

HFMA: Igniting Revenue Cycle's Superpower: Patient Advocacy

February 15, 2024

ALVAREZ & MARSAL

Patient Financial Navigation



Agenda

01

PATIENT FINANCIAL ADVOCACY OVERVIEW

02

CASE STUDY SUBJECT: OVERVIEW OF MULTICARE HEALTH SYSTEM

03

THE NEED FOR TRANSFORMATION

04

APPROACH FOR PATIENT FINANCIAL NAVIGATION TRANSFORMATION

05

RESULTS AND KEYS TO SUCCESS

06

DISCUSSION

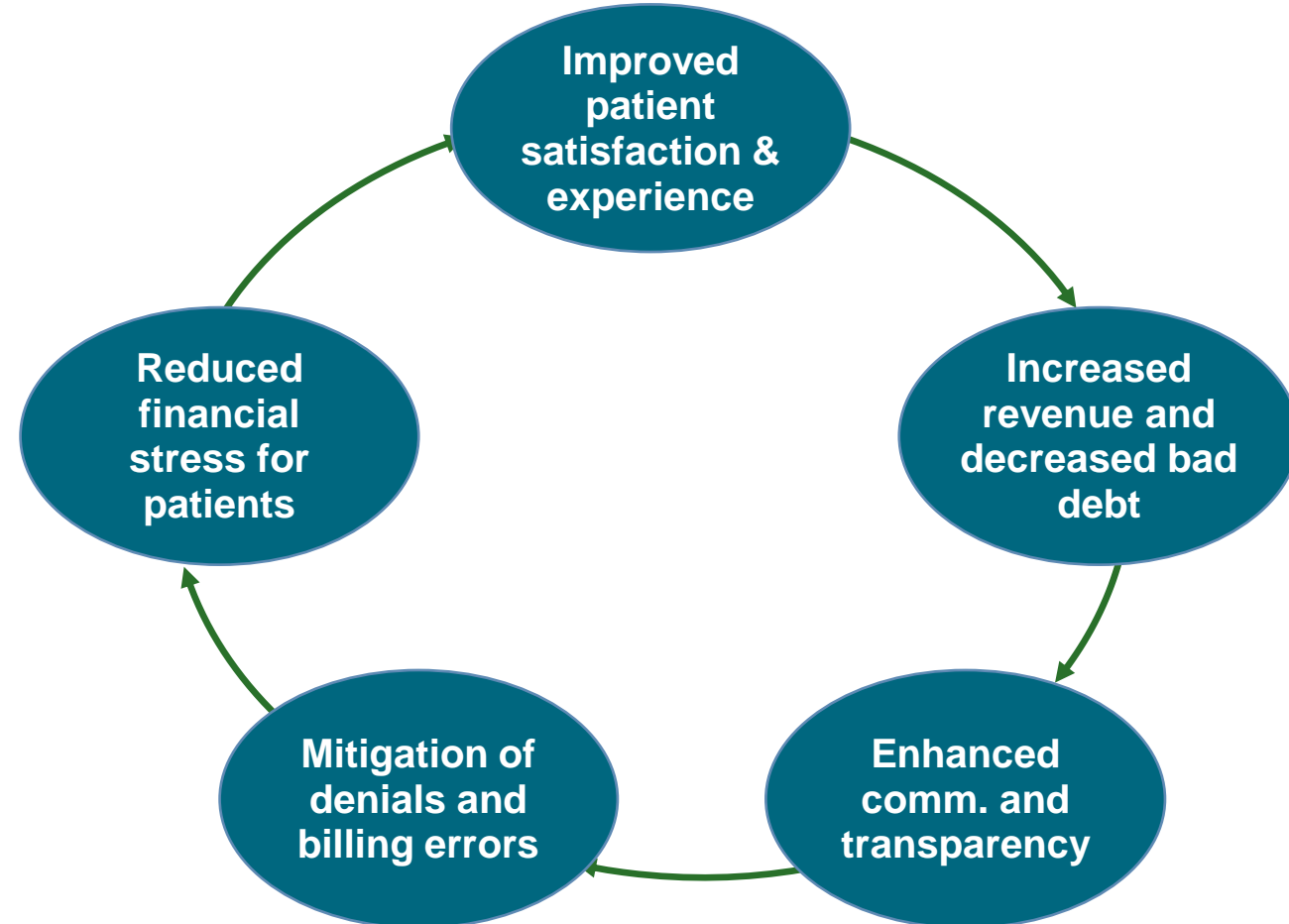
The Importance of Patient Financial Advocacy

