Changing the Conversation, Changing Lives
Improving the Financial Counseling Process to Reduce Bad Debt
Performance Improvement Leadership Development Program
Winter 2013

Background

University of Missouri Health Care (MUHC) has many patients who do not have health insurance. Lack of timely intervention by Financial Counselor may delay identification of patients eligible for Medicaid or result in a patient’s account going to bad debt when eligible for charity care to cover unplanned medical expenses.

Aim Statement
Reduce Ellis Fischel Cancer Center self pay bad debt from 53.4% to less than 48% by March 2013 through redesign of the financial counseling and assistance processes.

MUHC has an increasing level of bad debt to charity care write-offs as a percent of net revenues. Rising bad debt could potentially reduce hospital DSH payments.

Project Stakeholders

Project Focus: Patient Education and Communication

Process Flow Mapping

DO

Data Collection
The team collected data to identify reasons why self-pay patients went to bad debt.

Interventions
The team redesigned the financial counseling and assistance process to be more proactive and patient-centered. The table below depicts our current and pilot process for change.

STUDY

Improvements
The 55 patients counseled through the pilot have either obtained insurance, been approved for Medicaid or Charity Care, or are awaiting determination for Medicaid or Charity Care. To date, no accounts have been sent to bad debt.

ACT

Lessons Learned
Financial Counseling upon access to MUHC:
- Provides education on available financial assistance programs
- Defines role of financial counselor as patient advocate and provides enhanced communication between patient and counselor
- Assists the patient in making an informed financial decision
- Ensures patient compliance with completion of financial assistance application

Barriers
Some of the barriers to our progress include:
- Culture - internal and external
- MUHC is often perceived as “free”
- Patient health care literacy
- Patient coping skills and support systems

Next Steps

<table>
<thead>
<tr>
<th>Next Steps</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expand to other clinics</td>
<td>Implemented March</td>
</tr>
<tr>
<td>Obstetrics &amp; Gynecology</td>
<td>Under development</td>
</tr>
<tr>
<td>Broader duties of financial counselor</td>
<td>Implemented April</td>
</tr>
<tr>
<td>Financial assistance approval</td>
<td>Set up budget plans</td>
</tr>
<tr>
<td>Conduct Staff Satisfaction Survey</td>
<td>Implemented Jan</td>
</tr>
<tr>
<td>Conduct Patient Satisfaction Survey</td>
<td>In progress</td>
</tr>
<tr>
<td>Develop resources to better engage and educate patients and referring providers</td>
<td>Under development</td>
</tr>
<tr>
<td>Monitor changes with Affordable Care Act</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>

Change the Conversation, Changing Lives
Improving the Financial Counseling Process to Reduce Bad Debt
Performance Improvement Leadership Development Program
Winter 2013