Healthcare Patient Payments and Collections – How Third Party Partnerships Improve Medical Facilities Revenue Cycle Management and Resolution

Featuring Phoenix Children’s Hospital, CMRE Financial Services, Inc. & BillingTree
This information is not intended to be legal advice and may not be used as legal advice. Legal advice must be tailored to the specific circumstances of each case. Every effort has been made to assure this information is up-to-date. It is not intended to be a full and exhaustive explanation of the law in any area, however, nor should it be used to replace the advice of your own legal counsel.
Agenda

- Introductions
- The Revenue Cycle Management & Patient Payment Processes at Phoenix Children’s
  - Self-pay, early out, to bad debt
  - How outsourcing was selected and performs
- Third Party Recommendations for Servicing Medical Payments
  - Dealing with emotion and successfully resolving the debt
  - Winning facility trust – compassion and integrity backed by compliance
- Payment Acceptance Options for Healthcare Providers and Their Agents
  - Medical savings account payments and payment plans
  - PCI Compliance and its importance to the overall process
Panelists

- Nolan Williams, Director of Revenue Management
  - Phoenix Children’s Hospital

- Sandy Lawrence, President
  - CMRE Financial Services, Inc.

- Patrick Nixon, VP of Marketing
  - CMRE Financial Services, Inc.

- Chad Probst, VP of Sales & Business Development
  - BillingTree

- Dave Yohe, VP of Marketing
  - BillingTree (Moderator)
Services and Solutions

• **BillingTree Payment Services**
  – Merchant Services and Underwriting
    • ACH, Credit/Debit Card, Debit Cards Only, Boarding, Training
  – Compliance Services
    • Compliance Central, Compliance Coach, Complaints Management
  – Security Certifications and Services
    • PCI, HIPAA, SSAE-16

• **Payrazr Solutions**
  – Gateways
  – Virtual Terminals
  – Payment Portals
  – Debt Negotiation
  – Online Billing
  – Mobile Payments
  – Document Management/E-Sign

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Audience Poll

Who do we have with us on the webinar today?

- Collection agency
- Hospital or ancillary service provider
- Other - vendor
Revenue Cycle Management & Patient Payment Processes at Phoenix Children’s Hospital
Introductions

- Nolan Williams, Director of Revenue Cycle
  – Phoenix Children’s Hospital

  - Has been with PCH for the past 4 years
  - Previously has 13 years experience working for NCO Financial Systems
  - Served our country in the Army Medical Command for 13 years
About Us

Phoenix Children's Hospital has provided hope, healing, and the best healthcare for children since it was born in 1983, and has grown to become one of the largest children’s hospitals in the country.

With a Medical Staff of nearly 1,000 pediatric specialists, Phoenix Children’s provides inpatient, outpatient, trauma and emergency care across more than 70 pediatric subspecialties, the most comprehensive pediatric care available in the state. The Hospital’s six Centers of Excellence have grown in size and expertise to place them on par with some of the most prestigious of their kind in the US.
Revenue Cycle Management & Patient Payment Processes

- Utilized vendors to handle self-pay from Day 1
  - No in-house collections
  - Encourage families to pay at time of service

- Statements sent by partners
  - After 120 days - turn to bad debt partners
  - Once primary insurance pays – accounts go to partners
  - Once bad debt – PCH works with agencies on programs
Revenue Cycle Management & Patient Payment Processes

- What are the payment tools offered to the patients?
  - Web payment, IVR, agent pay, payment plans
  - Financial application process, charity applications, financial counseling
Outsourcing

- What did you look for when selecting your agency?
  - Didn’t want all eggs in one basket
  - Split debt up between agencies to compare results
  - One agency for early self pay
  - Assess the experience in the healthcare industry
  - Financial stability and reputation
  - Costs for their services
  - How involved is the leadership team with clients
  - Experience with collecting children’s health debt
  - Last but not least…do they fit PCH’s culture?
Third Party Recommendations for Servicing Medical Payments
Audience Poll

For the agencies with us today, how would you describe your book of debt?

- 100% healthcare receivables
- Mixed collections
- No healthcare receivables at this time

For the healthcare providers with us today, how does your company handle collections?

- Outsource to agency
- Handle them in-house
- Split between both
Introductions

- Sandy Lawrence, President
  – CMRE Financial Services, Inc.

- Sandy has over 40 years of experience in healthcare receivables.
- She has been on the hospital side and on the collection side, which has included various roles from Collector to President.
Introductions

- Patrick Nixon, VP of Marketing
  - 25 years with CMRE Financial Services, Inc.

- Patrick received his BS Degree in Finance from San Diego State University in 1987. He has in-depth sales and marketing experience with a major corporation where his career rapidly accelerated from General Sales to Senior Sales and finally to Major Account Representative.