- 01** Financial advocacy helps address billing issues, insurance claims, and financial challenges that can arise during the revenue cycle process
- 02** Patient financial advocacy is about putting patients' needs and interests first
- 03** It facilitates patients' understanding of their rights, options, and financial responsibilities





Benefits of Patient Financial Advocacy in Revenue Cycle



All of these components help organizations achieve **price transparency** requirements

Case Study

MultiCare Health System

Case Study: MultiCare Health System (MHS)

MultiCare's Mission: Partnering for a healing and healthy future

- Based in Tacoma, WA, MHS has been providing care for well over a century, since the founding of Tacoma's first hospital in 1882.
- Today, MHS is a not-for-profit, integrated healthcare organization and is the largest community-based, locally governed health system in the state of Washington.
- MHS has grown significantly across Washington state, including:
 - Tacoma General Hospital, founded in 1882, has grown into one of the Puget Sound region's premier providers with the region's only Level IV Neonatal Intensive Care Unit
 - Mary Bridge Children's Hospital recognized as one of the Top Hospitals for children by The Leapfrog Group
 - Recently expanded their presence across Washington state with Valley and Deaconess Hospitals in Spokane
- Solution: Partnered with MultiCare Access and Finance leaders to develop a new approach to patient financial advocacy and navigation

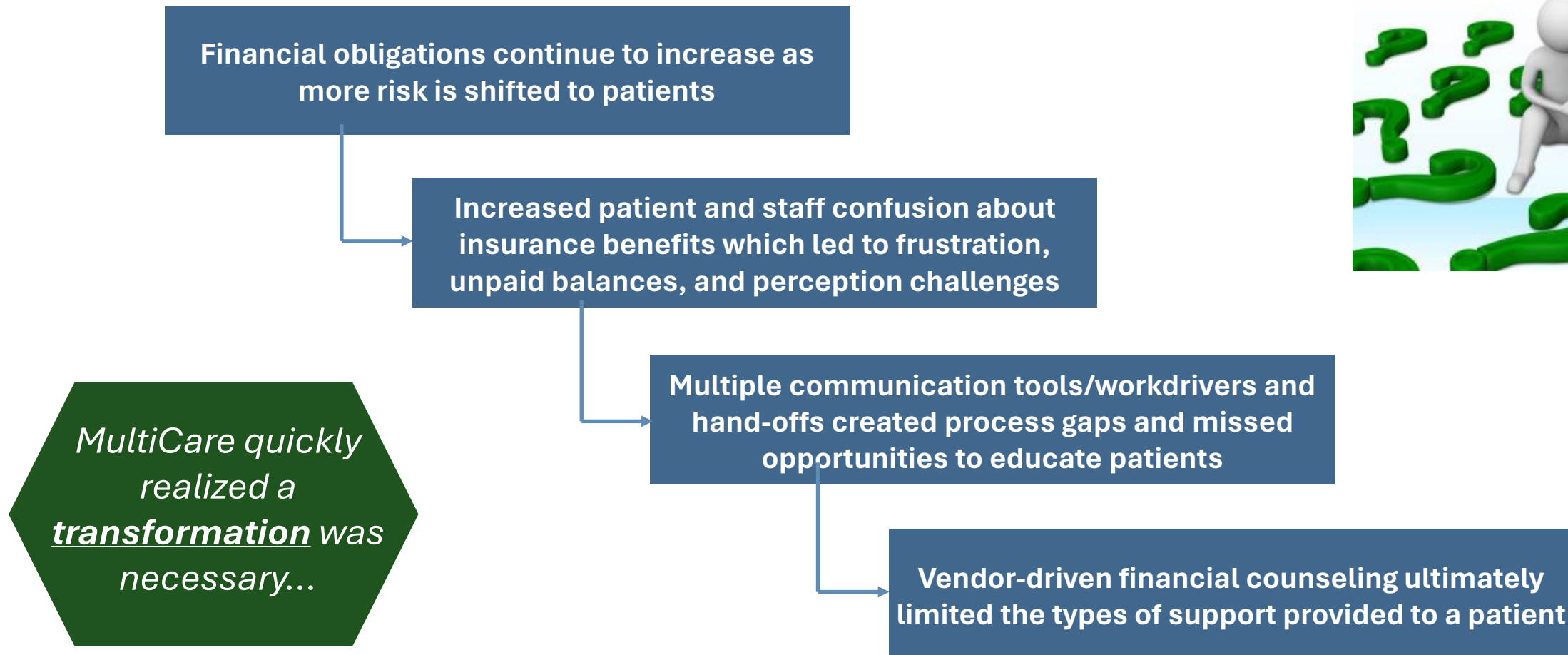


MHS has >20,000 employees, providers, and volunteers across the spectrum of care, including:

- Primary and Specialty Care
- Urgent Care Centers
- Virtual Care
- House Calls - DispatchHealth
- Home Health & Hospice
- Behavioral Health
- Level I Trauma Inpatient Rehabilitation

MultiCare is consistently focused on staying ahead of the evolving healthcare industry

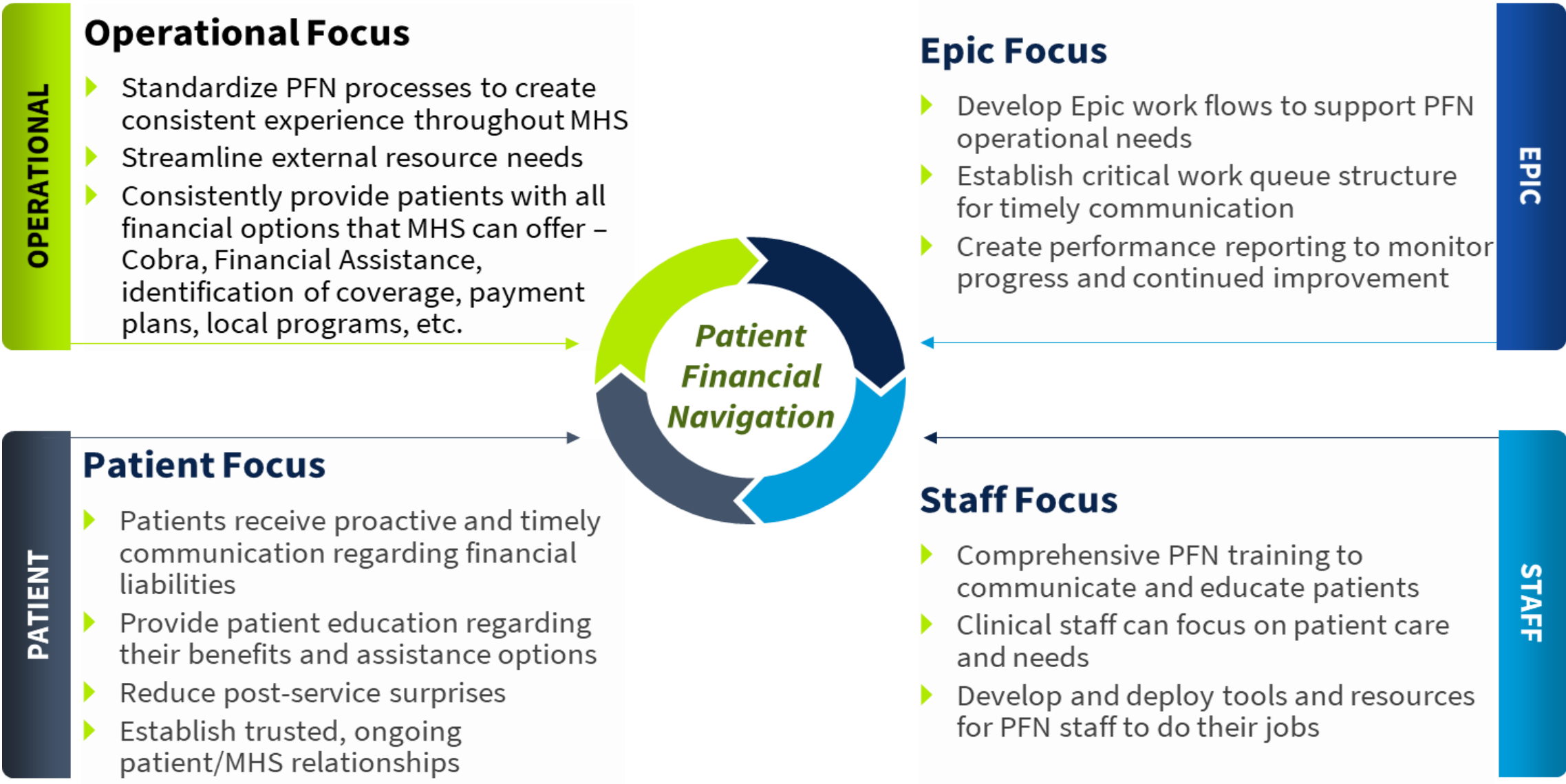
Key indicators that drove the decision to transform the approach and strategy for patient obligations and balances include:



