The impact of patient financial experience

on hospital profitability

Executive Summary

As rising deductibles and co-pays turn patients into payers, financial interactions must be part of the patient experience equation. The financial aspect of care should not be put aside, as it is an essential component of a positive patient experience.

Navigating the healthcare financial maze can create unnecessary confusion and anxiety for patients at a time when they're at their most vulnerable. Traditional processes and requirements around patient financial responsibilities can be overwhelming. Pressures on hospital financial performance are greater than ever. The American Hospital Association estimates that the pandemic cost U.S. hospitals and health systems $202.6 billion in lost revenue from March through June of 2020.

The importance of an effective patient access process at the initial point of patient engagement is imperative during the pandemic and beyond. How do we create a patient experience that can benefit everyone?

With more financial responsibility falling to the patient, Providers must revamp patient education and update patient advocacy programs to address patient financial responsibilities and the funding options that are available. The benefits can be twofold: 1) patients have a better understanding of the financial aspects of a clinical episode, and 2) the health system can improve their patient collections and revenue in the process.

Finding the balance between delivering high-quality care and timely, accurate collection of patient payments is a tricky endeavor, but one that Montefiore St. Luke's Cornwall Hospital (MSLC) sought to achieve. By reframing its patient access processes to address patient needs beginning at pre-access- the Provider improved its financial results by growing self-pay receivables.

Profile

- 250 Bed Not-for-Profit
- Newburgh, NY
- 270k Patients Annually
- Ranked Top 5% of America's 250 Best Hospitals by Healthgrades

The Challenge

Patient Access and Collections Services in the outpatient setting

Patient financial responsibility continues to rise, with the onset of the pandemic exacerbating the situation. According to The Commonwealth Fund research, the COVID-19 pandemic resulted in the loss of jobs with employer-sponsored healthcare coverage for as many as 7.7 million workers and 6.9 million dependents as of June 2020. The ongoing COVID-19 pandemic has led to increased challenges for hospitals too. Kaufman Hall reported nearly half (48%) of U.S. hospitals are experiencing an increase in bad debt and uncompensated care.

As a non-profit, inner-city hospital with a payer mix high in government and self-pay patients, MSLC hospital's revenue already hinged on patient payments pre-pandemic. As patients took on a larger portion of their medical bills, it became vital that Providers better managed the financial relationships with the patients they served. Focusing on improving the collection of

patient financial responsibility became imperative for its financial health. But the organization knew patient collections was only half the story, it needed to take a holistic approach to effectively address the entire patient financial experience across all its sites.

Patient registration and financial services varied greatly across its facilities and even service lines. The inconsistencies resulted in a negative financial experience for the 270,000 patients it served each year. The impacts of its disjointed patient access and financial services were significant.

- Cash collections were too low and too slow
- Patient experience benchmark data for key indicators were generally not captured
- Point-of-service (POS) collection goals for individual staff and groups were not established
- Inaccurate or missing bill estimates

- High no-show and cancellation rates across various clinical departments
- Registration data collection prone to errors due to highly manual registration processes
- Low "clean claims" rate
- Payment delays
- Low staff productivity
- Prolonged patient wait-times

Perspective
Collection improves when the patient financial experience is enhanced

Patients who experience positive financial care are more likely to pay their financial responsibility in full. In fact, 74% of consumers would elect to pay $50 out of pocket rather than not know the cost of a primary care visit. Processes such as POS collections, accurate cost estimates, patient-friendly billing, and other consumer-focused services are key to protecting the hospital's bottom line.

MSLC embraced an overarching patient experience initiative and embarked on a mission to restructure its patient access model to improve the patient's financial experience, not just collections.
The organization partnered with Firstsource to identify and implement strategies and tactics to reach its initiative's five goals:

- Increase collections, especially at Point of Service (POS) registration areas
- Enhance patient satisfaction scores in patient financial services to match the high levels of satisfaction with St. Luke's clinical services
- Normalize the pre-registration process for all outpatient departments
- Decrease registration wait times, no-shows, and cancellations
- Collect and analyze data on patients who fail to meet appointments, so that changes could be made based on the patterns shown

Initiative Implementation
Where the rubber meets the road

Top-Down Cultural Change

MSLC's leadership recognized the importance of culture change to drive patient-centricity into its patient access processes. As the initiative was strategically important and entailed significant "top-down" change, MSLC's patient access and revenue cycle leaders sought buy-in from its top leadership. They spent time educating senior leaders as to the value of the initiative to ultimately gain approval.

