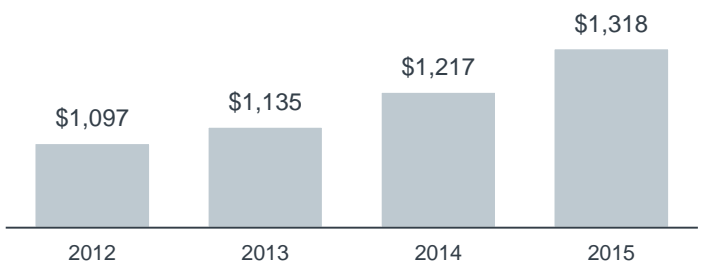
Enrollment on exchanges through January 2017



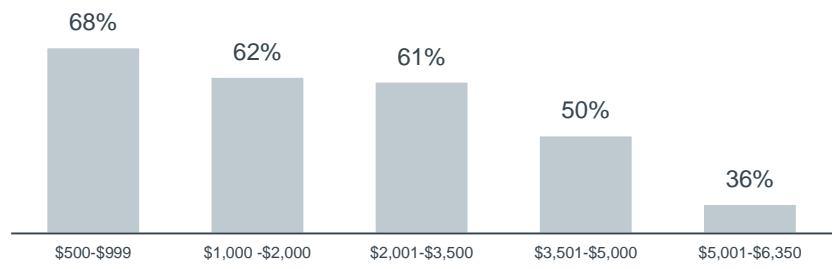
**\$5,731**

Average deductible for Bronze plan, 2016

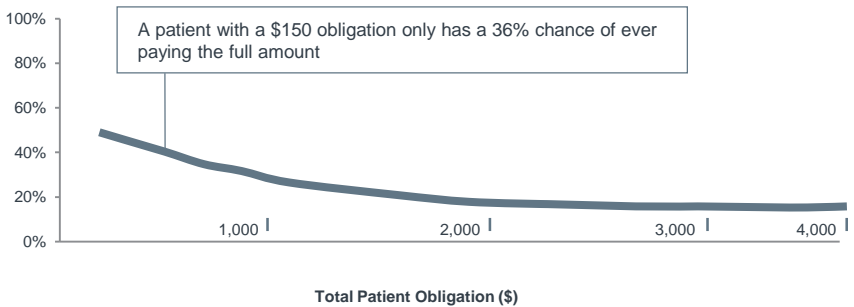
## Average Commercially Insured Deductible



