

Automate and Improve Healthcare Credit Balance Management

September 2020





Agenda

- ❑ Introductions
- ❑ Crowe's Credit Balance Management Solutions
- ❑ Effective Strategies for Balancing Compliance Requirements
- ❑ Assessing your Credit and Patient Accounting System(s) – Automation Opportunities
- ❑ Client Testimonial
- ❑ Q & A



Introductions



Alex Boone
Consulting Manager

Alex is a Manager within Crowe's Healthcare Credit Balance Management Group and is based out of the Indianapolis office. Alex has over 6 years of consulting experience in the revenue cycle space.

Alex has spent the last few years focusing on automation with clients. Developing an understanding of how multiple patient accounting systems work and making recommendations to clients an internal Crowe developers on how to maximize efficiency in the space.



Chad Oakley
Consulting Manager

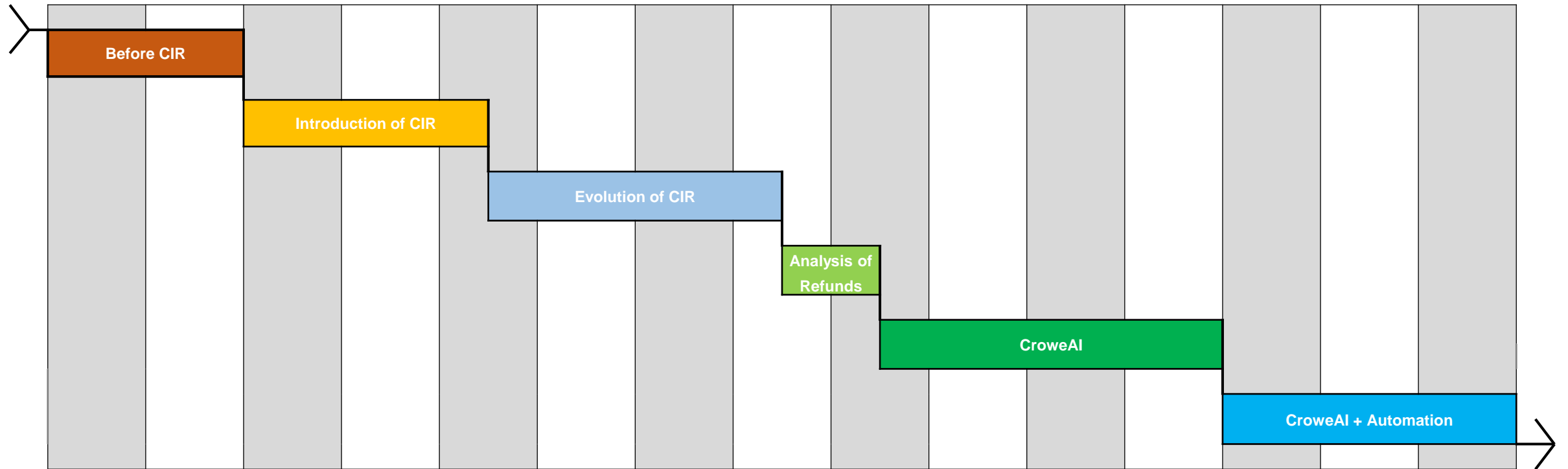
Chad is a Manager within Crowe's Healthcare Credit Balance Management Group and is based out of the Indianapolis office. Chad serves on the leadership team for suite of solutions including Credit Income Recovery, Exceptions Resolution, and Unclaimed Property.

Chad has 15 years of healthcare, consulting and payor experience with an emphasis in credit balance analysis, patient accounting, account reconciliation and unclaimed property analyses.