As a "top-down" approach can be effective initiative initiation, the approach does not always adequately permeate down through all levels of an organization to achieve sustained day-to-day operational change. With that understanding, MSLC added a broader and much deeper approach by combining change with top management, to middle management, to employee involvement. The clinical and financial teams were not the only colleagues involved in the initiative. Involvement from other functional areas, such as IT and marketing, engaged in the planning and implementation as well.

Pre-Access Model

MSLC partnered with Firstsource to design and implement a patient-friendly pre-access model.

The design centered on patient engagement in advance of providing healthcare services. The pre-access service model enabled the organization to consolidate central scheduling, streamline workflows across departments, develop custom financial guidance and planning, and expand staff roles to cover pre-registration and financial services responsibilities.

The pre-access design included optimized workflows to allow patients to be financially cleared before hospital arrival. The hospital adopted centralized scheduling, insurance verification, prior authorizations, cost estimates, and payment planning before care.
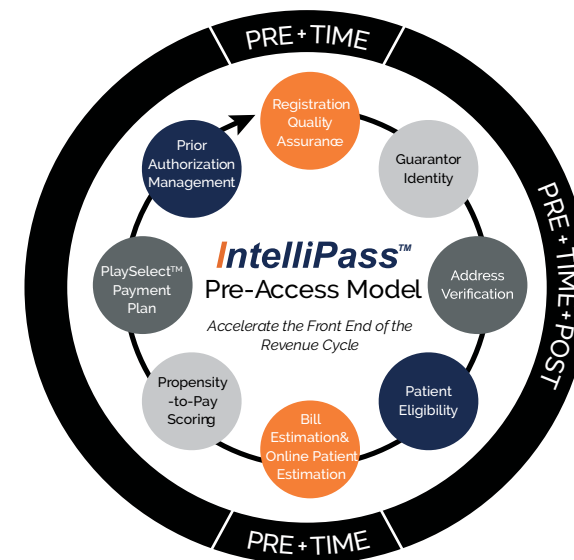

PRE - Pre-Service | TIME - Time of Service | POST - Post Discharge

Scheduling, authorization, and pre-registration times were reduced significantly. Patients proceeded to their clinical destinations faster and POS collections increased.

Referring physicians were educated about the newly defined pre-access model and its benefits through small-group sessions led by patient access and revenue cycle leaders. Physicians learned the concept of the pre-access model and its positive results, including improved physician and patient satisfaction.

Registration staff participated in on-site workshops focused on consolidating scheduling activities under a central business owner for scheduled outpatient admissions. Through consolidation, the patient's experience is normalized—their experience is the same across service lines and facilities. The patient experience is predictable. They know what to expect across their care journey.

Patient-Centric Technology
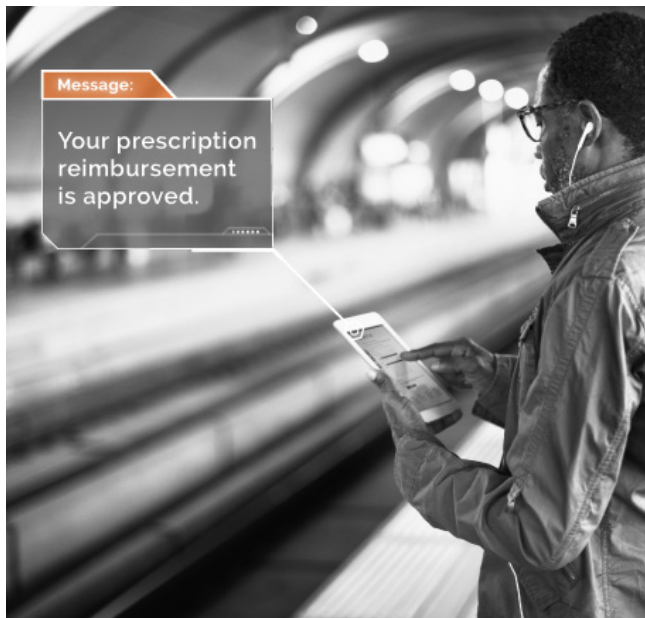
Improving the patient experience can reduce the stress of care, drive loyalty, and accelerate collections - but only when patients are presented with accurate, complete, and relevant information. Sound patient access technology solutions bring together traditionally disconnected pillars of work, including order management, scheduling, prior authorization, pre-registration, payment collection, and patient navigation. Data integration is crucial.

