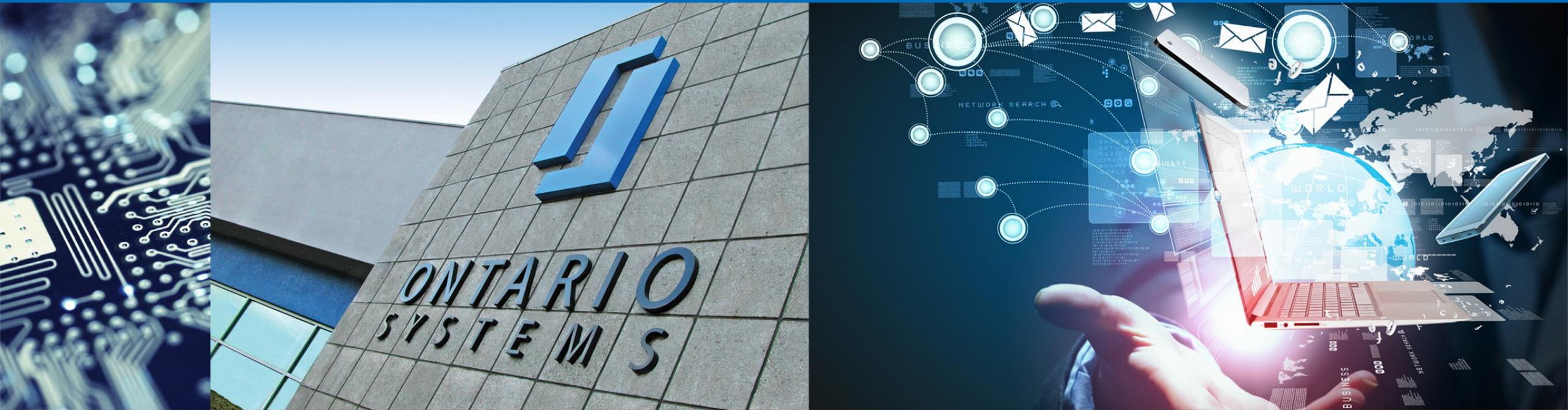


# Healthcare Revenue Cycle: The challenge to profitability

September 23, 2017

Shawn Yates, Director Healthcare Product Management

# Ontario Systems



- Operating since 1982 within the receivables management market
- Five of the largest 15 health systems as clients
- Peer Reviewed by HFMA

- Over 450 employees
- Serving over 1200 hospitals, physician groups, assisted living, labs and DME nationwide
- Helping providers manage over \$40 billion in receivables

# The Provider Challenge

- Continued rise in self-pay insured patients due to the growth of HDHPs
- Growth of 24% to 34.9% in employer based HDHP since 2011

- ACA repeal resulting in reduced Medicaid reimbursements
- \$800 billion in reductions over the next 10 years

- 14-23 million increase in uninsured
- Gallop poll 2 million dropped coverage in 2017
- Patient commercialization putting cost pressures on providers

- 75% of hospitals penalized for readmissions
- Federal budget reductions through reimbursements to providers