Crowe's Credit Balance Management Solutions

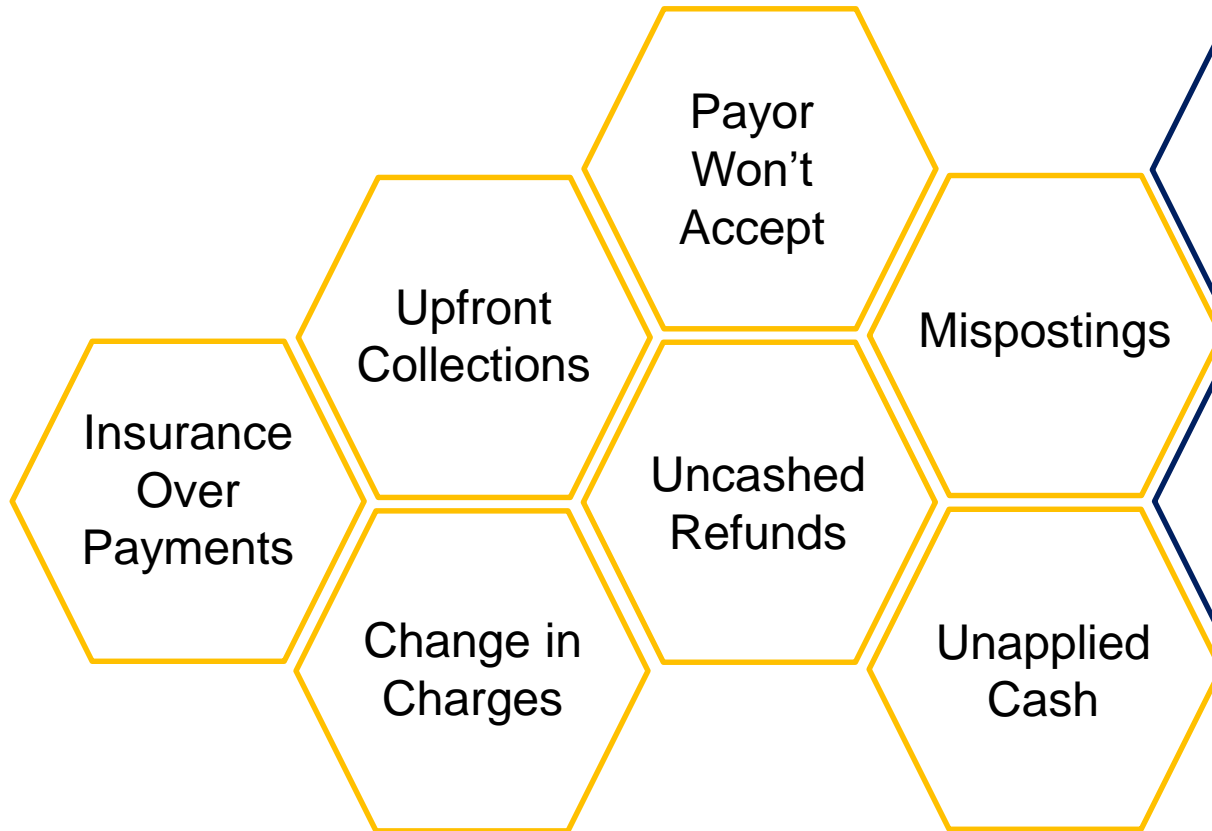
History of Crowe's Credit Balance Resolution Services