## Patient Propensity-to-Pay<sup>1</sup> by Deductible Size



## Low Probability of Collecting Patient Obligation Without POS Payment

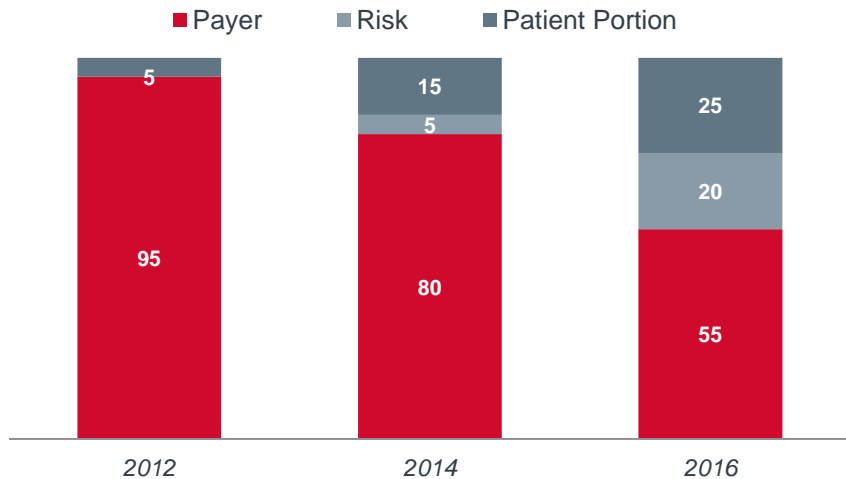


Sources: Kaiser Family Foundation, "Marketplace Plan Selections by Metal Level," December 26 2015; HealthPocket "2016 Affordable Care Act Market Brings Higher Average Premiums for Unsubsidized" November 2, 2015; Accenture, "Private Health Insurance Exchange Enrollment Doubled from 2014 to 2015," April 7, 2015; Financial Leadership Council interviews and analysis; Kaiser Family Foundation, "2015 Employer Health Benefits Survey," September 22, 2015

# Patients Are Becoming a Major Payer

## Business Mix is Shifting...

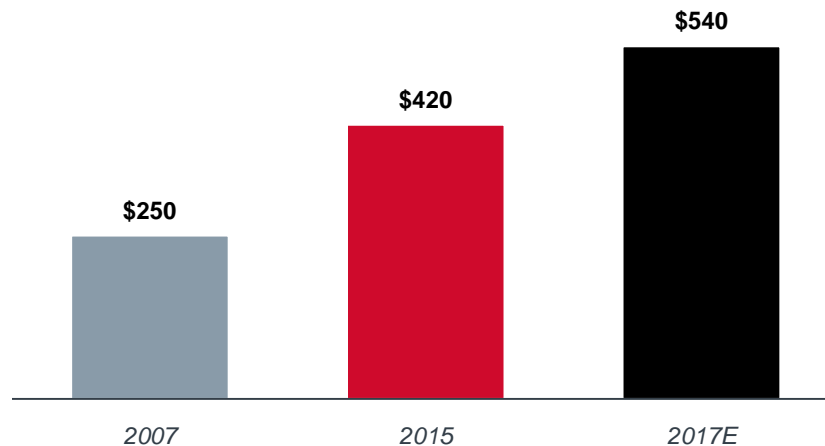
Payer Mix at Average 400 Bed Facility



**25-30%**  
 Consumer payments as a proportion of total provider revenues, 2015<sup>2</sup>

## Patients Assuming Greater Financial Responsibility...

Out-of-Pocket Expenditures, Insured Consumers (Billions)<sup>1</sup>



Most growth in patient obligation is translating to bad debt

1) 1. Financial Leadership Council Benchmarking Research, 2016.  
 2) 2: Moody's Investor Services

# Defining POS Collections

## **Advisory Board Financial Leadership Council Definition**

Collection of the portion of a bill that is likely to be the responsibility of the patient prior to the provision of services.



### **This includes:**

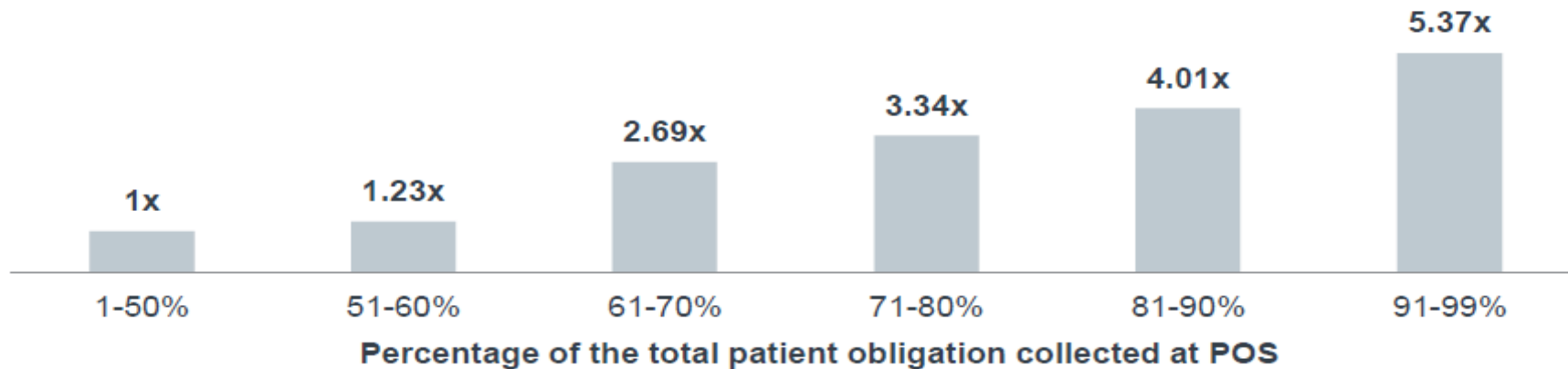
- Collection from self-pay patients
- Collection from insured patients (copay, deductible, co-insurance)
- Initial payments collected for approved payment plans
- Prior balances and bad debt accounts

