



## Automating Financial Assistance Determinations

WI HFMA Spring Conference  
May 17th 2019 | Cheryl Miller



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### About today's speaker

- Over 30+ years of Revenue Cycle Experience in the health care setting.
  - 7 years in the role of Director of Financial Clearance.




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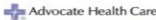

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## Advocate Aurora Health

Together By The Numbers

 <b>Top 10</b> NON-FOR-PROFIT HEALTH SYSTEM	 <b>3,300+</b> EMPLOYED PHYSICIANS	 <b>4,800+</b> ALIGNED PHYSICIAN PARTNERS	 <b>27</b> HOSPITALS	 <b>500</b> OUTPATIENT LOCATIONS	 <b>70,000</b> EMPLOYEES	 <b>2.7M</b> UNIQUE PATIENTS	 <b>Nearly 12B</b> COMMUNITY RESOURCES IN 2018
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 <ul style="list-style-type: none"> <li>12 hospitals</li> <li>Nearly 450 sites of care</li> <li>37,000 associates</li> <li>1,800 employed physicians, 3,500 physician partners</li> <li>More than 1.5 million unique patient visits</li> </ul>	 <ul style="list-style-type: none"> <li>15 hospitals</li> <li>150 clinics</li> <li>33,000 employees</li> <li>1,800 employed physicians, 1,300 physician partners</li> <li>1.2 million unique patient visits</li> </ul>
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\* Represents total of Advocate and Aurora F2018 combined community health. Organizational methodologies may vary.

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## Background

- 2011 Epic SBO rolling out across Aurora
- Revenue Cycle Reorganization
- Financial Clearance?
  - Hospital Financial Counselors
  - A few Clinic Account Specialists
  - Medical Verification Unit
  - Oversight of the charity care program

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## Background cont..

- We had a policy for the Charity Care Program! ....however
  - There were no written procedures
  - loose eligibility criteria
  - Manual processing of paper applications that were handed out to any one.
  - Reorganizing provided a LOT less resources to process Charity Care applications.

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## Unsustainable...



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## Headwinds or Tailwinds

- Patient Protection and Affordable Care Act
  - NEW IRS requirements for hospital organizations to maintain tax exempt status.
  - Health Insurance Exchanges.
  - WI Medicaid Eligibility changes
    - FPL moves from 133-100, covers childless adults

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## New IRS Requirements 501r

- If patient is deemed eligible for charity
  - Can't be charged more the Amounts Generally Billed
  - Deposits can't be collected.
    - If collected, must be refunded
  - Entities must widely publicize availability of charity care.

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## Revamping Charity Care

- Simplified and Streamlined
  - Better and clearly define eligibility criteria
    - Who is covered
    - What's covered and what's not covered
    - How long should coverage last



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## Eligibility

- Permanently resides in Aurora's footprint (WI, Northern IL, or Southern MI)
- Uninsured patients only.
  - All other financial assistance programs (federal, state and private) must be explored/pursued.
- Covered Services limited to medically urgent and/ or medically necessary care.
  - Elective, preventative or routine are not covered.

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## Discount

- Increased uninsured discount from 15-45%
- Eliminated multi tier discount
  - If you qualify for charity care 100% discount
  - If you don't qualify for charity care uninsured discount



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## Paper Applications

- Manual and onerous process for all
  - Time it takes to complete and process
    - average turn around time... 16 weeks
  - Cost to process, transport and store
  - Missing, misplaced, lost, duplicates..

How can we improve the process???

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## Explored Vendor and Products

- Relationship with Passport and Experian
  - Insurance Eligibility Verification
  - Search America
  - Patient Identify Verification
  - Financial Assistance Screening
  - Collection Optimization

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## Real Time Inquiry through Epic

- Validate Information Patient provides
  - Verify identity and address
  - Review estimated income and household size
  - Calculate FPL

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## Store the response in Epic



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## PreService takes shape

- Retrospective Determinations become Prospective Determinations
  - Let patients know prior to their care event if they qualify for charity care.
  - Give them cost information prior to their care event if they don't qualify for charity care.

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## Financial Advocate Role developed

- Reporting through Revenue Cycle
- Standardized Financial Assessment workflow and training.
- Deployed across the enterprise
  - Hospitals, Clinics and Service Center

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## Screening Process

- Scheduled and unscheduled care events with no coverage are captured.
- Financial assessment is performed.
  - If information matches, determination is made immediately.
  - If discrepancies, paper application with supporting documentation required.

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## The safety net...

### Missed opportunities/patients.

- Auto/continual Medicaid coverage sweep/ Coverage Discovery search.
- Auto Charity Care scrub
  - Prior to balance going to collection agency... Experian evaluates all true self pay balances
    - If data suggests patient and service meets charity care criteria.
- Service is written off as "Presumptive Charity Care"

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## Benefits of Automation

- Patient friendly
- 90% charity care determinations are immediate.
- Information on the front end/ prior to care event enables us to tailor our discussions and identify most appropriate program.
- Significantly less resources are needed.
- Entire process is easily monitored, and audited.
  - 501r Compliance

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## 2018 Statistics

Helping Hand adjustments  
11,310 unique patients approved

\$139,973,696  
\$101,451,683 hospital services  
\$ 38,522,013 physician services

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## 2018 Statistics

Presumptive Charity Care adjustments  
28,433 Patient VISITS

\$67,786,599

\$44,578,797 hospital services  
\$23,207,801 physician services



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Thank you! Questions?  
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