MHS sought to understand the key drivers for the identified pain points and gaps



MultiCare focused on four key focus areas to build an industry-leading Patient Financial Navigation program



Approach

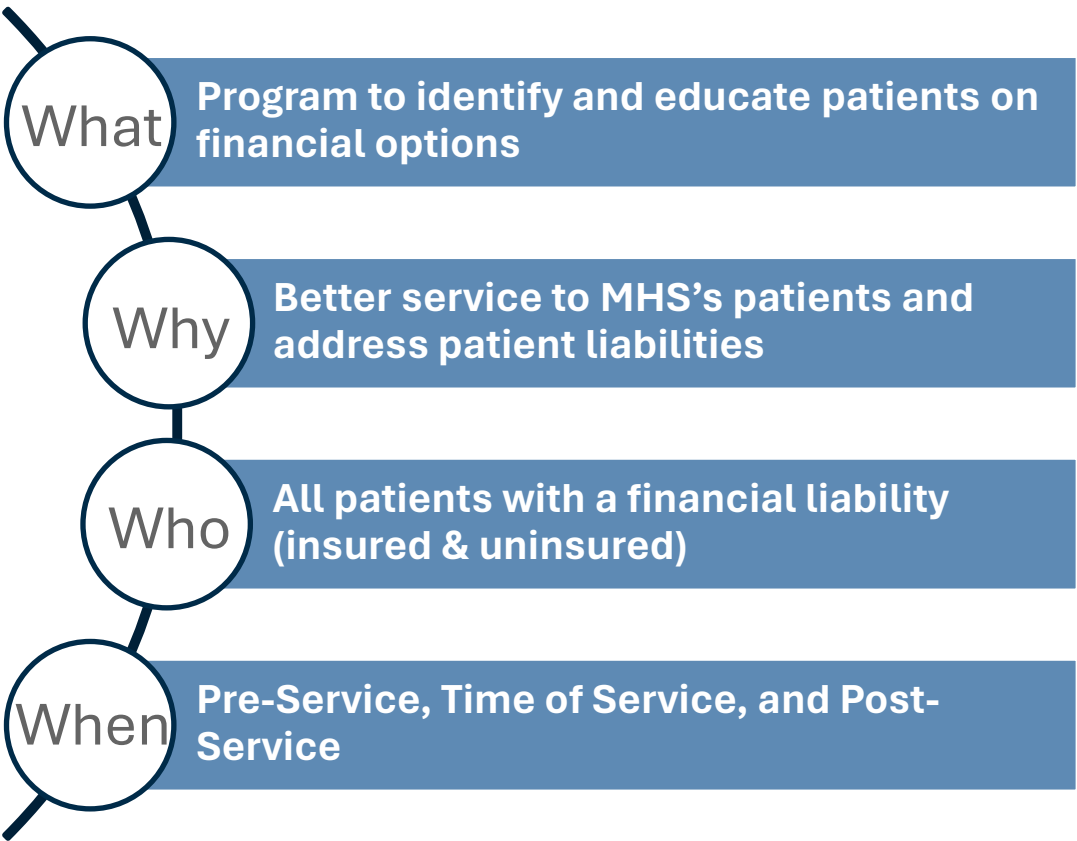
Approach for Patient Financial Navigation Transformation