# Amount Patient Pays Up Front Indicator to Pay Rest

Recommendation to Collect 60% of Obligation Up Front if Less Than \$2K

Average Increase in Likelihood of Collecting Total Patient Obligation by POS Payment, Compared to When No POS Payment Is Made (Times)<sup>1</sup>

*n=613,068 claims, 18 facilities*



1) Analysis controlling for patient obligation size, payer class, and back-end collections performance.

# Get to Know Shields Health Care Group



**30+ Facility Radiology Group**  
across Massachusetts and New Hampshire

**100+**  
Revenue Cycle FTEs

**200,000+**  
Scans conducted annually

Operating in the highly competitive  
Boston Market

# The Challenges Facing Shields

1

## Remaining the first choice value provider

Operating in a highly saturated market with other big name health care organizations has required us to focus on increasing overall revenue capture and maintaining margin



2

## Preventing a continual rise in bad debt

Bad debt was approaching \$2.5M as a result of a rise in HDHPs and inefficient patient access processes including lower point-of-service collections



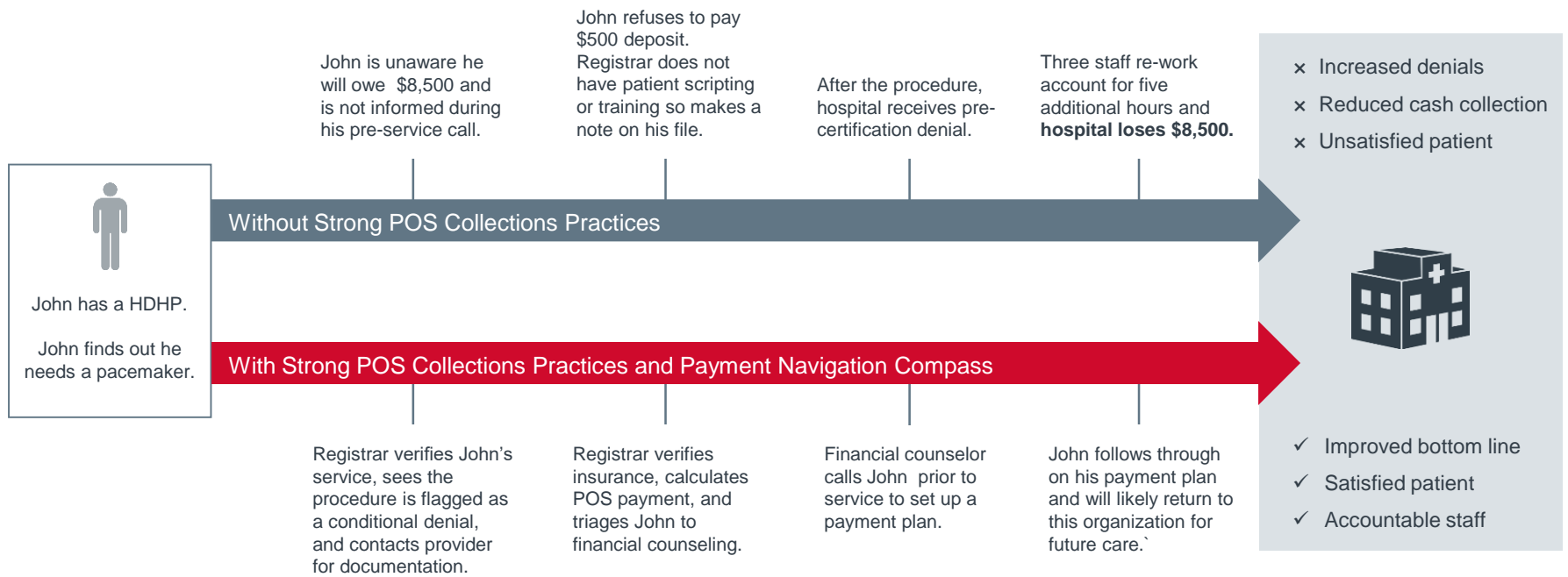
3

## Updating processes to better serve patient payers

With patient obligation increasing at an annual rate of 15% and representing a higher percentage of annual revenue, our patient access processes needed to be centralized rather than spread across geographic “hubs”



# The Patient Access Story: A Tale of Two Tactics





# Six Sigma Mentality



2010: Became a six sigma system

**GOALS:**

- Use data more effectively
- Take emotions out of decision making
- Use data to drive decisions

# Learning Objectives

## Our Methodology to Create the Best Patient Financial Experience



Analyze process improvement opportunities such as the creation of an exception-based revenue cycle team



Evaluate and define team member roles to create clear expectations across all sites

