

A/R Beachbody Bootcamp

“Slimming Down Your Receivables”

PRESENTED BY:

JEFF JOHNSON

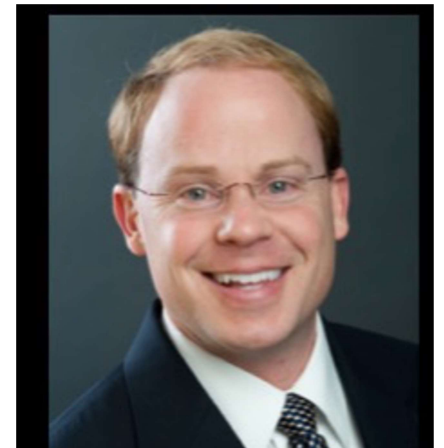
KATHRYNE ROUSE



Now...
a little about your
coaches!

About Jeff Johnson

- Nationally acclaimed motivational trainer.
- Worked with Stephen Covey, Author of The 7 Habits of Highly Effective People.
- Certified 7 Habits Trainer and Consultant
- Past President of the Oregon Chapter of Healthcare Financial Management Association (HFMA).
- Past Chair of HFMA's Western Region Symposium
- Currently serving as a Regional Executive for HFMA
- CCO of Professional Credit
- Have worked out at over 100 CrossFit locations
- Father of five.





A winning combination of experience, technology, and compassionate patient financial care.



- National Collection and Recovery licensed in all 50 states.
- Approximately 150 employees in multiple locations
- HFMA Peer Reviewed since 2014
- At the forefront of technology and Innovation
- Extensive industry involvement and leadership
- Servicing some of the largest healthcare systems in America



Nationally Licensed and Collecting in All States

About Kathryne Rouse



- Maxwell Certified Coach, Trainer & Speaker
- 15+ Years Experience Leading Enterprise-Wide Revenue Cycle Customer Experience for the largest non-profit health system in the PNW with an extensive Epic SBO background
- Featured in multiple articles focused on improving the patient billing experience
- Speaker at numerous healthcare conferences sharing ways to successfully centralize the Revenue Cycle Customer Experience
- Launched, "Rise Coaching & Consulting" in 2023 partnering with healthcare clients to improve Customer & Employee Experience
- Volunteers at Pathways Clinic, Young Life & T1L1 (Teach One to Lead One)
- Enjoys life on the family farm, "Rouse Ranch" in WA with Mini Donkeys, Horses & More
- Enjoys watching kids play soccer, traveling and pickleball



RISE

COACHING & CONSULTING

SERVICES

- Leadership Coaching
- Customer Experience Consulting
- Employee Relations
- Team Building
- Organizational Design & Strategy
- Interim Executive/Leadership Support
- Motivational Speaking Engagements



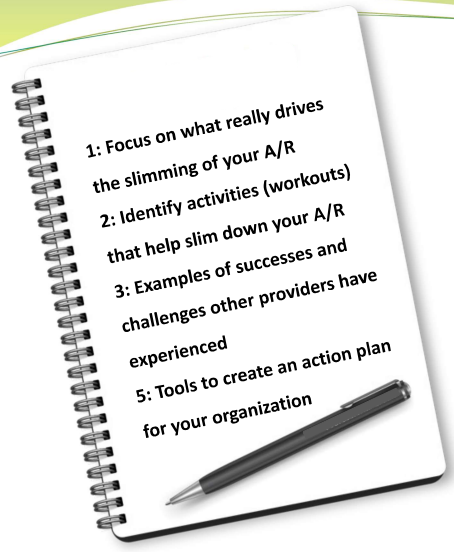
Team-focused



Business-focused



Leadership-focused

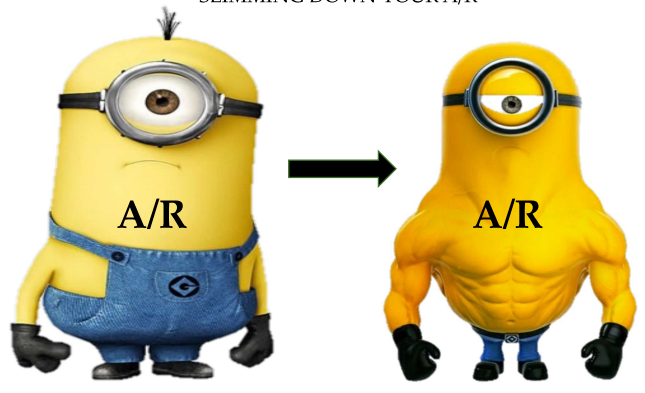


TODAY'S OBJECTIVES

"SLIMMING DOWN YOUR A/R"