- **Project work plan**
- **Communication plan and strategy**
- **Change Management**
- **Interdepartmental coordination**

01

Define



Key Operational Transformations

- Work with insured patients to help them resolve liabilities, i.e. deductibles & coinsurance
- Work with uninsured patients to identify possible coverage (state and local programs), i.e. Medicaid and community drug programs, and assist patients with navigating the insurance exchange
- Proactive identification of patients for MHS's financial assistance program to reduce paperwork and financial stress for our patients
- The team will be Certified Application Counselors and will help patients navigate Insurance Exchange coverage options, including WA Health Benefit Exchange for expanded Medicaid or a Qualified Health Plan
- Creation of a comprehensive approach to help patients with their financial needs. For example, the PFNs have expanded to 50+ community outreach programs

02

Hire and Train

Comprehensive Staffing Evaluation

- Complete a staffing analysis and model
- Assess current staffing to find the best candidates



Robust Training Programs

- Developed a training program to help staff assist with coverage review and complete financial assistance

Enhanced Job Descriptions

- Established comprehensive PFN job descriptions
- Assess current staffing to find the best candidates



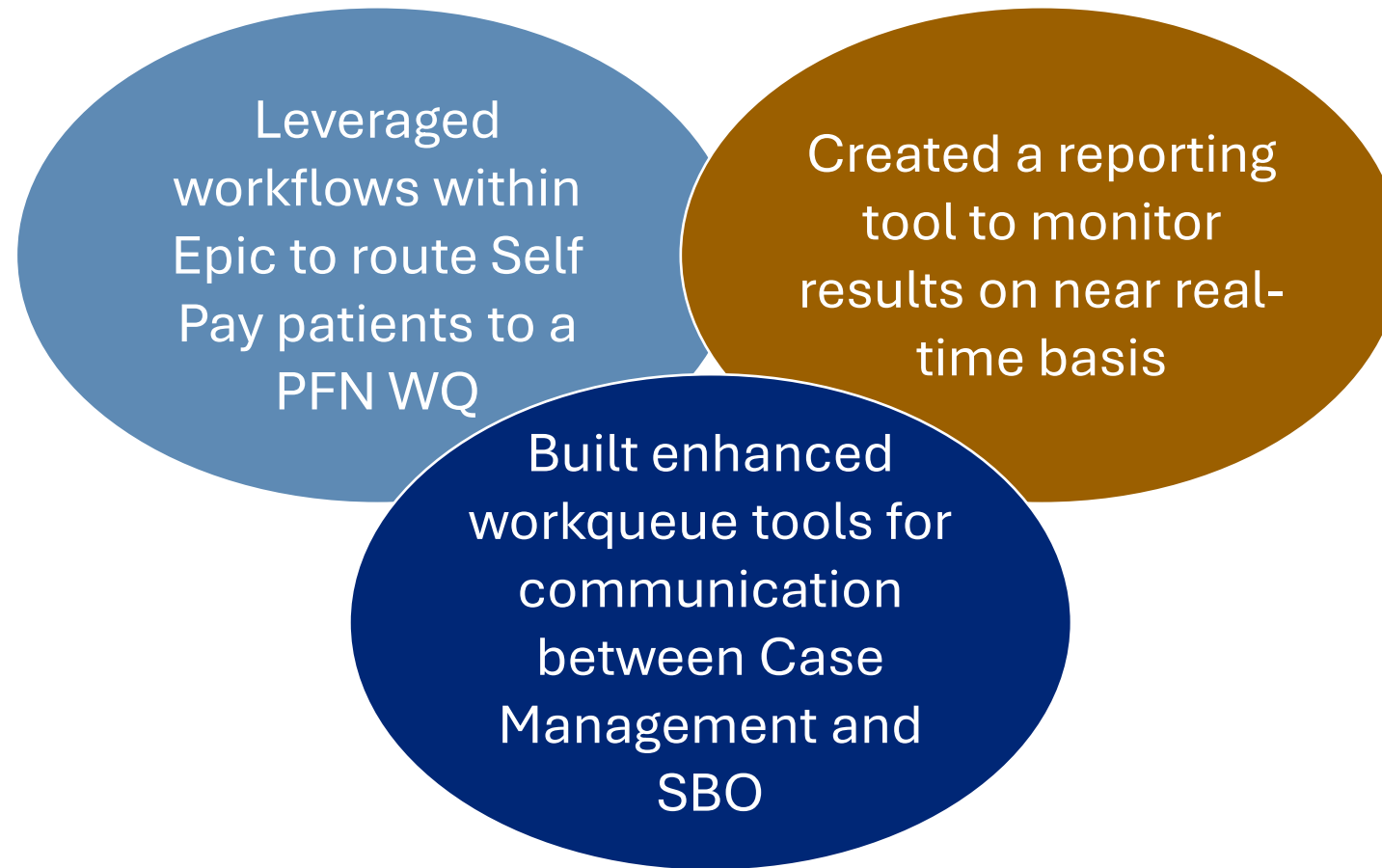
Expanding the PFN Role

- Staffing PFN's in the inpatient areas and longer hours in the Emergency departments
- Continued support through PFS

Approach: Enhance Epic Workflows and Reporting

03

Enhance technology



*Key to Success: Maintaining an approach of
Plan, Do, Check, Adjust*

Transformation Results

MHS's Patient Financial Navigation transformation

Where MHS was...

- Uncontrolled vendor costs
- Disjointed processes for our patients having to call multiple places for help
- <60% conversion rate to Medicaid only