# Revenue cycle areas of focus

Patient Experience

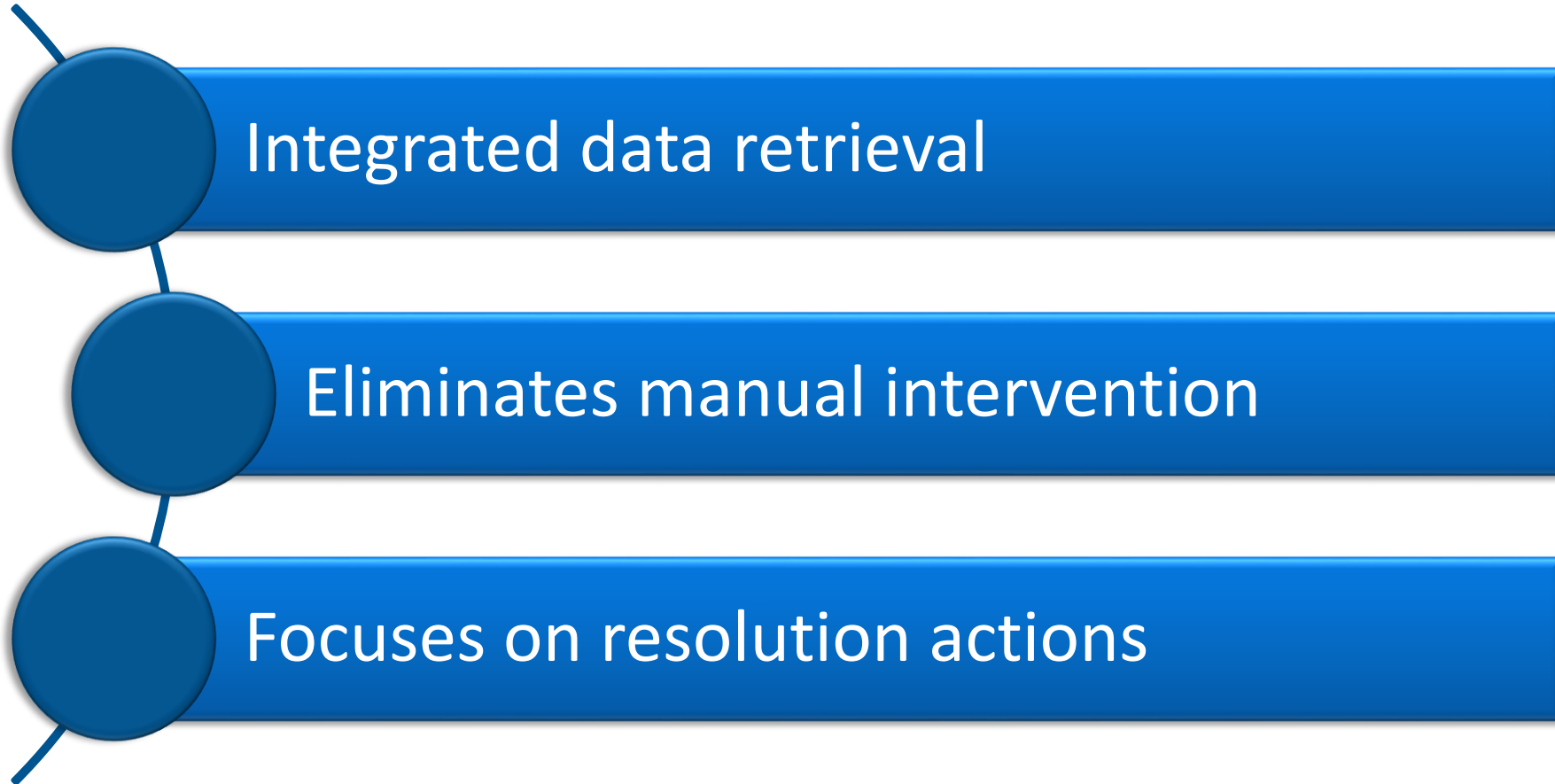
Insurance Follow-up

Denials Management

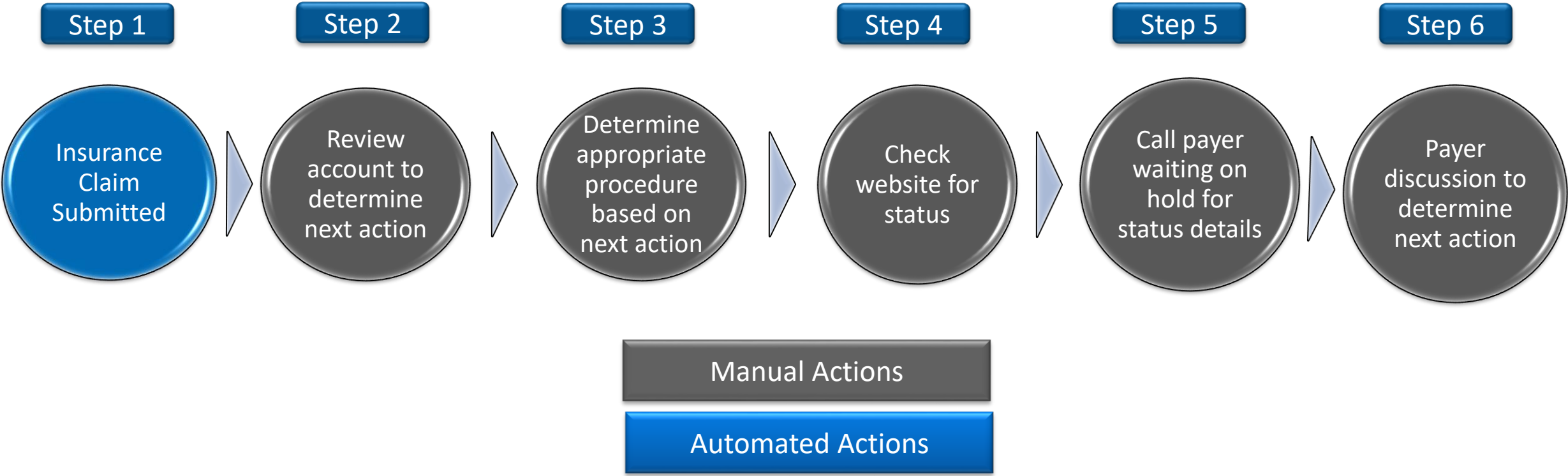