TODAY'S OBJECTIVE

"SLIMMING DOWN YOUR A/R"



Some Important Industry Trends that May Impact A/R Days

Time For...



Question #1:

From January 2023 to October 1, 2023, how many healthcare workers across the US participated in a strike?

Survey Says:

Over 500,000 healthcare workers participated in 337 different strikes in the United States.

www.solutionsearch.com

Question #2:

How many nurses have stated that they will be leaving the profession by 2027?

Survey Says:

800,000 nurses have stated that they are leaving or will leave the profession by 2027.

www.fiercehealthcare.com

Question #3:

What is the top reason that healthcare workers state that they are leaving the profession?

Survey Says:

Healthcare workers state that not feeling valued is the reason that they are leaving the profession.

www.healthcaredrive.com

Question #4:

Which generation is more likely to switch providers due to dissatisfaction in the next couple of years...Millennials, Generation X, or Boomers?

Survey Says:

Answer 4: Generation most likely to switch providers due to dissatisfaction:

Millennials:	42%
Generation X:	44%
Boomers:	20%

www.pressganey.com

Question #5:

What is the leading reason patients are slow to pay or do not pay their self-pay balances?

Survey Says

The leading reasons self-pay balances go unpaid.

- Inability to Pay 21%
- Confusion 19%
- Patient Dissatisfaction 49%
- Other 11%

www.solutionreach.com

Consumerism & Healthcare A Personal Experience



Beachbody Words of Wisdom

30% Gym
70% Diet
Ab's are made
in the kitchen
not in the Gym

www.beachbody.com

A/R Beachbody Words of Wisdom

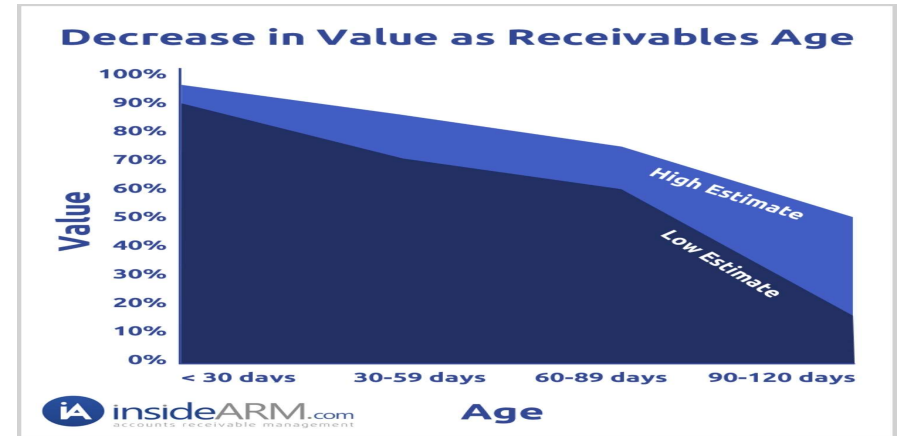
15% Reporting & Analytics
15% Streamlined Processes / Workflows
70% Effective Payor & Patient Engagement

Your organization's AR Beachbody is made in your organization's process flow and ability to clearly communicate expectations.

Why this workout is critical to our financial health...



The Significance of Low A/R Days



The correlation between physical fitness and slimming down you're A/R.

Physical Fitness Facts

- It is unique to each person and body type.
- It must be consistently done to produce results.
- Requires a three-tier training focus: aerobic, strength, flexibility.
- Your input must support the desired output.