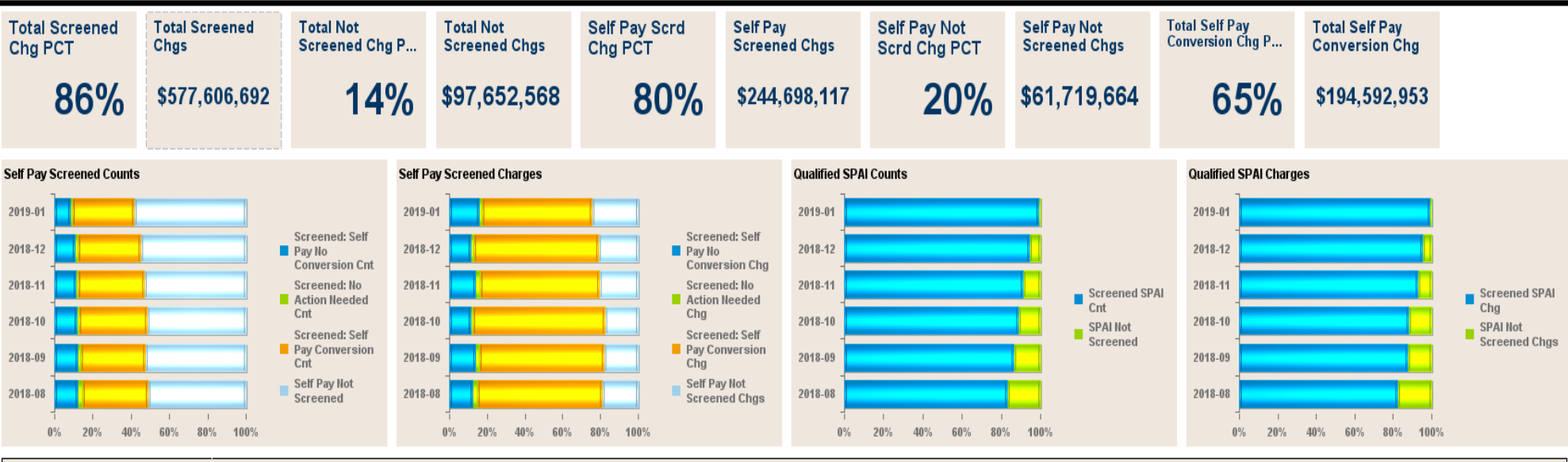
MHS Transformation...

- Vendor costs kept to less than 3% of previous cost
- One phone call to get financial support in a myriad of ways
- 90% of all patients (self pay and insured) screened for assistance
- 65% conversion rate for Medicaid, Medicare, other insurance

Patient Financial Navigation Transformation: Results and Reporting

Enhanced and consistent reporting makes it easier to assess performance

Consistent understanding regarding patients being screened



Summarizes financial impact

Drill-down into details

Keys to Success

Governance

- Executive support, updates, and risk focus
- Revenue Cycle leadership support
- Support from physician offices/Care Management

IT Partnership

- Epic enhancement and WQ build
- Elimination of automated outsourcing to vendor
- Meaningful reporting