Self-Pay Management

Where's the next big jump in productivity/cost savings?

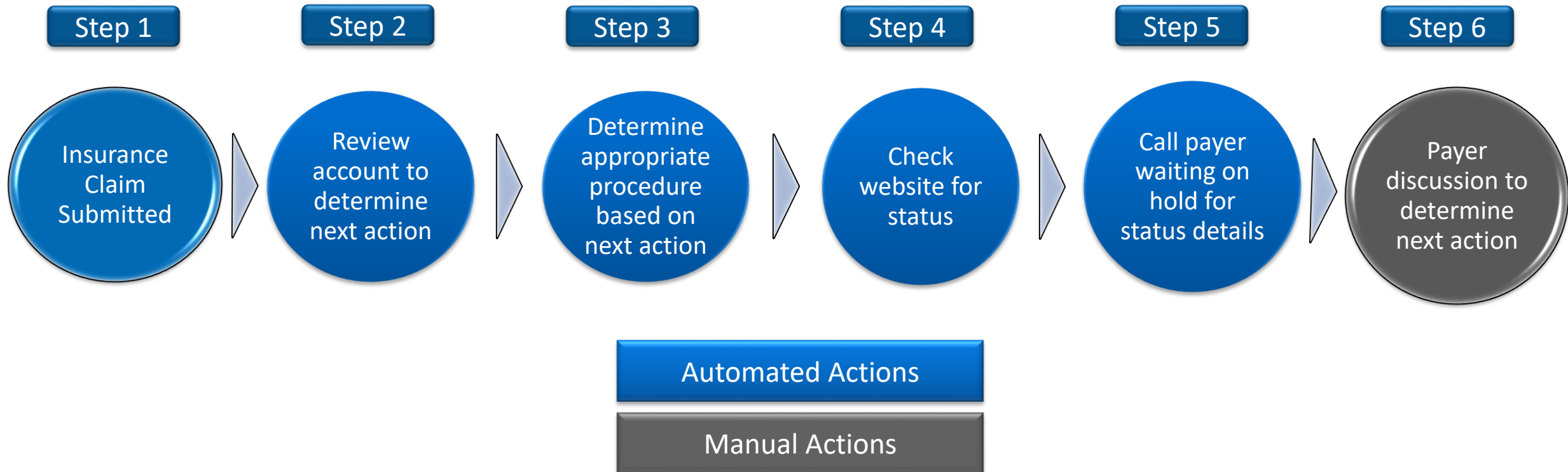
# Insurance Follow-up Insurance Hold Manager