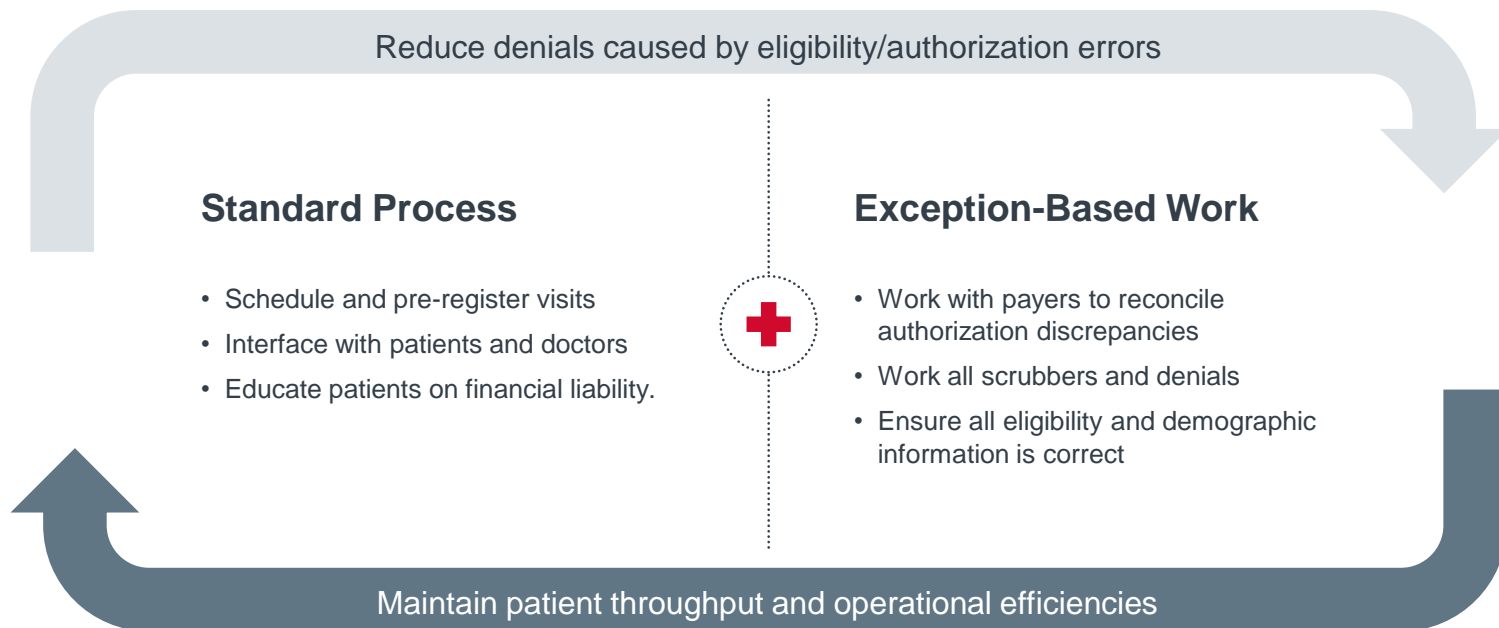


Establish and define consistent and efficient patient financial processes and systems



# Ensure Patients are 100% Financially Cleared

## Team Evaluated Types of Work to Financially Clear a Patient



# Create Specialized Patient Access Teams

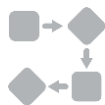
## Six Sigma in Action



### People

#### Role Restructuring and Resource Allocation

- Exception based Revenue Cycle Team (RCT) created
- Roles and expectations clearly defined between RCT and existing patient access groups



### Process

#### Customer Care Team- Workflow

- Optimize clinical decision support
- Streamline order sets and protocols