Healthcare A/R Fitness Facts

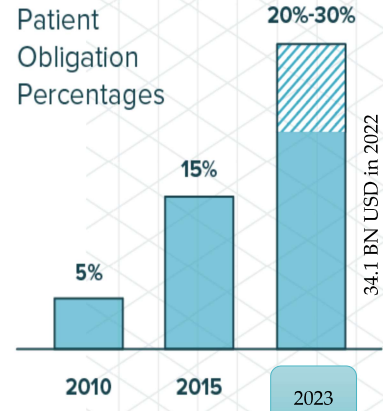
- It is unique to each market, payor and patient population.
- It must be monitored and adjusted constantly to produce results.
- It involves multiple steps, including patient registration, insurance verification, charge capture, claims submission, payment posting, denial management and collections.
- Adopted strategies and technology must align with desired results.



Important US healthcare info that impact our A/R fitness planning...

The New Patient Reality

- Currently, patients in US are responsible for 25% of their medical bills—and this growth isn't likely to slow anytime soon.
- Healthcare providers are becoming the largest consumer creditors in the markets they serve— AND very few have the tools to be a bank.
- Providers have historically received only a fraction of what they're owed.
- Rising patient bills require providers to offer more intensive customer support to help consumers navigate the new healthcare economy.
- 21st century healthcare providers must move beyond basic services like offering recurring payments, simple online bill pay, paper statements, and traditional dialer campaigns. They're simply not enough.



Claim Denials are Crippling the Revenue Cycle in 2022-2023

- 90% of healthcare system's missed revenue comes from denials.
- HFMA reports that as much as \$262 Billion is denied each year and climbing.
 - That translates to \$5M per provider.
- Denial rates have increased an astonishing 20%+ in the past year.
- 60% of all denied claims go unsubmitted.
 - Having a system in place to stop the denials is crucial for a fit A/R and revenue cycle.

Vynemedical.com – 'Tackling rising denials in 2023'

US Inflation Impacting A/R Days

Since April 2023 to October 2023, Charity Care Applications in the US have increased by 20%.



kaiser.com

How is the general healthcare system responding?

* Currently on www.indeed.com (job search engine), there are:

1. 169,369 positions for Insurance Follow-up Specialists posted by healthcare providers throughout the U.S.
2. 157,571 positions for Patient Account Representatives with a focus on patient collections and insurance follow-up.

www.glassdoor.com
www.ziprecruiter.com
11.2.23

New A/R Workout Reality

It's never been more important to have a 360° view and handle of the entire patient experience.



Hawaii's Unique A/R Fitness Elements:

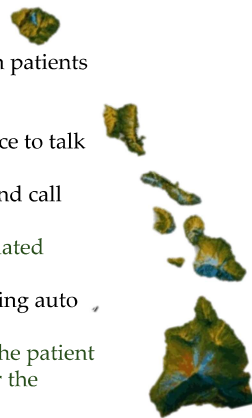


- The concept of 'ohana involves creating loving relationships with more than just blood relatives. Embracing 'ohana means developing a sense of familial care and devotion to all members of the human family.
- With 'ohana', the circle of family of kinship extends beyond what sociologists call the nuclear family: a mother, father, and their children.
- In fact, this term encompasses extended family across the generations and may even include people who are not biologically related, like friends and neighbors.

Hawaii's Unique A/R Facts Continued...

The patient population of Hawaii

- The population in Hawaii is known to be more relationship based than patients in other states.
 - 20% more likely to call over other states in the union.
 - Note: These are not usually complaints related, just a preference to talk to someone
 - The preference is to speak with someone who is local / mainland call centers are less acceptable.
- There is a greater preference to Pay in Person versus via mail or automated means.
- In general, patients in Hawaii have been 10% slower to adopt reoccurring auto payments and technology driven payments.
- A Unique Payor: Hawaii Medical Services Association (HMSA) pays the patient directly, creating a scenario where healthcare systems are chasing after the patient for payment.



Hah.org / AMA.org

Understanding this, what are some exercises to consider adding to your A/R's fitness program to help keep it as healthy as possible?