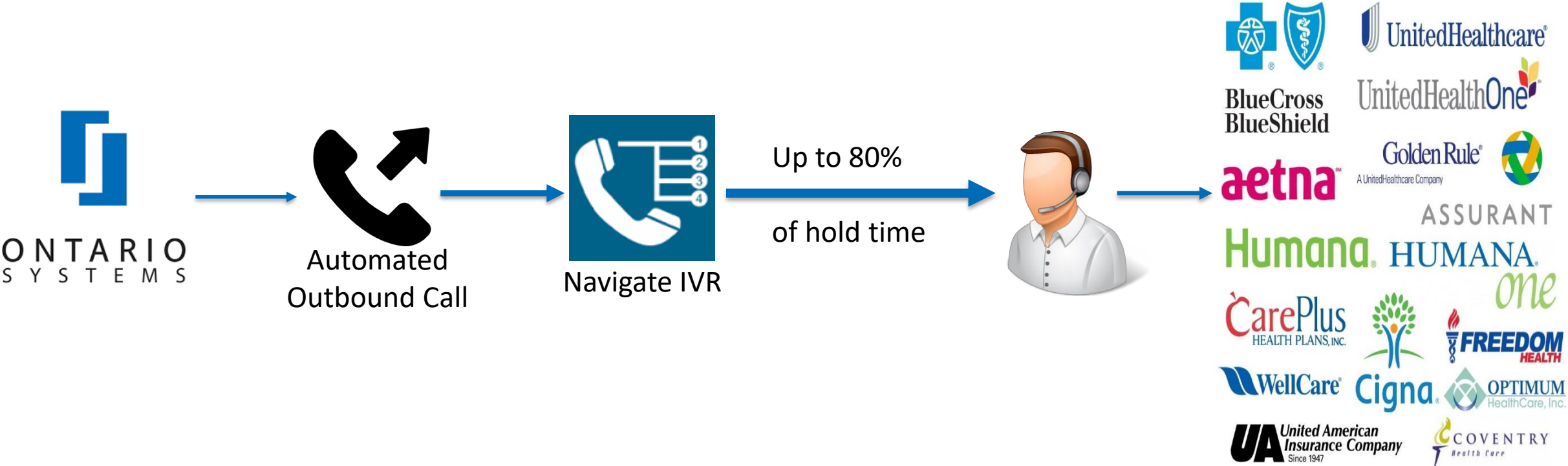
# Typical Follow-up Process



# Insurance Hold Manager Robotic Process Automation

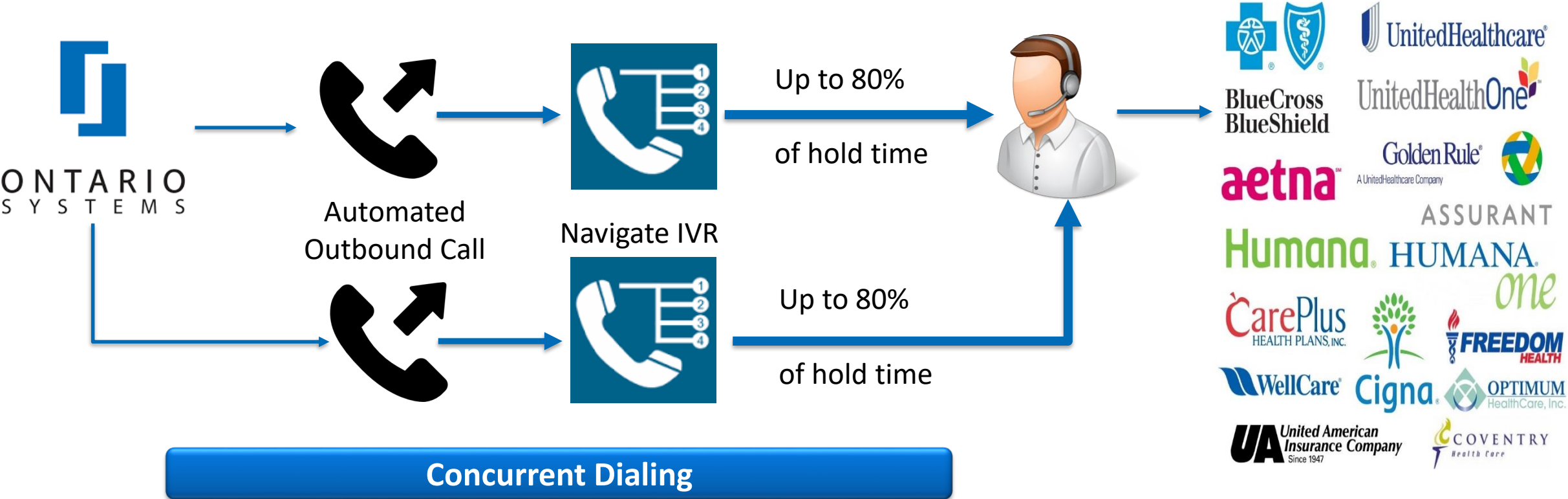


# Insurance Hold Manager Robotic Process Automation





# Insurance Hold Manager Robotic Process Automation



# Key Takeaways

## Process Objectives

- Integrate outside data enhancement tools to supplement process