#### Revenue Cycle Team- Payers and Authorizations

- Ensure clinicians understand benefits
- Customize trainings for different stakeholders

#### Dedicated Patient Financial Services Team- Patient Financial Experience



### Technology

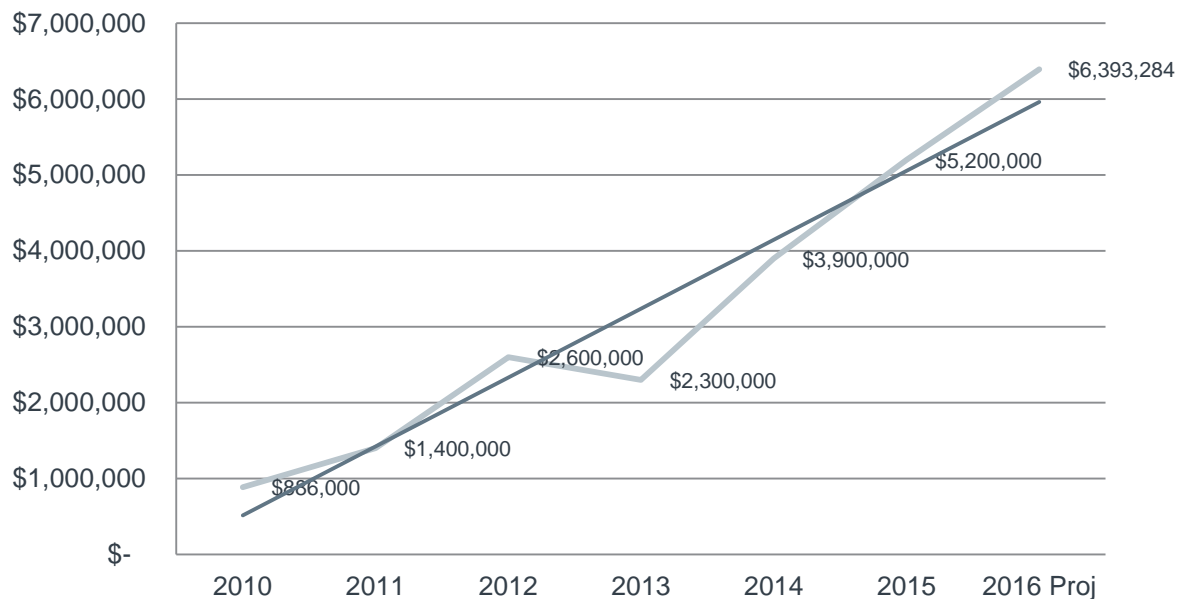
#### Technology Supports Our Needs

- Demographic validation compares registration data with payer data
- Exception based worklisting helps Revenue Cycle Team identify “at risk” accounts
- Utilization reports, QA, and audit tracking helps management hold staff accountable
- Automated authorization workflow quickly identifies authorization risk; alerts also flag discrepancies across our facilities



