



Facts about reduced reimbursements in Healthcare – a portion of it can be prevented through improved data availability, integrity, and security. Providing your clinicians with 24X7 immediate access to knowledgeable IT support, will pay for itself if done correctly. Before I share a couple of common, specific examples and how to prevent them, take a look at the following borrowed from the AHA web site on 1/24/16.

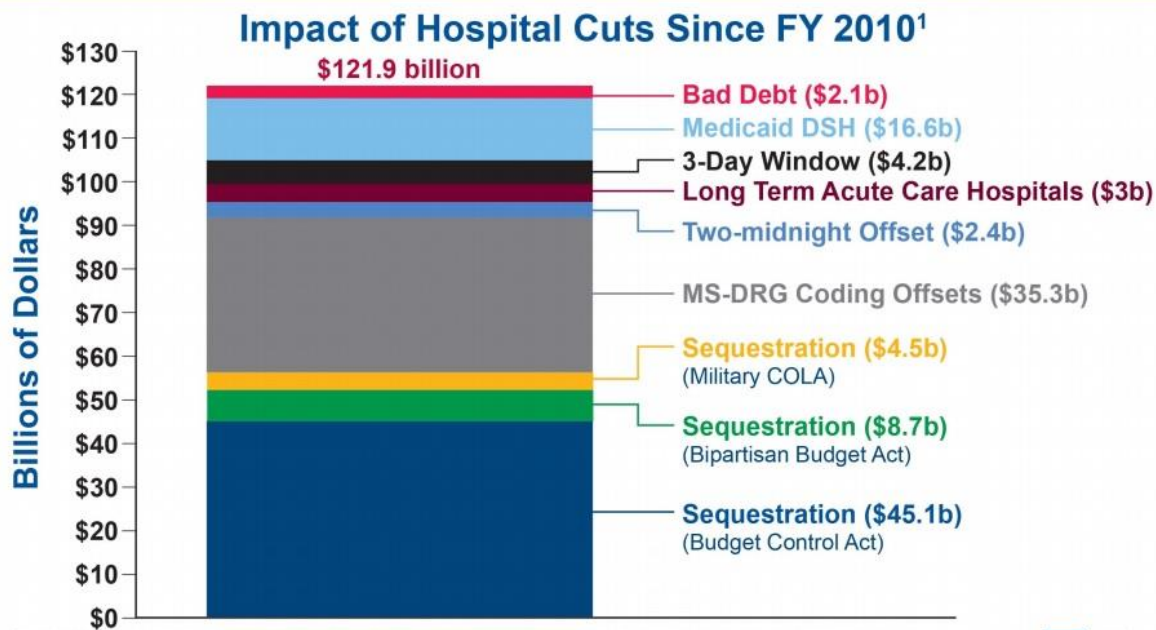
Uncompensated Hospital Care Cost Fact Sheet, 2016 Update

In 2014, community hospitals have provided more than \$42.8 billion in uncompensated care to their patients. This fact sheet provides the definition of uncompensated care and technical information on how this figure is calculated on a cost basis.

Underpayment by Medicare and Medicaid Fact Sheet, 2016 Update

Underpayment by Medicare and Medicaid to U.S. hospitals was \$51 billion in 2014. Medicare reimbursed 89 cents and Medicaid reimbursed 90 cents for every dollar hospitals spent caring for these patients. This fact sheet provides the definition of underpayment and technical information on how this figure is calculated on a cost basis for Medicare and Medicaid.

Hospitals have absorbed nearly \$122 billion of new cuts since 2010.



¹Bad debt included in Middle Class Tax Relief and Job Creation Act of 2012 (MCTRJCA); Medicaid DSH cuts included in MCTRJCA, American Taxpayer Relief Act of 2012 (ATRA), Bipartisan Budget Act of 2013 and Protecting Access to Medicare Act of 2014; 3-day window cut included in Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010; MS-DRG coding cuts included in ATRA as well as CMS regulations (estimate of excess cuts based on hospital analysis); offset for two-midnight policy included in FY 2014 Final IPPS Rule; sequestration amount estimated from CBO Medicare Baseline and AHA projections of Medicare spending. Includes extension in Bipartisan Budget Act of 2013 and Military COLA Fix. Long Term Acute Care Hospital payment cut from Bipartisan Budget Act of 2013. Excludes ACA-related reductions.





(\$122,000,000,000 / 5,627 US Hospitals) / 4 yr. study = \$5.4M per hospital / year.

**If 1% of this could be recaptured through reduction in systems delays = \$54,200 gain / year.
Cost of EVTF providing off-hours real time knowledgeable IT staff support is less than ½ of that.
Isn't an ROI of < 6 months worth it.**

Delays in patient care can contribute to negative outcomes, reductions in reimbursement, fines imposed by CMS, dissatisfied patients, general inefficiencies, and harm to hospital reputation. Some delays are brought about by the clinicians' inability to instantly access critical data within the EMR: locked records, staff's inability to log in, or infrastructure issues. If any of the payers can find an excuse to delay or simply deny payment for the life-saving services provided by your teams, then your Billing, Quality, Clinical Review, Medical Records, Care Management, and Finance teams (and sometimes Legal and the I.S. team as well)* will exhaust an inordinate amount of resources to defend the actual level of care, positive outcomes, and subsequent costs associated with providing that care.

A typical \$200M organization loses appr. \$6M on average for delayed and/or denied claims. One example that contributes to this is a problem with documentation to support the level of care. The payer decides that a patient should have been OBS instead of a 3 day IP stay, or feels we should have provided a less expensive medication or test, or they won't pay for the second test to confirm a major disease before surgery was considered. This is when the battle begins for the hospital to piece it all together to prove to the payer that everything was done correctly and the patient received reimbursable services instead of the reduced rate for inferior services that would not have provided the same positive patient outcome. It's an IS/SI issue - Intensity of Service over Severity of Illness.

Document an assessment or medication given, outside of acceptable timeline variances, and it is treated as a delay in patient care. Even the most minor incidents of delayed services or documentation, will call the event into question and that often equates to delays or denial of payment.

We are able to improve the clinician's access to the systems and data to virtually 100% (even in a perfect system you'll see minor issues that prevent quick access to the system without a phone call). Providing your teams with instant access to knowledgeable Healthcare IT staff support the moment they call, will return them to their patient/EMR activity instantly.

The phrase "timing is everything" means that if a clinician missed a provider's order for therapy by 10 minutes, while waiting for I.S. to call them back for their access issue, then the patient wasn't prepped, the transportation did not take place, the service department placed another patient into the testing equipment and now the lab work, meal delivery, and subsequent scheduled meds are out of sequence. Now we have to restart the clock and find a new opening in the schedule. This sometimes means a second venipuncture (poke) for our patient, or waiting until tomorrow because timing was everything and we missed it. We all know how it snowballs from here. At the end of a year, it seems more like an avalanche than a snowball after we view the financial statements.

*The cost of engaging these teams to defend an insurance claim increases non-value added costs to patient care. It's ironic to have to expend all of these resources to collect a portion of the cost to provide healthcare services. We help reduce the likelihood of opportunities for anomalies in the continuum of care caused by delays in access to critical data & systems.