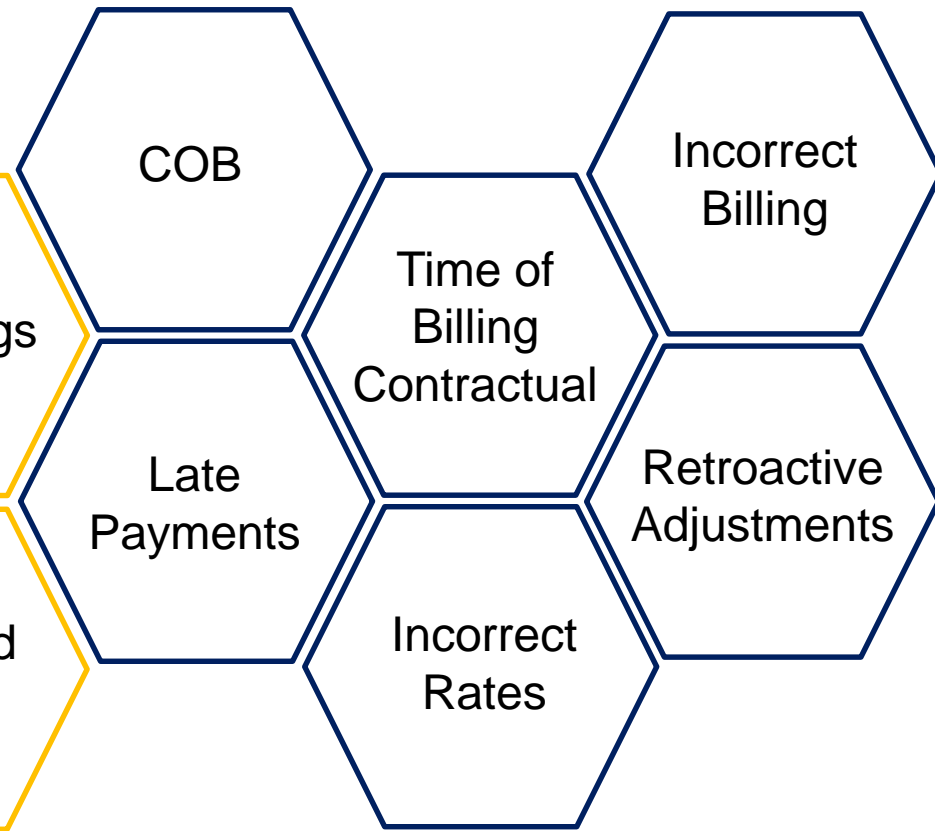
| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|------|--|------|------|---|------|------|--|------|---|------|---|------|------|
| <ol style="list-style-type: none"> 1. Manual analysis 2. Credit balance vendors working for insurance companies 3. No exemption analysis, compliance, or unclaimed property integration 4. Two categories of segmentation (payor, amount) | | <ol style="list-style-type: none"> 1. Initial focus on identification of credit balance and unclaimed property exemptions 2. Creation of rules based upon transactions (4-5 rules) 3. Unclaimed property compliance | | | <ol style="list-style-type: none"> 1. Evolution of "transaction crawler" to include 150 themes on transactions 2. Incorporation of adjustment errors into results 3. Enhanced exemption analysis | | | <ol style="list-style-type: none"> 1. Review current accounts 2. System wind-down analysis 3. Preliminary machine learning based upon historical accounts | | <ol style="list-style-type: none"> 1. Machine learning on full data sets before rules 2. Apply rules on remaining data sets 3. Expand data to multiple record sets | | <ol style="list-style-type: none"> 1. Automated results posting back into patient accounting system 2. Resolving credits at bucket level 3. Automation options for HB and PB based systems | | |

Causes of Credit Balances

Payments



Adjustments



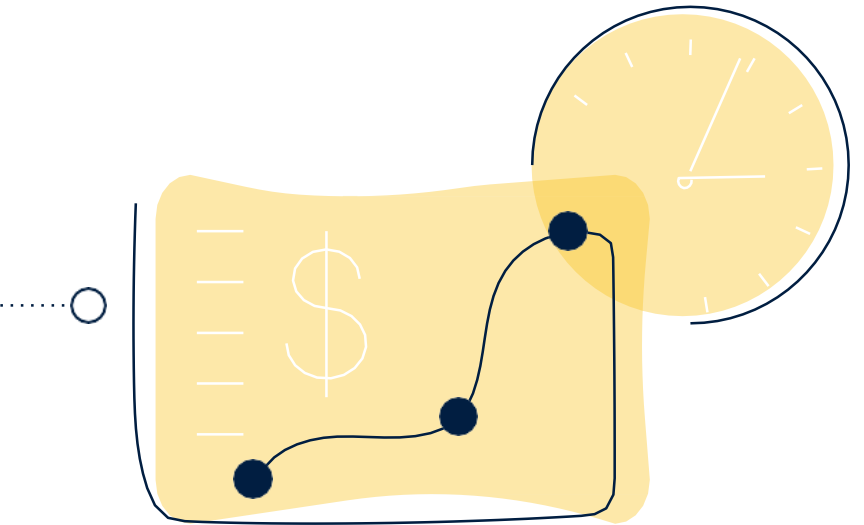
Risks of Not Managing Credit Balances



Credit Income Recovery

Financial improvement through hidden opportunities stashed away in credit balances

- Identification of statutory exemptions***
- Pinpointing “false credits” resulting from accounting errors***
- Avoidance of unnecessary refunds***



20-30% of credits reversed as a benefit entry to the Company

Old Way: Data Analytics Algorithms and Logic Based Themes

| Account Number | Posting Date ID | Transaction Description | Transaction Type | Transaction Amount | Account Balance | Total Charges |
|----------------|-----------------|-------------------------|------------------|--------------------|-----------------|---------------|
| *****4941 | 12/14/2013 | SELF PAY PAYMENT | PAYMENT | (19.34) | (19.34) | 1,008.50 |
| *****4941 | 1/2/2014 | AETNA TRSCARE PAYMENT | PAYMENT | (506.91) | (19.34) | 1,008.50 |
| *****4941 | 1/2/2014 | AETNA TRSCARE ADJ | CONTRACTUAL | (501.59) | (19.34) | 1,008.50 |

| Account Number | Claim Status | Claim ID | Remit Dat | Total Charges | Total Payment | Total Cont | Total Denial | PR |
|----------------|------------------------|-----------|------------|---------------|---------------|------------|--------------|----|
| *****4941 | 1 – Process as Primary | 116453900 | 12/24/2013 | 1,008.50 | 506.91 | 501.59 | - | - |