# Increased POS Collections

## POS Collections



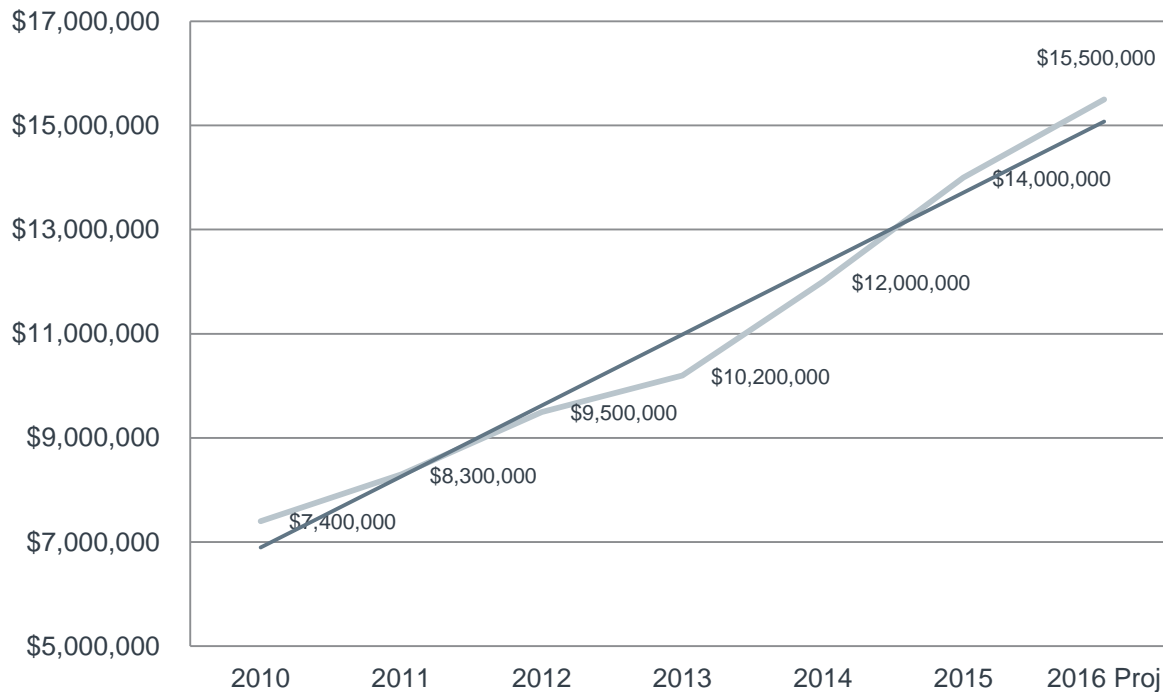
**622%**  
Increase in POS in 5 yrs

- POS Collections
- Linear (POS Collections)



