



“Consumer Financial Protection Bureau (CFPB)”

“New proposed CFPB rules to harassment from providers, vendors, and payers to address patient responsibility”

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September 2019**



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Experience:

- President and CEO of Lyman Health Care Solutions LLC- 2012
- Chief Healthcare Strategy Officer - Capio, The Patient Financial Wellness Company
- Executive Director, Revenue Cycle Management - Cleveland Clinic Health System
- Multiple leadership roles for physician revenue cycle management groups
- University of Pittsburgh Medical Center (UPMC)
- U.S. Army Medic

Memberships & Accreditations

- HFMA
- AAHAM
- ACHE
- HIMSS
- Becker's
- ACA International



Problem Statement:

Increasing costs and reimbursement rates are declining. The industry internal and external continue to strive to improve the providers performance but new regulations create an industry challenge as to how to address the constant legal requirements.

Resolution

Understanding the risk associated to the CFPB regulatory change is is key to the provider and their partnerships success.



AGENDA



Summary



Timeline



Concerns



Trends to Watch-Crash Course



Consumerism Has a Cost



Major Changes in Proposed CFPB



Questions

4

Summary of Proposed Debt Collection Rule:

5

- Proposed Debt Collection Rule: Would amend Regulation F, 12 CFR Part 1006, which implements the Fair Debt Collection Practices Act (FDCPA).
- Proposed effective date: One year after the final rule is published in the Federal Register.
- Comments due: 90 days after publication of the proposed rule in the Federal Register. Detailed information on how to submit comments can be found in the proposal.
- Available at: <https://www.consumerfinance.gov/policy-compliance/rulemaking/rules-underdevelopment/debt-collection-practices-regulation-f/>.
- The Bureau has issued a proposal to amend Regulation F, which implements the Fair Debt Collection Practices Act (FDCPA). The proposal seeks public comment on Federal rules governing the activities of debt collectors covered by the FDCPA.
- **Although this "proposed rule" is associated with collections ; these rules are in the Senate and House for approval around medical collections.**

Timeline

- Q2 2019 CFPB Announced
- Q3 2019 Public Comments
- Q4 2019 Congress Approval*
- Q1 2020 Technology Review and Selection
- Q2 2020 Technology Integration
- Q3 2020 Strategy and Testing Changes
- Q4 2020 Migration to new Strategy
- Q1 2021 New CFPB Rule Takes Effect



Considerations and Options

7

- Timing
- Consumerism
- Communications
- Gap- August 19th to Jan-March 2021
- Customize or Outsource
- Customer Experience Management (CXM) technology
- Artificial Intelligence and Robotic Processing Automation
- Debt Collection Agencies (DCA) and Providers Collections (RCM)
- Communications, Payment, and Billing
- Proactive





Revenue Cycle Leadership

It's an Internal and External Handshake!