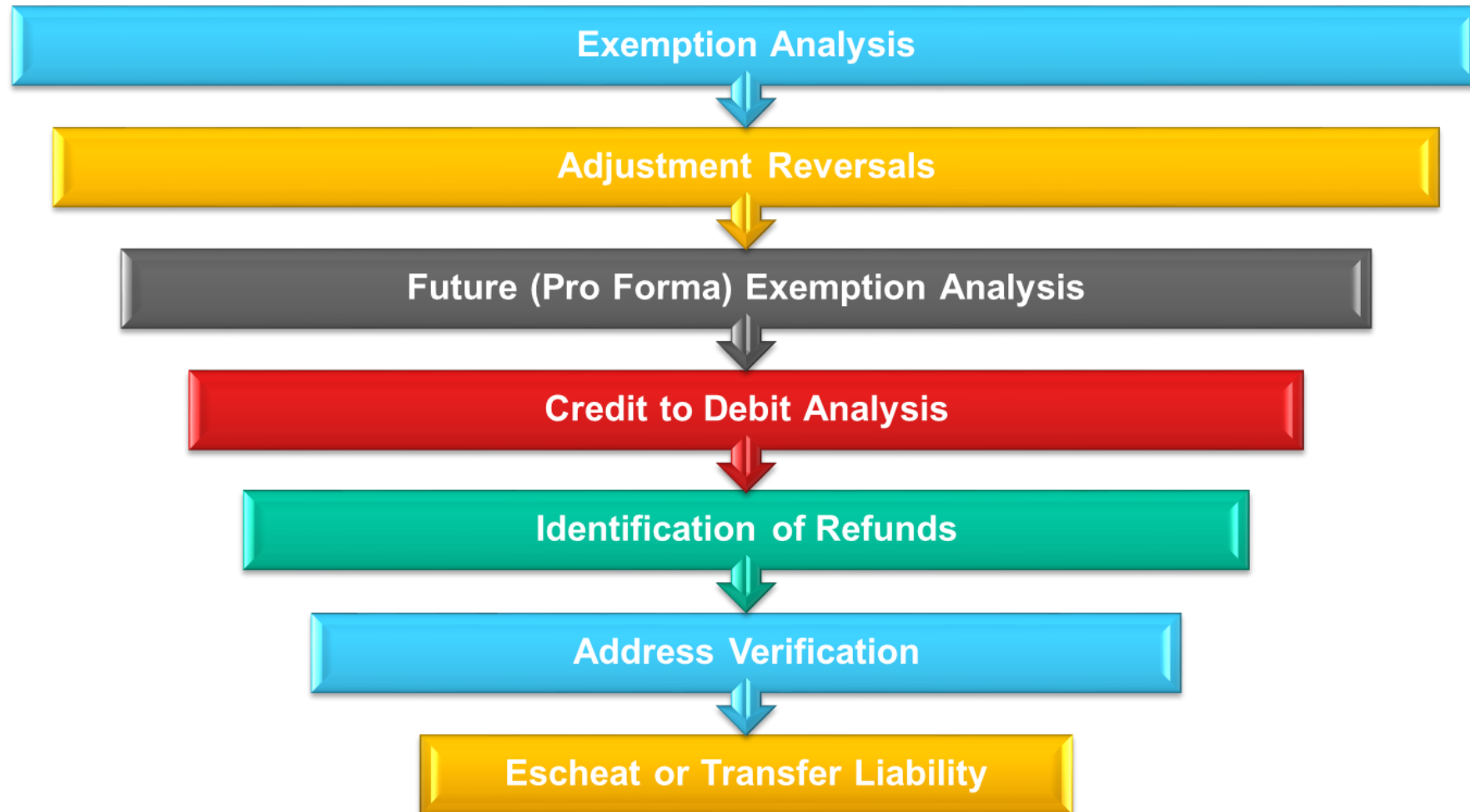
4 Check for open debit balance for same patient...