- Automate outbound calling navigating the IVR
- Eliminate hold time with the payer
- Focus on resolution actions

## Results

- Eliminate up to 80% of payer hold times
- Add 25-35% additional productivity to representatives
- Work more claims and/or reallocate resources

# Questions

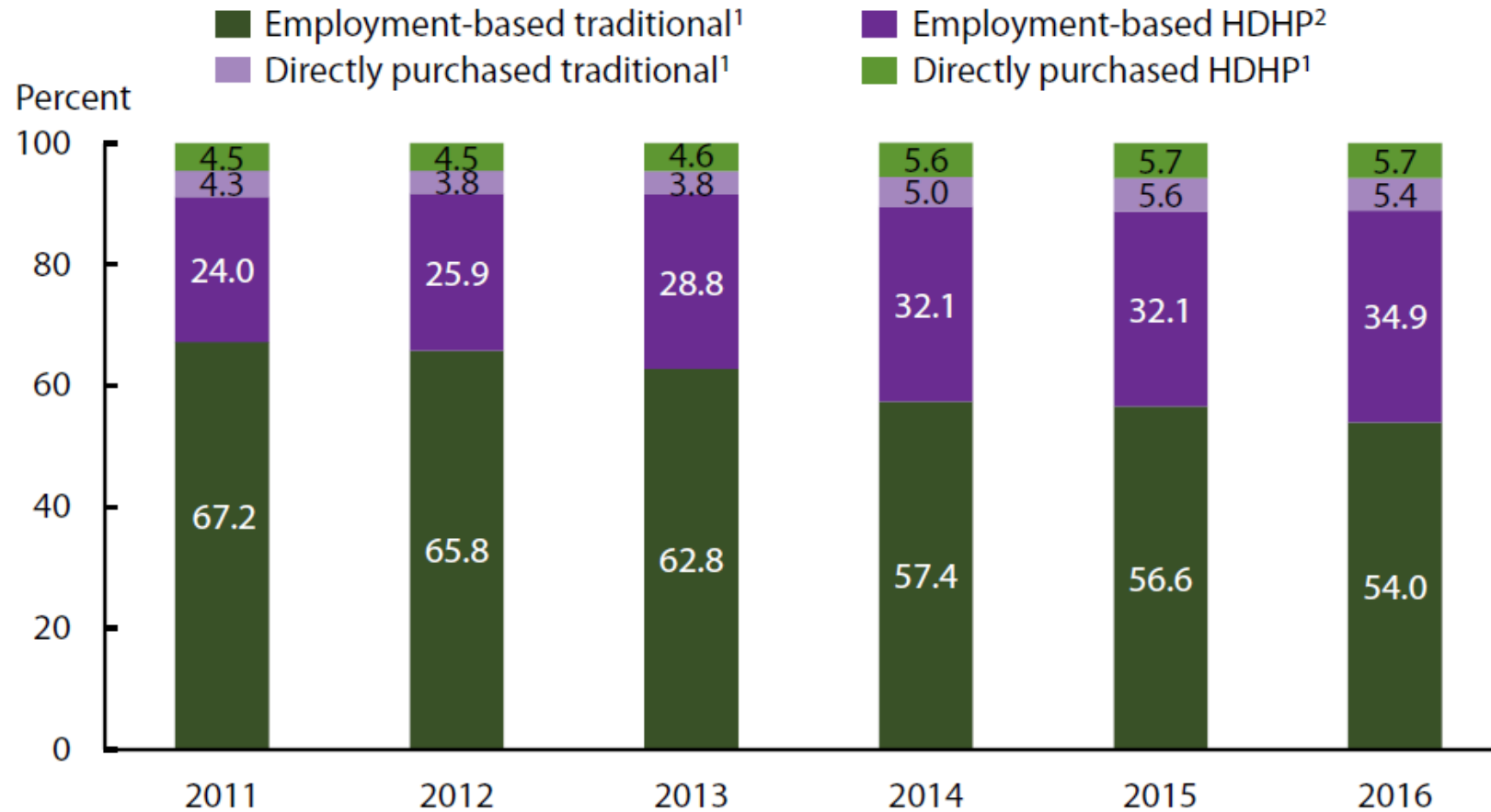
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# Appendix