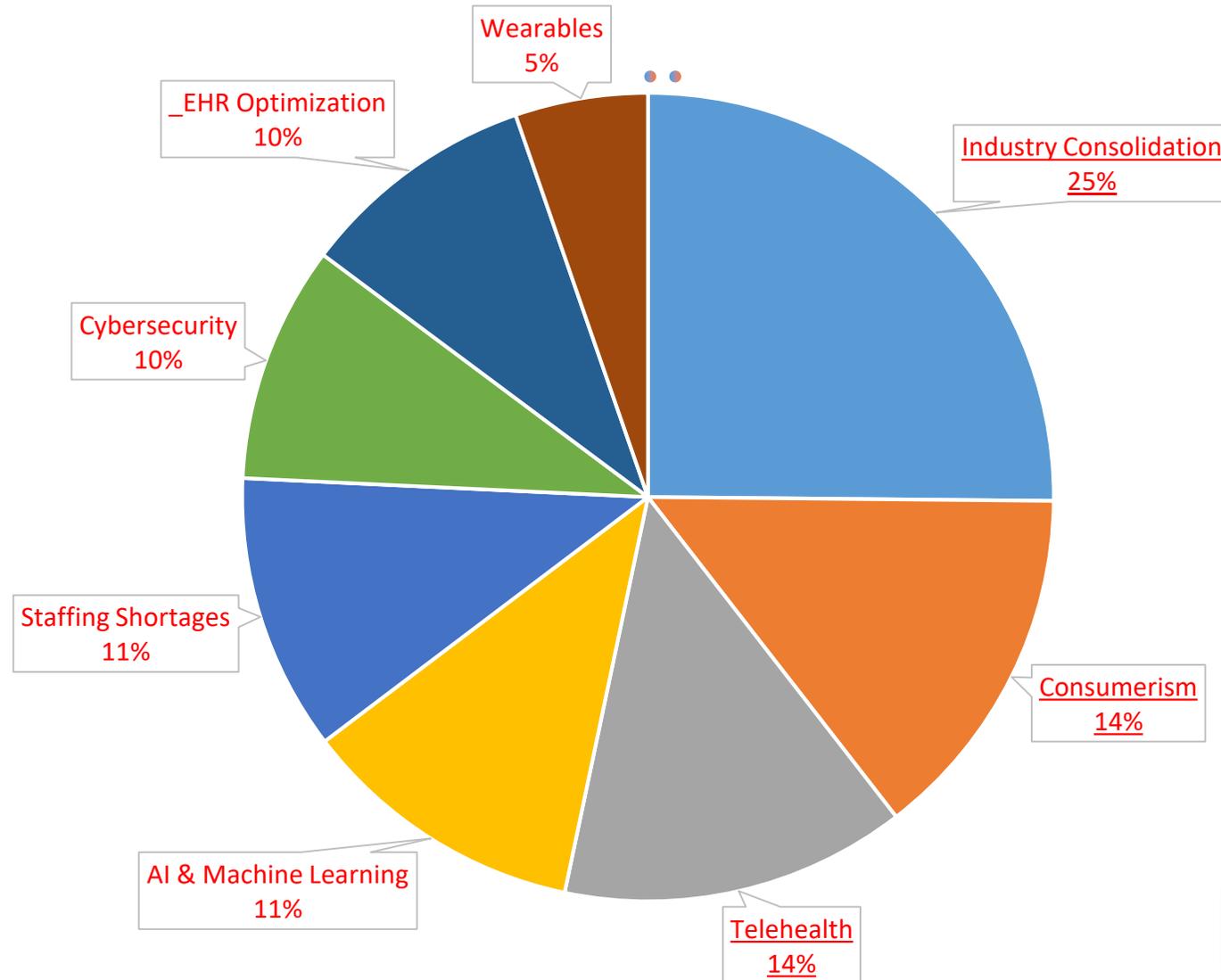
Supports your brand

Improves your financial results

Reduces cost and supports, brand, reimbursement, and cost



TOP HEALTHCARE TRENDS OF 2019



PREDICTIONS FOR 2019

10



Artificial Intelligence (AI) and Robotic Process Automation (RPA) are the way of the future in Revenue Cycle Leadership (RCL) Cloud.



“Consumerism on steroids” will replace the traditional RCL operating model.



Predictive Analytics replaces propensity to pay and the new world is patient loyalty and propensity to collect.



Patient Responsibility is growing and is not going away.

PREDICTIONS FOR 2019

11



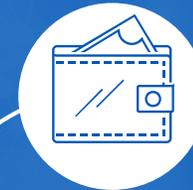
Uninsured non-elderly population in US will increase.
2008- 45M
2011-46M
2017-27M



High Deductible Health Plans (HDHP) will replace self pay. {\$2,400.00 or greater}



Regulatory changes will change revenue cycle management-quality reimbursement/DSH.



Payer Market will change dramatically.



Amazon or CVS gets you fired.

“We have always done it that way”
Is our worst enemy!