1st Key Learning from Hawaii's Unique Patient Population



Point of service collections is critical.

- Having in-person staff to engage the patient and work out payments is key.
- Choose/Train staff to exemplify relationship focus in all their dealings.

2nd Key Learning from Hawaii's Unique Patient Population

Pre-Service down payments are essential to help avoid sending the statements that have a lesser impact on future payments.



3rd Key Learning from Hawaii's Unique Patient Population



Building tighter controls to chase HMSA payments is important.

- Proactive Text message to patient along with the statement stating you are aware they have received an HMSA payment.
- Follow-up with an additional text to the patient asking for the payment within a week with easy options to pay.

Let's Examine Additional Key Exercises that Help Slim Down A/R Days

1st Exercise to Develop End-to-End Processes

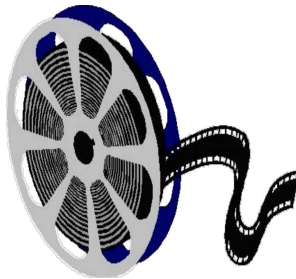
Be Present to Be Effective

“A leader knows the magic is with the people he/she serves.”

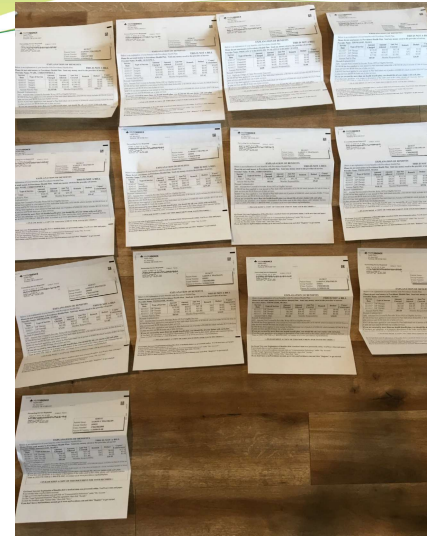
~Walt Disney

What does ‘Be Present’ Mean?

An Example of Being Present



Why is 'Being Present' Key to Developing Effective End-to-End A/R Processes?



When we make it difficult for our patients to understand healthcare finance, how can we expect them to pay us?

The administrative pain is worse than the injury or surgery.

Time for an Activity!



Remember...
It is about
REINFORCEMENT
and not
'enforcement'

One Final 'Being Present' Story...



2nd Exercise to Perfect End-to-End Processes

Constantly Watch Your KPIs Key Performance Indicators

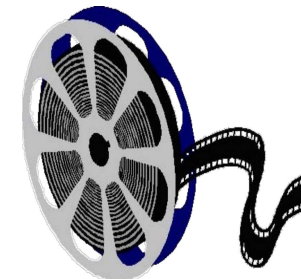
“You can never get where you are going if you don’t know where you’ve been.”

~Stephen R. Covey

Why Constant Analysis is Key “Fighting Human Nature”

Warning: *Human nature is to pass over important items that are familiar. Familiarity often breeds mindlessness.*

What happens when our brains see things as common...





Key Performance Indicator Exercise

It's essential to take the time to analyze your accounts receivable.

1. Recommend evaluating your reports on a daily, weekly and monthly basis to ensure there aren't aging issues and/or missed opportunities.
2. Ensure work queues are being addressed timely looking for potential backlogs that may cause A/R to age.
3. Recommended building out A/R reports that are specific to insurance and self-pay/patient A/R.

"It's also the best way to know the patients."

Example of Adding Value Through Reporting Scorecards

- Daily A/R Reports by Region for Operational Review and Leadership Follow-up
 - Communicate Action Plans Based on Findings
- Monthly Revenue Cycle Report Out with each System's CFOs.
 - Internal customer support is key to ensure there aren't any surprises.