# Patient Out of Pocket



SOURCE: NCHS, National Health Interview Survey, 2011-2016.

# Patient Out of Pocket

## Exhibit 2: SPAI Net Revenue Impact

	INPATIENT	
	Q3 2015	Q3 2016
Allowable Amount	\$100.00	\$100.00
Insurance Payment (95% of expected)	\$85.32	\$83.48
Patient Responsibility	\$10.19	\$12.13
Patient Collections (31.3%)	\$3.19	\$3.80
<b>Total Collections</b>	<b>\$88.51</b>	<b>\$87.28</b>

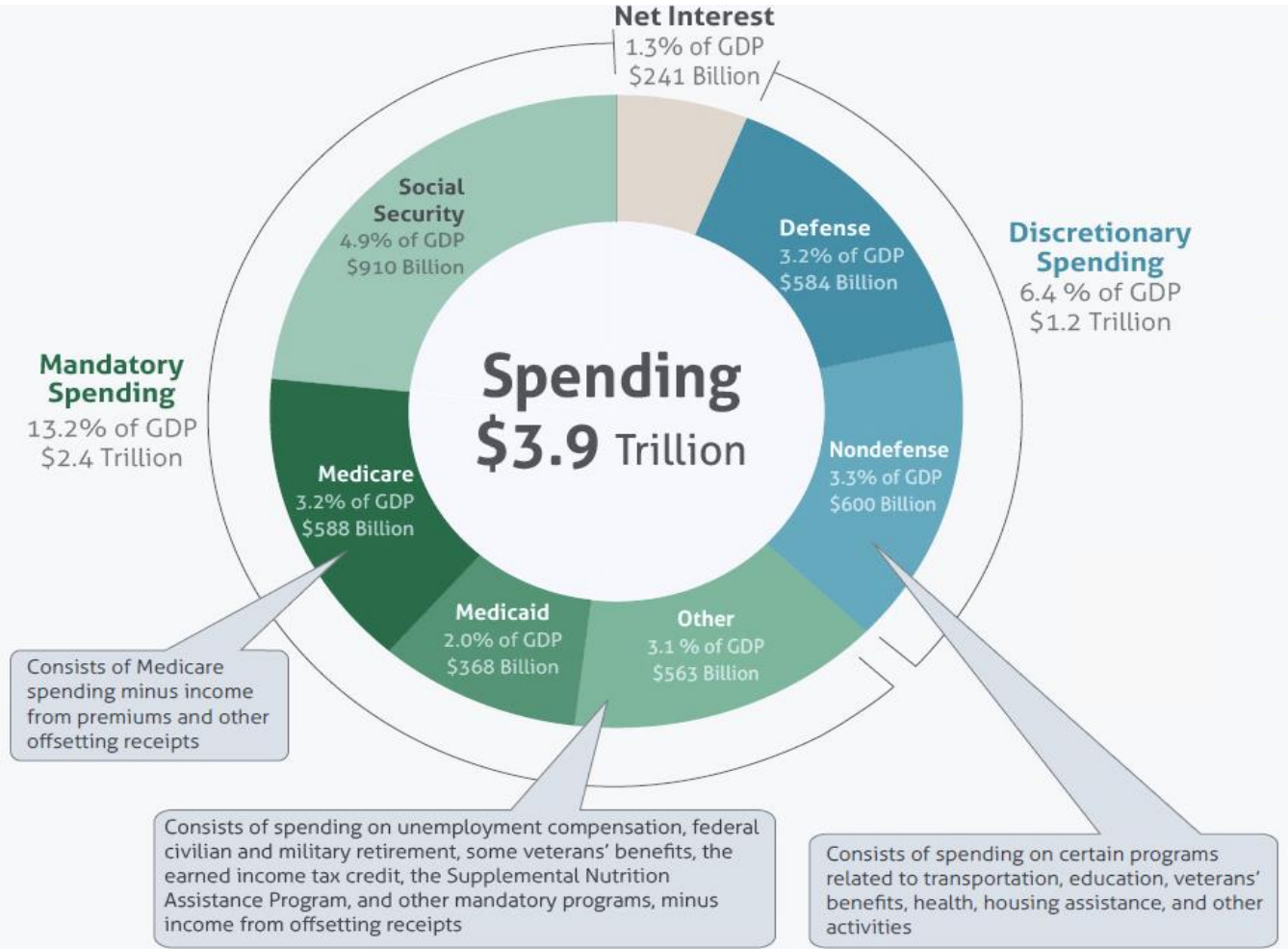
The 31.3 percent inpatient SPAI collection rate is based on patient payments received within three to six months after the 835 payer remit date. Totals have been rounded to the nearest hundredth.

	OUTPATIENT	
	Q3 2015	Q3 2016
Allowable Amount	\$100.00	\$100.00
Insurance Payment (95% of expected)	\$72.91	\$69.45
Patient Responsibility	\$23.25	\$26.89
Patient Collections (40.7%)	\$9.46	\$10.94
<b>Total Collections</b>	<b>\$82.38</b>	<b>\$80.40</b>

The 40.7 percent outpatient SPAI collection rate is based on patient payments received within three to six months after the 835 payer remit date. Totals have been rounded to the nearest hundredth.

SOURCE: Crowe Horwath, Crowe RCA Benchmarking Analysis, November 2016

# Reimbursement Reductions



SOURCE: Congressional Budget Office, February 2017

# Patient Expectations



**81% of consumers pay household bills on-line**

**58% of patients want to pay their healthcare bills online**

**20% of online payments in 2016 were done with mobile**

**61% of patients are interested in mobile payments like Android & Apple Pay**

**2013-2016 online portal payments increased by 139%**

**86% of patients receive bills via mail**

SOURCE: InstaMed, Trends in Healthcare Payments, Seventh Annual Report: 2016, May, 2017.