“ I have no work life balance”

“Technology can be value add or a burden”

“New reimbursement models are a joke”



**What
Didn't Change
in Health Care
RCL – Providers
and Partners
In 2018**

“Vendors are not always partners”

“The government, patient, and employees are demanding more”

“Cost to Revenue Cycle Management is increasing”

Patient financing incentivization



Personalized scheduling



Online bill pay distribution



Mobile/smartphone patient statements/payments



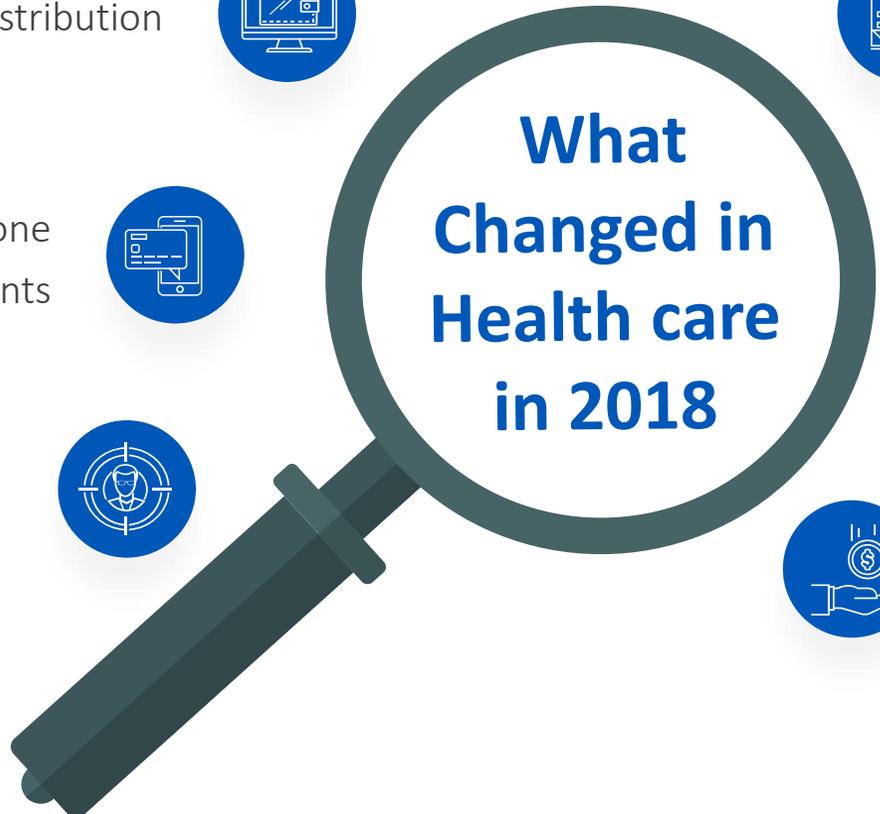
Payer patient billing- CVS/Amazon/Bundling



New reimbursement models



Employer deduction for out of pocket or visit penalty



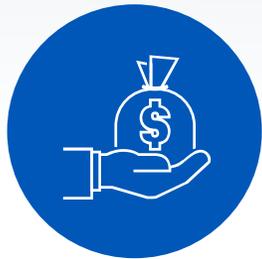
**What
Changed in
Health care
in 2018**

PREDICTIONS FOR 2020

14

Working smarter not
harder is your goal

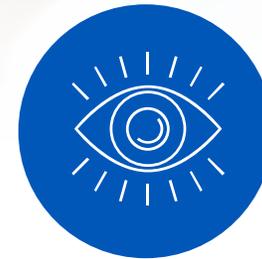
AI and RPA –
repurposes staff



Medicare is your
favorite payer



Cost to bill increases
with consumerism



Vendors are family



CONSUMERISM HAS A COST

CONSUMERISM HAS A COST

16

1

Charge Transparency-
regulatory/charge master

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In 2018, 90 percent of large
employers offered at least one high
deductible health plan (HDHP)



3

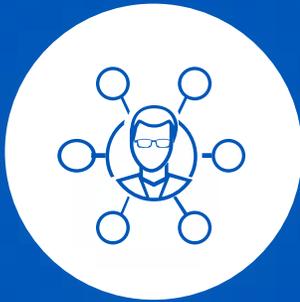
6 percent increase in 2018 of
Health Savings Accounts (HSA)

4

On average in 2018, providers
noticed a 70 percent increase
in patient responsibility

CONSUMERISM HAS A COST

17



Insurances are adopting various motivational models.

One example is Fogg Behavior model (FBM)



Artificial Intelligence will create patient profiling in revenue cycle leadership-airline model.



Shared incentive models are the future – profile selections that reduce cost will reduce price.
“Patients manage the revenue cycle.”