# Increased Overall Patient Receivables

## Patient Receivables



# 110%

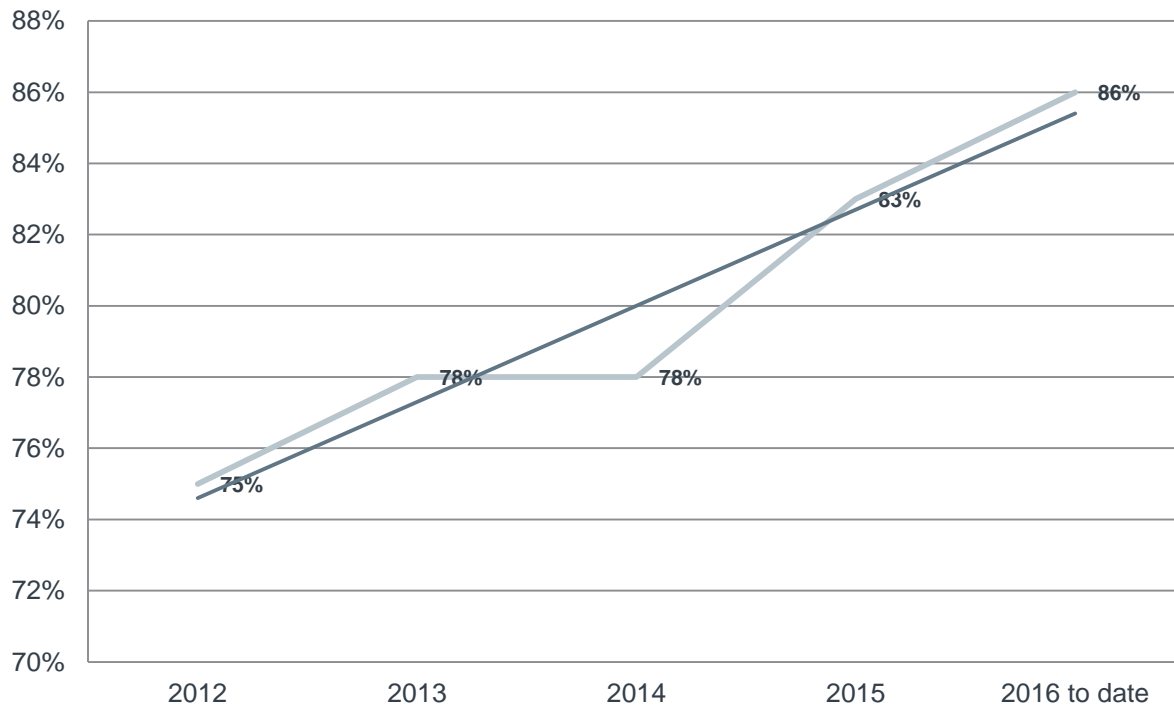
Increase in patient  
receivables in 5 yrs

— Patient Receivables



# Increased Overall Patient Collections

## Overall Patient Collections



# 11%

Increase in patient  
collections in 3 yrs

- Overall Patient Collections
- Linear (Overall Patient Collections)



# Our Next Steps

Advancements in

## Price Transparency



Price transparency is advertised on our website, educating patients on cost of service in a user-friendly way

The registration process is hardcoded to ensure every patient receives an estimate or financial disclosure

Using Email to

## Keep Patients Informed



We have started emailing pre-service estimates and post-service balances to patients

Instituting an

## iPad Check-in Process



Our iPad patient check-in technology will help us streamline patient access processes and workflow, ultimately creating a seamless patient experience



# Our Next Steps

## Advancements in Price Transparency



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Shields Health Care Group  
OFFICIAL MRI PROVIDER

WHY SHIELDS | PARTNER WITH US

### WHY SHIELDS | Transparency

We've got nothing to hide: Shields allows you to calculate your price and understand your savings.

We want you to be completely prepared for your MRI – and that includes knowing what you will be charged. You likely receive one "global" bill from Shields that includes the technical cost of the scan and the radiologist's read charge. At some locations, the radiologist charge may be billed separately. The price will be just about the same, one bill will be from Shields for the technical scan and one will be from the local radiologist for the reading.

You should feel great about your choice to have an MRI at Shields, and we encourage you to compare our use with other providers. There are some questions you should ask all providers as you look around for an MRI, and we've created a comparison chart for you.

[DOWNLOAD OUR MRI SHOPPING CHART ▶](#)

Looking for an out-of-pocket price estimate?