When implemented holistically, technology can empower staff to treat patients as unique individuals, explain their financial obligations, and identify payment plans that meet their specific needs.

To ensure accuracy, bill estimation tools must integrate Providers' managed-care contracts, historical procedure charges, patient benefits, and other essential data. Insurance eligibility tools must use intelligent data to ensure all payers in a provider account are connected to the major clearing houses.

Tools to determine a patient's propensity to pay and to recommend appropriate payment plans must incorporate personal data such as credit standing, payment history, and income. Some patients may easily be able to afford their bills, while others may welcome discussions around enrolling in payment plans before care is delivered. Predicting the likelihood of patients paying out-of-pocket balances is key.

Delivering this level of customization and service

requires robust technology implementation and support, data integration, defined workflows, and well-trained staff, which MSLC embraced. Following a rigorous evaluation of current and projected needs, Firstsource customized a complete technology suite for MSLC.

This robust suite includes modules for eligibility review, address and identity verification, bill estimation, payment portal, and propensity to pay. Additionally, Firstsource helped MSLC implement a high productivity contact center system, as well as interfaces with the hospital's EHR.

The hospital invested in Firstsource Patient Access technology to drive efficiency and enhance satisfaction for its patients as well as staff. By providing staff with accurate bill estimation tools, a full view of patients'/guarantors' financial information, and guidance on how to tailor conversations to individual circumstances, MSLC's staff productivity improved, patient satisfaction increased, and POS cash collections and payment plan usage grew dramatically.

Best - Practice Workflows

Technology is not the only cure. Implementing a technology platform, no matter how innovative, will not fix all patient access challenges. All technology solutions require an operational change to benefit. When a healthcare organization is not operationally equipped to adjust its workflow or look at the patient flow differently while utilizing the technology, it will fail to see the true benefit. The key to best-practice workflow design is to optimize technology for productivity and profitability.

To drive overall patient satisfaction and hospital performance, cross-functional workflows were developed. MSLC's patient access, revenue cycle, and partner leadership team, in conjunction with Firstsource, designed a pre-access registration process consisting of six steps:

1 Contact patients by phone at least five days before appointment

2 Verify insurance information, deductibles, and copays

3 Run billing estimates

4 Assess patient ability to pay using automated tools powered by real-time data

5 Determine the most appropriate payment options and generate a customized financial care plan

6 Pre-register patients for all approved services

Your claim reimbursement request is under process

MSLC's automated and streamlined workflows are customizable to its patient needs. The targeted approach results in:

