



2 0 0 4

MISSOURI TEAM QUALITY AWARD RECIPIENT

NETWORK POINT OF SERVICE (POS) COLLECTION TEAM at SSM

Health Care, St. Louis



PROFILE

With 7 hospitals, nearly 2,000 physicians and 8,600 employees, SSM Health Care-St. Louis is committed to serving the comprehensive health needs of area residents. Sponsored by the Franciscan Sisters of Mary, SSM Health Care operates seven hospitals in the greater St Louis area. Point of Service (POS) collection is the collection of insurance co-payments from patients at the time care is provided. This is difficult to do, particularly in emergency room settings. Still, the process is vital to ensuring the financial health of SSMHC's hospitals, particularly with current health care issues making the patient increasingly responsible for a larger portion of health care cost through co-payments and deductibles.

OPPORTUNITY FOR IMPROVEMENT

In 2002, SSM Health Care – St. Louis leadership reviewed ways to improve revenue cycle management, and the group identified POS collection as a potential area of opportunity. The revenue cycle begins when a patient presents for care and ends with the collection of payment. SSMHC began to ask for co-payments at the time of service, but collections of patient co-payments was barely reaching 25% of the estimated financial opportunity. External research revealed that average performing hospitals collect 50% of its opportunity. The Network Point of Service (POS) Collection Team was chartered to implement a unified collection process.

TEAM ACTIONS

The POS Team had the objective of increasing POS collections throughout the organization to 40 percent of the total opportunity. The team charter, developed by the executive sponsors and team leader, outlined the mission, goal, key actions, and potential team members. Next, the team focused on process improvements needed to ensure success. In developing the potential improvements, the POS team faced several complexities: 1) Seven hospitals serving varying market areas and demographics, each with its own process for collection, 2) 27 entry points where collection could occur, 3) staff responsible for collecting patient financial liability were not involved in the clinical discharge of that patient, and 4) patient bills are processed by a Centralized Billing Office leaving front-end staff unaware of the impact of not collecting at the time of service. The team completed a detailed analysis of the opportunity and collection method data and developed a list of process changes and implementation methods.

RESULTS

Realizing collections can negatively impact a patient's experience, the POS team sought an improved process that would not compromise compassion for patients nor cause unnecessary administrative work for hospital personnel. The team implemented the following system: Once a patient is medically stable, an ER staff member notes such by the patient's name giving the "green light" for a registrar to discuss payment options with the patient and/or family. It is each hospital's discretion how the process works in each emergency department, but the premise is deployed across the SSMHC network. Through formalization of check-out process and educating medical staff, the team continued the hospital's practice of providing quality care first and foremost, while enabling SSMHC to meet financial obligations. After the team's process improvement implementation, SSMHC's collection rate jumped above 40% in the ER, resulting in \$1.1 million in annual patient co-pay collection revenue.

FUTURE PLANS

The ER program is functioning above expectations, and the team is now focused on implementing the program for inpatient/outpatient, following the same framework. When complete, the hospital ER, inpatient, and outpatient collections programs are expected to generate about \$6 million in increased annual revenue.

For Further Information Contact: Pam Greenberg, Network Director of Registration Services at 314-989-3132

