HFMA FORUMS TOOLBOX

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implementing a patient estimating tool

Economic obstacles—rising healthcare costs, consumerism, and an increase in self-pay patients—are increasing pressures to disclose cost before services are rendered. A patient estimating tool is critical to your ability to respond to customers' needs, prepare them for their out-of-pocket expenses, and increase your ability to collect earlier in the revenue cycle.

An estimation tool alone, however, is not the answer to improving patient satisfaction and up-front collections. A successful program will integrate people, processes, and technology, utilized through five key elements: communication, technology, policies and procedures, education and training, and performance monitoring.

Senior and executive management approval, buy-in, and support are vital for the success of such a program. In most cases, implementing the program will require a cultural shift for staff to ask patients for money up front and extensive training for those who need to compassionately do so.

Strategic communications are needed to align the desired cultural shifts with the goals of the organization and to meet patients' need for information. Communications should be crafted to motivate the target audiences: physicians, clinical staff, revenue cycle staff, the community, and patients.

Past resistance often can be attributed to cumbersome, manual estimating systems. Technology can be the solution to resistance. The best ways for organizations to develop estimates include evaluating data available within their current systems, building a tool, or partnering with a vendor to provide a solution.

Policies and procedures should be clearly defined, outlining the estimating process. They should address issues such as:

> Is the payment a request or a requirement?
> Who will provide the estimates, and when will they be provided?
> Should services be deferred if the patient is unable to pay?
> What payment methods are available?
> What is the escalation process?
> Does the patient qualify for charity and financial aid?

Consideration should be given to whether services are scheduled as opposed to walk-ins, direct admits, and emergency department patients.

Once policies and procedures are clearly defined, extensive training and ongoing refresher programs should be developed with expectations set and clearly communicated. Successful programs include scripting, role playing, and competency scoring.

Performance monitoring to compare results with established goals and objectives should be measured at the individual level. Further comparison of actual collected results and patient satisfaction provide measurable, as opposed to anecdotal, metrics against which incentives can be administered and success can be celebrated.

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IMPROVEMENT PLAN FOR IMPLEMENTING A PATIENT ESTIMATING TOOL: SAMPLE HOSPITAL – MARCH 2009

Issues	Action to Be Taken	Responsible Party	Time Frame	Date	Updates
Implement Estimating Process					
Communication	Obtain executive support.				
	Identify external communication: patients, physician offices, and community.				
	Identify internal communication: revenue cycle, clinical staff, and leadership.				
	Consider signage and brochures as well as marketing materials and web portal.				
Technology	Identify tool to create estimates. Evaluate data available and decide whether to build or buy a solution. Identify current vendors and processes to determine if a tool exists within a tool you already have. Consider how to keep the data current and maintain ease-of-use by the staff. Also consider whether you will provide estimates at gross, net, or true out-of-pocket levels.				
Policies & Procedures	Establish policy regarding estimation process. Consider target population, areas of high risk, and protocols and services to be estimated. Determine if payment is a request or a requirement. Clearly document escalation process.				
	Consider collection process, charity care, and financial assistance.				
	Consider scheduled services, walk-ins, ED visits, and shoppers.				
	Establish policy regarding point-of-service collections. Determine if preservice collections will occur and in what time frames. Consider whether payment is a request or requirement. Will charity applications be accepted at this point? Will preservice collection calls be made? What payment methods are available? Consider credit card processing, EFT, and check verification programs.				
Education & Training	Establish staff training program. Include scripting and responses. Validate staff's use of script by role playing.				
	Include review and competency testing of policies and procedures.				
	Include in annual training program as well as new hire orientation.				
Performance Monitoring	Establish goals and objectives for staff. Clearly communicate expectations.				
	Monitor and trend estimates created, opportunity identified, and actual results.				
	Monitor and trend denials related to insurance verification process.				
	Establish measurement and monitoring routines to identify complaints and positive comments. Identify trends in Press-Ganey or other formal survey processes.				

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