REVENUE					Self Pay A/R (Goal is 10% or lower)			Guarantor Cash (Goal is 10% or higher)						
Month	Uninsured	Total (All FCs)	Uninsured % of Total	Regional Average	Month	Amount	Total % of A/R	Month	Front End	Back End	MyChart	Total	% of Self-Pay A/R	

Additional Categories Tracked

- *Self-Pay A/R broken down by Propensity to Pay*
- *Financial Counseling Outcomes (Sponsorship as a % of Uninsured Revenue)*
- *Patient Guarantor Cash Collections*
- *Payment Plans as a % of Overall Self-Pay A/R*

Adding Value Through Reporting Scorecards Continued...

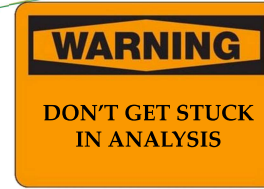
Month	Charity			Bad Debt			Charity + Bad Debt		
	# of HARs	Amount	% of Average (Prior 12 Months)	# of HARs	Amount	% of Average (Prior 12 Months)	# of HARs	Amount	% of Average (Prior 12 Months)

Additional Categories Tracked

- Self-pay AR by Aging Buckets (Uninsured/Balance After Insurance)
 - Breaking out Payment Plans
- Bad Debt Transfers by Age (Uninsured/Balance After Insurance)
- Payment Plans as a % of Overall Self-Pay AR
- Adjustment Tracking
- Call Volume, Service Level & Abandonment Rate Tracking

KEY KPIs to Track to Really Slim Down Your A/R

- Payor Settlements
- Payor Focus List Escalations
- Discharged Not Final Billed
- Drop Claims Early (Meaning Before Your Min Day)
- Collect All You Can from Medicare on 340B Underpayments
- Review all Small Balance Adjustments
- Pull Back Accounts from Collections and Timely Submit Your Bad Debt Log for Your Cost Report Adjustment
- Review and Work Down Your Credits
- Accounts with Exhausted Efforts that Should Be Adjusted
- Focus on “Last Worked Date”



IT'S VERY EASY TO GET EXCITED ABOUT DATA...EVEN STUCK NEEDING MORE AND MORE INFORMATION.

BUT ACTION DOESN'T HAPPEN IN DATA, SPREADSHEETS OR WORK INSTRUCTIONS.

“I've never seen data or work instructions jump off of a page and lead people.”

~ Jeff Johnson ~

3rd Exercise to Perfect End-to-End Processes

Crystal Clear Communication with Payors & Patients

“Good communication is the bridge between confusion and clarity.”

~Nat Turner

Best Communication Practices – Initial Engagement

- ✓ Someone to respond immediately
 - ✓ Consider evaluating your staffing and schedules to accommodate peak volumes
- ✓ Flexibility on how to schedule an appointment and communicate (use new technology)
- ✓ Immediate communication on provider expectations
- ✓ Include all necessary documentation upfront
- ✓ Provide cost and payment expectations immediately
- ✓ Include information on who to contact with questions

Changing demographics: Millennials

- ❖ Millennials: 1/3 of work force
- ❖ 65% could not afford \$1000
- ❖ 54% have delayed care
- ❖ Most likely to seek information online
- ❖ Most likely to dispute bill
- ❖ Most choose HDHP



Multi-channel Engagement

Multi-channel engagement reaches patients via their preferred channel:

- Traditional calls
- IVR
- Direct drop voicemail
- Direct mail
- Text messaging
- Push notifications
- Email
- Live chat via the Patient Portals
- Text bot
- Virtual agent

Best Practices – Initial Billing

- ✓ Ensure that bill is easy to understand and that insurance data has been collected
- ✓ Include insert in bill offering payment options, financing, or terms
- ✓ Send first bill as soon as possible -- don't wait for monthly cycle
- ✓ Provide discounts for payment in full
- ✓ Include modern payment options and online chat, not just a phone number to call with questions

Regarding Your Patient Statements,
Collaborate with the patient...



Provide Patient Payment Options

- ✓ Payment of co-pay or deductible in full
- ✓ Installments offered by health system
- ✓ Financing offered by third party
 - 34% of patients say they would delay care if financing were not an option (Becker's Hospital Review September 2023)
 - 94% of patients would take advantage of patient financing if it were offered as an option (AccessOne Participant survey April 2023)
 - 91% of participants said healthcare is an expense that requires more than 12 months of financing (Becker's Hospital Review September 2023)

4th Exercise to Perfect End-to-End Processes Dominate Denials

"A dollar today is worth more than a dollar tomorrow."