- Patrick has spent the past 25 years focusing on the development of client relationships and business partnerships with healthcare providers located throughout the United States. His client base consists of hospitals, large hospital corporations, physician groups, and physician billing companies nationwide.

- Pat’s responsibilities include management and implementation of CMRE’s marketing and client support services.
About Us

• CMRE Financial Services is a company dedicated to helping healthcare organizations improve financial performance. Our roots go back to the mid 1970s when we began providing soft-core collections for doctors, hospitals and medical billing companies. Since that time, our service offerings have expanded to include insurance/workers' comp follow-up/, managed care, self-pay A/R management outsourcing, training and other programs, but our focus has never faltered: To provide accounts receivable and related services to healthcare organizations with the highest level of integrity and customer service.

• Through the years our commitment to excellence has earned CMRE industry recognition as well as praise from some of the largest and most prestigious healthcare organizations in the country. In addition, our high performance standards and investment in continuing education have resulted in CMRE becoming an MDHBA Certified Healthcare Business Associate. CMRE was the first company to receive this distinction and continues to work diligently to adhere to the certification criteria: Employees receive continuous education, all managers are Certified Professional Business Executives and we comply with all internal systems planning, as well as monitoring and disciplinary action policies defined by MDHBA.
Third Party Recommendations for Servicing Medical Payments

- Handling emotions
  - Not by choice to need a hospital stay
  - Patient confusion – “But I have insurance”
  - Why do I need to pay anything?
  - Unplanned expense – work with patient to show that you’re truly here to help
  - Culture fit - share philosophy with the care giver
Successfully Resolving the Debt

The process of successfully resolving the debt starts with the patient experience

- In many cases this experience concludes with the collection agency or third party vendor
- If that experience doesn’t end positively it’s a direct reflection upon the client
- In order to effectively resolve the debt you have to combine technology with communication and well-trained staff
- Offer a multitude of payment options for patients to resolve their bill
- Be flexible - every patient situation is not the same
Successfully Resolving the Debt

- Resolution is not synonymous with payment
  - Resolution can mean charity care, discount, insurance
  - Potentially involves working with bankruptcies and attorneys in order to help patient resolve the balance
Winning Facility Trust

- Winning facility trust
  - Need to treat people with understanding, care and integrity
  - Compassion – treat them with care and respect
  - Understand their questions and fears
  - Agency is there to help resolve the patient’s debt
  - Complete the patient experience so that you leave the patient feeling positive about returning to the provider if necessary in the future
  - Backed by Compliance
Collections & HSA/FSA Payment Processing
Audience Poll

Do you offer your clients the ability to pay with an HSA/FSA Account

☑ Yes
☑ No-but we would like to
☑ No-not interested
Introductions

- Chad Probst, VP of Sales & Business Development – BillingTree

- Chad has been with BillingTree since 2007
- Chad has a consultative sales background within the ARM, transportation, software, healthcare and financial services industries within the past 20+ years
Collections & HSA/FSA Payment Processing

Consumer Directed Healthcare Account Adoption
Number of accounts, in millions

Source: Aite Group
Best Practices for Compliance

The key is communication between both parties

Hospitals

Agencies
Health PAS – Payment Ambassador Service

Patient

→

Phoenix Children’s Hospital

Patient Owes

→

CMRE Financial Services

Direct Deposit of Payment into HC Providers Bank

→

Billing Services Bank

Agency Collects Payment
Benefits of Health PAS

**Agency**
- Allows the agency to collect more payments by being able to take HSA & Flex payments
- Reduces chargebacks and increases collections by having correct descriptor information
- Agency has accurate data of payments accepted and posted for the provider
- Improves efficiency by eliminating any re-work activities
- Ensures PCI Compliance – ensures no card data is being transferred back and forth

**HC Provider**
- Shortens the revenue cycle and speeds access to cash – the funds are deposited directly into your account and can be available as quickly as the very next day
- Ensures PCI Compliance – ensures no card data is being transferred back and forth
- Eliminates any FTE hours by having to run HSA & Flex cards for the agency
- Agency can now provide accurate accounting and reporting data
Health PAS Gateway

1. Agency provides client MID info
   - VAR form submission

2. BillingTree configures and validates client MID compatibility with Gateway

3. Agency is enabled to collect credit/debit/FSA payments using client MID via their own gateway
Health PAS Underwriting

Gateway + Provider Underwriting
- Transaction visibility all the way through the payment process
- Billing/Deposit control

Gateway + Early Out Agency Underwriting
- EO Agency may collect/process HSA/Flex payments for multiple providers
- Separate EIN #s
- Deposits go directly to the Agency