- Staff adherence to scheduling, authorization of services, and financial clearance across departments' common policies and procedures
- Standardization of patient financial assessments, utilizing real-time data tools to verify benefits eligibility, patient demographic information, and predict patient propensity to pay
- Accurate patient out-of-pocket obligations, with real-time features that pinpoint the patient deductibles met to date
- Tailored payment plan options applicable to patient budget and ability to pay
- Connecting uninsured patients with financial assistance programs
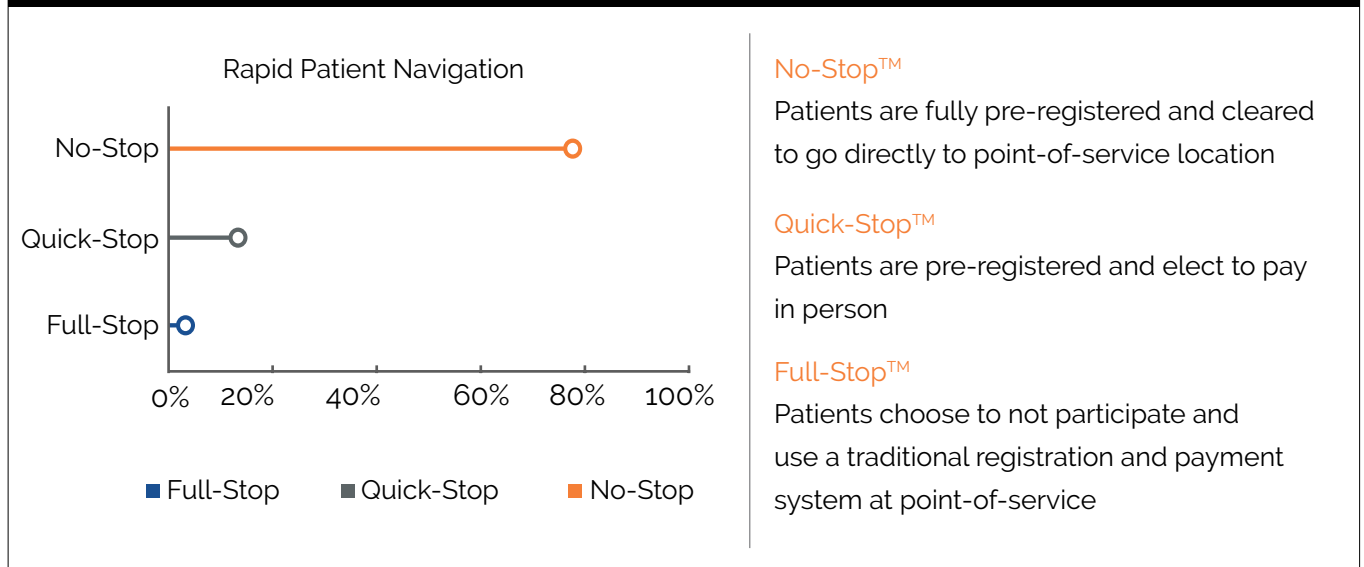
To boost patient satisfaction, MSLC expanded its pre-access service center hours to 14 hours per day, from 6 a.m. to 8 p.m.—up from 9 hours per day. A single customer service phone number was designated for patients to call. When possible, patient inquiries are handled by the same individual throughout the patient's journey.

The goal of MSLC's pre-access workflow is to have all or most of its patients processed before the patient visit. Patients who arrive for care are segmented into three groups to reduce lobby wait times, appointment cancellations, and to swiftly and effectively guide patients to their clinical destination:

- No-stop Status:
  The patient has preregistered and is cleared to proceed directly to the patient care area upon arrival.
- Quick-stop Status:
  The patient has preregistered but has chosen to pay a copayment on the day of service rather than in advance.
- Full-stop Status:
  The patient must complete the entire six-step process before proceeding to the patient care area.

Firstsource 3-Level System for Rapid Patient Movement from Registration to Point-of-Service Destination

Rapid Patient Navigation

No-Stop™
Patients are fully pre-registered and cleared to go directly to point-of-service location

Quick-Stop™
Patients are pre-registered and elect to pay in person

Full-Stop™
Patients choose to not participate and use a traditional registration and payment system at point-of-service

Ongoing Training and Development

Healthcare organizations must invest in the front-end by improving the quality of training, as well as the staff's ability to communicate and help patients understand their health insurance.

The importance of patient access staff to patient satisfaction and hospital profitability can't be overstated. Registrars are expected to capture all patient information correctly while solving complex problems, complying with regulations, and communicating critical information to patients. In many healthcare organizations, registration positions are among the lowest paid in the business office, yet their work is the most scrutinized because of its impact on cash flow. High turnover compounds these challenges for hospitals.

