

Collecting Medical Receivables and Patient Satisfaction

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InsideARM's article, "Healthcare Receivables Pose More Challenges than Opportunities for Big Debt Collectors," by Cynthia Wilson (published Monday, March 7, 2011), underscored the need for companies within this space to understand the unique forces at play when it comes to the billing, collection and purchase of healthcare receivables.

For those of you who specialize in this area and for those whose appetite for entry into this space remains fierce, do not ignore another force at play—patient satisfaction. On the heels of the passage of the Patient Protection and Affordable Care Act, which was signed into law last March, comes a wave of focus, if not obsession, on patient satisfaction surveys. These surveys are not in themselves new. They have been around for almost nine years and are commonly referred to as HCAHPS (pronounced H-CAPS). HCAHPS, or Hospital Consumer Assessment of Healthcare Providers and Systems, is a national standardized survey tool created in 2002 by the combined efforts of the Centers for Medicare and Medicaid Services (CMS) and the Agency for Healthcare Research and Quality (AHRQ). The assessment is used to measure adult inpatient perception of the quality of care they receive at a given acute care hospital and has hospital CEOs a twitter.

Why should accounts receivable management companies care? The answer is simple, according to Quint Studer, CEO of Studer Group®, in an article published June 4, 2010, by HealthCare Review, "Now more than ever, the heat is on hospitals to provide high-quality, patient-centered care... HCAHPS is a game changer. It will transform the way hospitals do business...HCAHPS pay-for-performance is coming."

And by performance Studer means patient satisfaction. According to HealthCare Review, "Most hospitals have been required to submit HCAHPS results in order to receive full Medicare payment since 2007. In the future, HCAHPS will play an even larger role in reimbursement. The Patient Protection and Affordable Care Act establishes a Value-Based Purchasing (VBP) plan beginning in fiscal year 2013 (based on hospitals' performance in 2012 on measures that are part of the hospital quality reporting program). This will transition providers from HCAHPS pay-for-reporting to HCAHPS pay-for-performance."

"While there is currently no penalty for negative HCAHPS results, the writing is on the wall," says Studer. "There is a clear movement to tie reimbursement to performance on quality metrics,



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including patient perception of quality. And that means there's no time to waste, hospitals must take steps now to ensure that they are delivering exceptional quality care right now."

This also means those of you who bill, collect or purchase healthcare receivables could be drawn into the cross fire of the patient satisfaction debate if your patient communication standards and compliance protocols are not exemplary. While none of these services is an example of an in-patient service, they are services that can impact patient attitudes about the quality of their care experience. Hospital CEOs are not going to pour money into revamping their healthcare policies, staff, systems and services only to learn about negative patient experiences at the back end due to less than professional treatment of their patients by a debt collection agency or a debt purchaser. They know all too well these same patients will return for care at their facility and carry the negative attitude they formed about the hospital because of a bad debt collection experience to the next patient satisfaction survey.

Accounts receivable companies should be aware of the HCAHPS survey and how the Patient Protection and Affordable Care Act will require reimbursement to be based upon patient satisfaction survey results.

Here are a few suggestions for your next meeting with the patient accounts manager:

- 1.** Weave your knowledge of the change in how HCAHPS results will be used to evaluate reimbursement levels based upon performance beginning in fiscal year 2013 based upon 2012.
- 2.** Make sure he or she is aware your agency records, its collection calls, invite him or her to visit your office for a tour and the opportunity to monitor collection calls.
- 3.** Prepare a leave-behind describing your agency's commitment to quality and patient satisfaction along with a signed copy of ACA International's, Guidelines for the Collection and Servicing of Healthcare Receivables.
- 4.** Explain you understand the need to produce results and support the revenue cycle but that you will do so within the confines of the law and sensitivity toward the hospital's need for high HCAHPS scores.
- 5.** Assure him or her you have a complaint resolution hot line patients may call to resolve concerns about their hospital debts.
- 6.** If you have not done so already, provide him or her with a flow chart of your billing or collection processes, the methodologies you use to stay abreast of legal and regulatory requirements and the policies you have in place to ensure your compliance with the contract or forward flow agreement you have in place with the hospital.

Patient satisfaction is the wave of the future even in the context of billing, collecting or purchasing medical receivables. Make sure you ride the wave.