~Unknown

Understanding the Root of Denials

- **Lack of Interoperability**
 - Disjointed systems of processes and workflows create inefficiencies
 - Manual Fax Data & Upgrades to EHR can create backlogs
 - Fix this by merging disparate processes and workflows into one centralized system
- **Complex Claims Processing**
 - AMA estimates a loss per year of \$21B-\$210B based on inefficient claims processes internal to organizations.
- **Culprits Hidden in Plain Site**
 - Many healthcare systems still lack basic visibility into their denials data.



Step 1 to Improve Your Denials Workout

Prevent Denials Before They Start

- 3 of the top 4 causes of denials start at the front end of the Revenue Cycle and are preventable if organizations will:
 - Ensuring patient registration information is accurate and authorization has been received
 - Confirming chargemaster charges are current and correct
 - Verifying billing software and claim edits are up-to-date
 - Documenting rejections received on appropriate reports to ensure timely implementation of corrections



Step 2 to Improve Your Denials Workout

Front End Automation

- Healthcare organizations spend **\$350 billion annually** on processes that are still manual
- Modernizing the claims process and introducing automation into the front end of the revenue cycle is the key to solving many of these challenges.



Step 3 to Improve Your Denials Workout



The power of artificial intelligence in preventing denied claims

- AI provides the power of automation but “adds predictive capabilities, ongoing learning, and insights necessary to proactively prevent claims from being denied before they are even submitted.”

5th Exercise to Perfect End-to-End Processes

Automate What Can and Should be Automated

Despite the slow uptake of AI in healthcare, 85% of healthcare executives have an AI strategy, and **almost half** of executives surveyed now use the technology.

~HealthTech Magazine July 2023



Take Advantage of What Exists

Today's consumers are already using technology in all other areas of their lives. Today's patients require many different methods of interaction and communication with the healthcare providers / system. These include:

- IVR (Integrated Voice Response) Systems with 24x7 account management access
- Mobile Apps that have all of the flexibility of speaking with a human
- Easy websites with videos and tutorials in all necessary languages
- Payment Plan options for Self-pay balances starting at registration and continuing throughout the patient's care experience
- AI Driven Virtual Agents

Some Fun Facts:

86%

86% of consumers who have access to online portals use these platforms for some or all of their communication with their healthcare provider, while 91% will use mobile apps when they're available

80%

80% of customers who have communicated real-time via a mobile app prefer this method to a traditional office visit

* Image source West Monroe Partners

Improved Engagement Through Science & Analytics



Don't Fear AI

Understand where it is applicable and use it!



Artificial Intelligence Helping to Drive Patient Satisfaction

Let's Meet Grace!

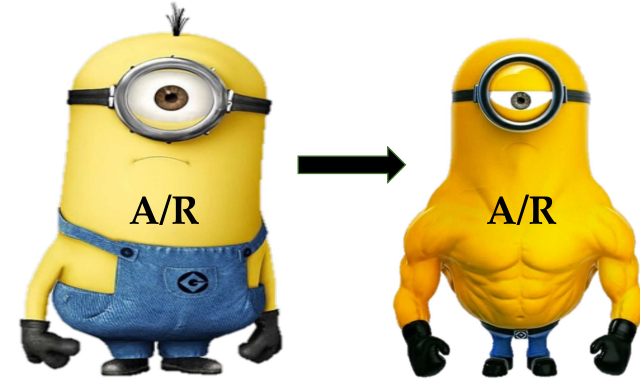


Summarizing the A/R Slimming Workout

1. Know Your Patient Population and Constantly Adjust Accordingly
2. Be Present to Be Effective
3. Consistently watch and measure your KPIs
4. Provide Crystal Clear Communication with Payors and Patients
5. Dominate Denials
6. Automate What Can and Should be Automated

Enjoying the RESULTS

"SLIMMING DOWN YOUR A/R"



A Final Activity...



Seeing the workout in action...



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