Training can strongly influence the success or failure of patient access technology solutions. While it should be included in every implementation plan, it is often overlooked. With time and resources stretched

thin, hospitals struggle to provide consistent training themselves, so they settle for a quick orientation and rely on strong staff members to carry the message forward. A better approach is for the technology provider to help build high-performance patient access teams through ongoing training, best practices, and on-site expertise.

MSLC implemented a comprehensive strategy beginning with in-depth training on what its new technology tools do, why they're needed, and how they fit into the overall revenue cycle workflow. Firstsource trainers spend time with staff in all patient access departments, on all shifts, to benchmark performance and give feedback to managers on staff strengths and challenges.

Technology training should never be considered a one-time event. A solid strategy includes detailed procedure documentation; monthly reports on how staff members interact with tools, which can

guide staff management; and ongoing tracking of tickets opened, which can identify trouble spots. Daily or weekly onsite support from the technology provider can help sustain success through one-on-one coaching, live refresher classes, monitoring staff outcomes, and recommending corrective actions. Ideally, the hospital or solutions provider can also offer ongoing training via webinars and online tutorials.

Accountability and Continuous Improvement

To ensure the adoption of pre-access procedures and staff accountability, managers and department leaders continue to capture and monitor productivity reports that measure individual and team performance. Reports including the below help to ensure staff and overall revenue cycle performance is on track:

A daily activity report showing all transactions for that day **1**

A POS collections report, including missed opportunities **2**

An eligibility report for both active and inactive eligibility results **3**

An open-tasks report utilized for registration quality, which identifies staff who are not closing open items promptly **4**

A bill-estimation report, which shows an estimation for patient responsibility and payments at-a-glance **5**

Phone reports that identify all phone-related activities containing wait times and abandon calls **6**

Results

Patient Access and financial engagement transformation

Technology automation and proven best practices were the keys to creating centralized, standardized processes. Following implementation, MSLC saw their numbers not only spike in a positive direction, but they continue to see ongoing improvements today. The initiative's immediate results exceeded its leaders' expectations, including:

- Monthly point-of-service collections quickly surpassed the system's monthly goal
- Scheduling, pre-registration, and prior authorization times dropped significantly
- Patient-scheduled appointment wait times improved, as patients progressed to their clinical destinations faster

Measurements/KPI's	Benchmark KPIs: Before Pre-Access	Target KPIs: 24 Mo Post-Live	Actual KPIs: 24 Mos Post-Live	Actual KPIs: 36 Mo. Post-Live
POSH Cash Collections; Monthly & Avg	$66,030	$100,000	$113.134	$154.078
Scheduling in Minutes	16	10	15	10
Daily Scheduling Goal: Per FTE	Not Captured	40	30	35
Pre-Reg & Collections: Minutes Per Call	Not Captured	6	8	4
Daily Pre-Registrations: Per FTE	Not Captured	60	55	65
Authorization: Minutes Per Account	20	10	15	12
Daily Authorization Per FTE	Not Captured	35	30	38

The rapid and continued improvement resulting from the pre-access initiative reinforces the fact that the strategy is not just a "one-hit wonder". The pre-access model effectively addresses the patient financial impact to the hospital as well as the patient.

Engaging with patients on the front-end, even before the services are provided, is key. Understanding the patient's out-of-pocket expenses and their current financial state helps identify a financial path that fits the patient's residual income opportunity. As a result of its pre-access model, MSLC continues to improve operational patient flow and reduce processing times by empowering staff and patients with accurate, timely information that drives payment even before services are rendered.

MSLC has created an environment where the patient's clinical and financial experience work in tandem to provide a positive patient healthcare journey from beginning to end.

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Helping customers stay ahead of the curve through transformational technologies and capabilities

Firstsource Healthcare Providers is a division of Firstsource Solutions Limited, a global leader in digital-first Business Process Management (BPM) solutions. Firstsource Healthcare Providers helps hospitals and health systems unlock their revenue cycle potential while elevating the patient financial experience.

Our Digital First, Digital Now approach coupled with the human touch heightens engagement across the patient journey, rapidly maximizing reimbursement, increasing cash flow, and reducing bad debt.

We currently help over a thousand hospitals, health systems, and physician group practices across the US personalize patient engagement and drive revenue excellence.

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