1. Ask your doctor's office for your procedure's ordering code, also known as a CPT code, or provide the scan including whether or not you need contrast (e.g., elbow MRI with contrast).
2. Have your insurance card ready.
3. Give us a call at **877-712-3075** or email at [MRIPrice@shields.com](mailto:MRIPrice@shields.com). Using the CPT code and your insurance card, we'll give you your out-of-pocket estimate.

For a better idea of the cost check out our savings calculator.

[SAVINGS CALCULATOR ▶](#)

### Savings Calculator

The price of an MRI or PET/CT scan in Massachusetts can vary tremendously. Patients are advised to shop for the best price, but the tools provided are complicated. Our goal at Shields is to provide a simple tool that shows your savings potential and empowers you to make the best choice for your MRI or PET/CT scan. When you choose to go where the pros go for a scan, you'll experience cutting edge technology and specialized, board-certified radiologists – and know you're getting a savings that makes a difference.

1 2 3 4

**Step 1: Select Diagnostic Test**

Questions? Please contact our Patient Financial Services Team at **877-712-3075**.

- MRI Brain
- MRI Lumbar
- MRI Cervical
- MRI Extremity (Knee, Leg, Shoulder, Arm)
- PET/CT Whole Body




# Our Next Steps


Using Email to  
Keep Patients  
Informed



We have started emailing  
pre-service estimates and  
post-service balances to  
patients



OFFICIAL MRI PROVIDER



Date: 10/2/2015 10:02:09 AM

### ESTIMATED PATIENT FINANCIAL OBLIGATION SUMMARY

Date Of Service: 2015

Patient Type: Outpatient

| Benefit Details        |            | Deductible:                  |            |
|------------------------|------------|------------------------------|------------|
| Individual Deductible: | \$3,000.00 | Individual Deductible Met:   | \$3,000.00 |
| Individual OOP:        | \$6,350.00 | Individual OOP Met:          | \$3,425.31 |
| Family Deductible:     | \$0.00     | Family Deductible Met:       | \$0.00     |
| Family OOP:            | \$0.00     | Family OOP Met:              | \$0.00     |
|                        |            | Co-Payment:                  | \$0.0      |
|                        |            | Co-Insurance:                | \$224.84   |
|                        |            | Non-Covered:                 | \$0.00     |
|                        |            | Patient Previous Balance(s): | \$0.00     |
|                        |            | Estimated Patient Payment:   | \$224.84   |

| Procedures                       | Copay(\$) | Co-Insurance(%) | Charges(\$)       | Plan Allowed(\$)  |
|----------------------------------|-----------|-----------------|-------------------|-------------------|
| MRI CERVICAL SPINE W&WO CONTRAST | 0.0       | 20              | 2400.0            | 1124.18           |
| <b>Totals</b>                    |           |                 | <b>\$2,400.00</b> | <b>\$1,124.18</b> |

Please note that this is an estimate of the charges for exam(s) or procedures ordered by your physician. 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, ancillary procedures (i.e. injections, isotopes, supplies, etc.) or physicians and surgeons furnishing services, including interpretation charges. You will be billed separately for these items where applicable.

The ESTIMATED patient payment is due and payable upon receipt of this notice. You may pay your copayment/deductible by cash, check, or credit card. We accept Visa, MasterCard, Discover and American Express. To speak to a Financial Account Specialist or set up payment arrangements, please call 1-877-712-3075.

Financial Assistance may be available to those who have an inability to pay because they are uninsured or lack other financial resources. Please contact our Financial Account Specialist Department for more information at 1-877-712-3075 between the hours of 8:30 A.M. and 4:00 P.M., Monday through Friday. There will be a \$50.00 cancellation fee for all exams cancelled or rescheduled within 24 hours of appointment. This fee is not covered by insurance.

# Our Next Steps

## Instituting an iPad Check-in Process



Our iPad patient check-in technology will help us streamline patient access processes and workflow, ultimately creating a seamless patient experience