Patient Focused Approach

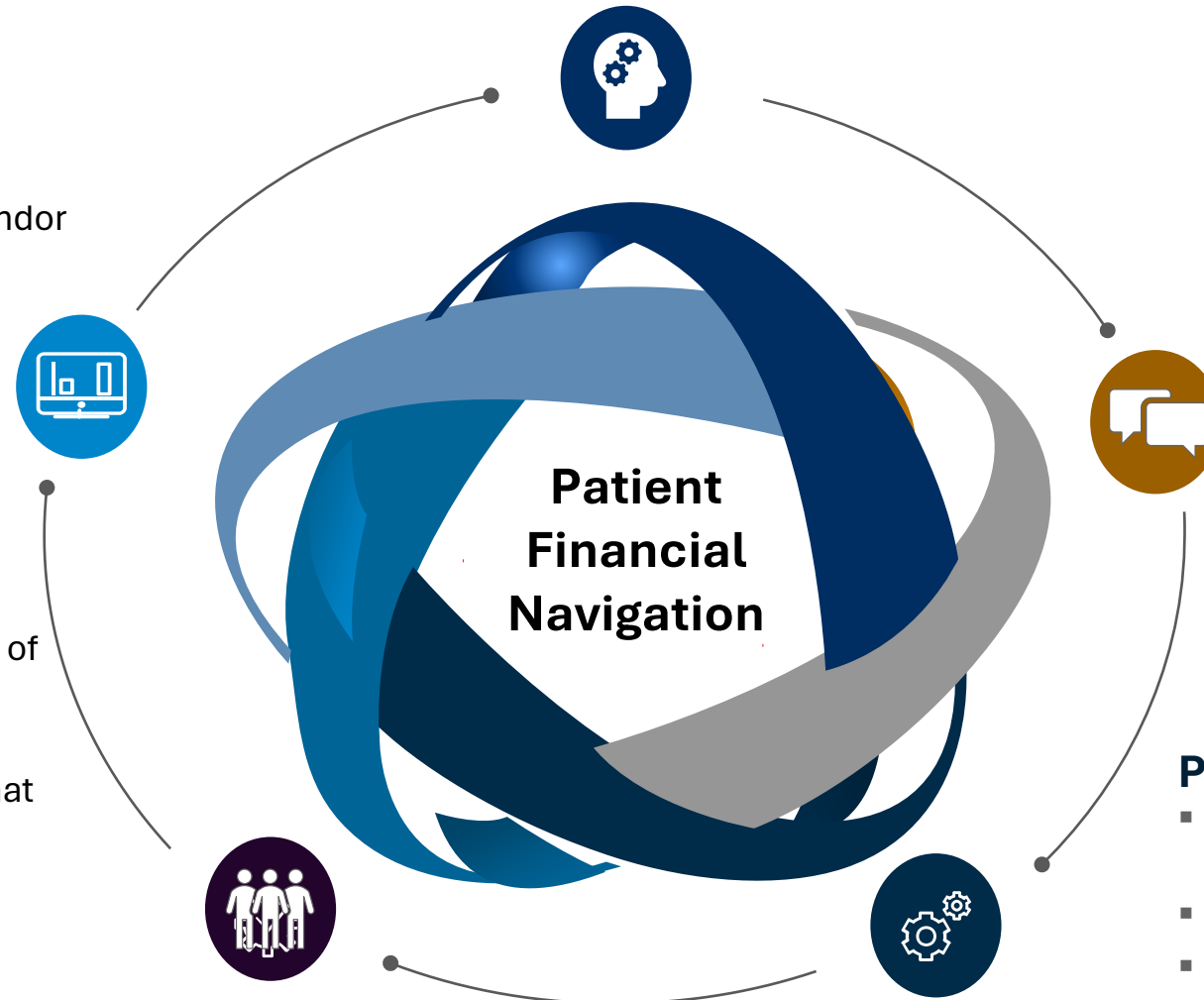
- How do we anticipate patients needs ahead of services?
- Resolve patients concerns to get active coverage Delve into community programs that can benefit the patient
- Provide robust Financial Assistance options

Communication

- Comprehensive communication plan involving executives, clinicians and providers, departments, other stakeholders, and patients
- Communication schedule/timeline
- Solicit input and feedback

Project Management

- Comprehensive project management plans, timelines, and accountability
- Tracking of risks, issues, and barriers
- Strategic planning and involvement



Thank You

Questions and
Discussion

Lorin Martin - Managing Director, Alvarez & Marsal



Lorin Martin is a Managing Director and leader with Alvarez & Marsal Healthcare Industry Group in Philadelphia. He has over 24 years of experience leading revenue cycle and operational transformations.

His client partnerships range from large academic medical centers and health systems, community hospitals, and physician practice organizations, which have driven significant revenue cycle improvements and achieved interdisciplinary process efficiencies

Mr. Martin has worked with over 100 hospitals/ health systems and physician organizations. He has led engagements that have generated hundreds of millions of dollars of recurring net revenue and operational improvements. During his career, Mr. Martin has led a variety of projects, including:

- A transformation engagement at a \$7B integrated health system that improved billing and collections policies and workflows including Epic revenue integrity and work queue realignment. The total transformation generated \$24M in annual net revenue improvements.
- An Interim Senior Vice President of Revenue Cycle for a large \$3.5B Academic Health System during which he led efforts to reduced operating expense, improved cash position, and reduction in net revenue losses.