Major Changes in the Proposed CFPB

- Definition of Consumer same as FDCPA's but interprets to include deceased owing a debt -1006.2 (e) and communications 1006.6(a) that includes inheritance of estate and deceased
- Electronic communications state requirements of approval to send email or text messages for the debt 1006.6 (d) (3)
- All email and text messages, and electronic communications must give the option for the consumer to unsubscribe 1006.6 (e)
- Guarantor can identify communications that they do not want to be contacted with such certain telephone numbers or email 1006.14 (h)
- FDCPA's rules to unusual times to communicate with text and emails are applied 1006 (b)(1)*
- Using a work email is prohibited for a work email unless by exception the employer agrees 1006.22 (F)(3)
- No use of social medial other than private messaging functions is permitted 1006.22(f)(4)
- Limited-content message will be defined for voicemail or text and considered a communication 1006.2(j)*
- No more than seven calls in seven day period AND if contacted no more than one contact 1006.14(b)*
- Defines how and with whom a collector can communicate regarding a deceased patient and the requirements of validation notices and disputes for estates 1006.2(e) to 1006.42
- Prohibition of suing or threatening to sue on an amount due after the statue of limitations 1006.26

*Commentary



Major Changes in the Proposed CFPB

- **Credit Reporting requires a letter prior to action-501® 1006.30(a)**
- **Can not transfer to another agency if known settled-settled, legal, bankruptcy, identity theft etc. 1006.30(b)**
- **Disclosures to patients are defined and the form must be accessible to the patient and must follow the E-SIGN Act-includes delivery and format of the electronic disclosure-flow chart on the CFPB website 1006.43 (b, c, d)**
- **Validation notice: disclosure of account number and itemization with consumer protection on disputing the debt, consumer response form, and all actions to the account 1006.34**
- **Validation notice in Spanish required 1006.34(d)(vi)-collector can send in any language one patient has received English-language validation 1006.34(e)**
- **Model validation: FDCPA section 809(a) and proposed 1006.34 disclosure requirements using model form B-3 Appendix 3**

Updates can be followed on [Http:// www. consumerfinance. gov/policy-compliance/guidance/implementation-guidance/](http://www.consumerfinance.gov/policy-compliance/guidance/implementation-guidance/).



NEW WORLD OF RCL: SUMMARY

Governance, communication,
and education

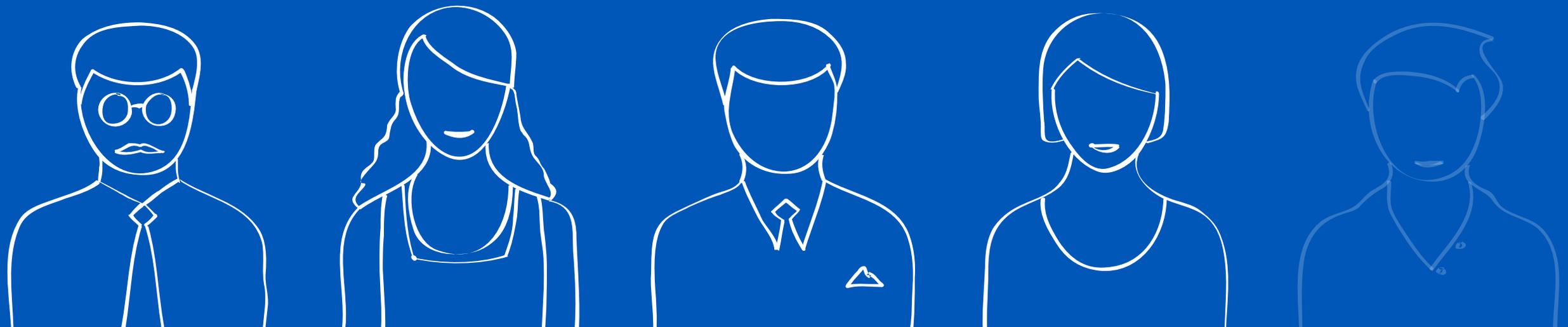
Operating model and
change management



Technology and
tactical analysis

Partnerships

QUESTIONS?



GET IN TOUCH

22



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