- Open debit – transfer patient dollars
- No open debit – send to A/P for refund

Crowe's Credit Balance Management Suite



Credit Balance Population Workflow





Effective Strategies for Balancing Compliance Requirements

- We strive for nothing less than a trusted relationship in which Crowe provides value through deep specialization and technology-driven solutions.
- Capabilities of streamlining your unclaimed property environment through catered solutions

Crowe Unclaimed Property Services

Compliance Outsourcing

- State filing and remittance
- NAUPA file formatting
- Due diligence mailing and response handling
 - Crowe's electronic due diligence platform
 - Centralized process handled by full-time Crowe professionals
- Dormancy calculation
- Data collection and cleansing
- Exemption analysis
- State statute and requirements monitoring

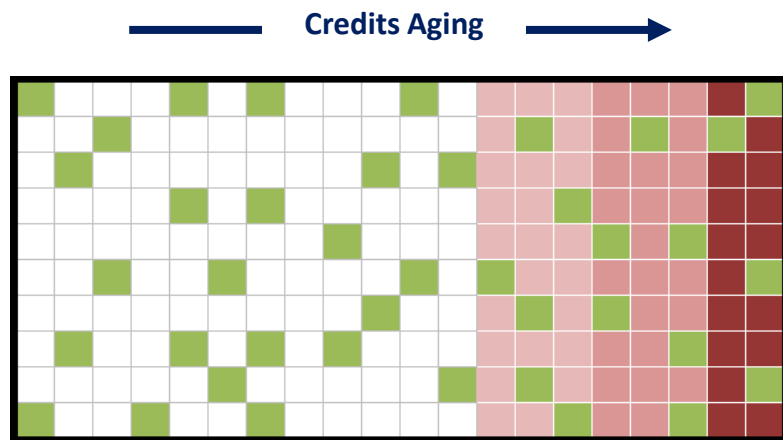
Consulting

- Audit defense
 - Auditor and state correspondence
 - Position client strategically – minimize impact
 - Negotiate and challenge auditor assessment
 - Secure indemnification and closure documents
- Voluntary Disclosure Agreement
- Policies & procedures
- Environmental review and exposure quantification
 - Exemption analysis
- Unclaimed property training

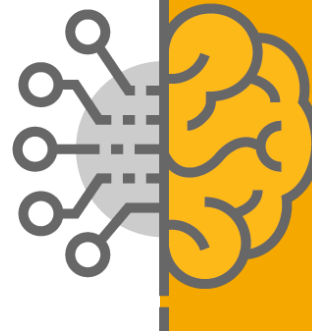
Asset Recovery

- Develop and organize claim packets
 - Provide to Client for signature and submission
- Monitor claim submission status
- State correspondence
- Access to Crowe Asset Recovery Database
 - Hundreds of unclaimed property sources
- Advanced search technology
 - Maximize return to Client
 - Name variations and address search
- Immediate and long-term value

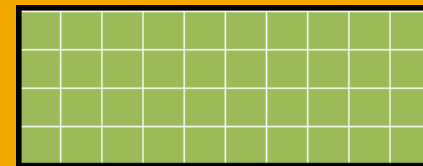
How it Works.



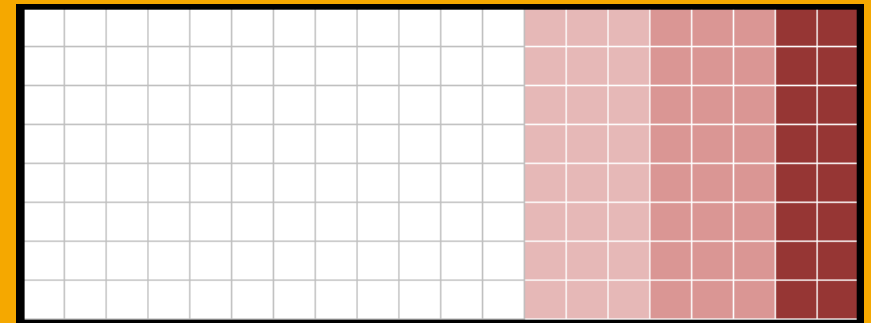
- True credit balances
- Exemptions and false credits
- Credits meeting unclaimed property dormancy period



Systematic segregation of credit balance opportunities.



Financial benefit isolated and posted to PAS via import file



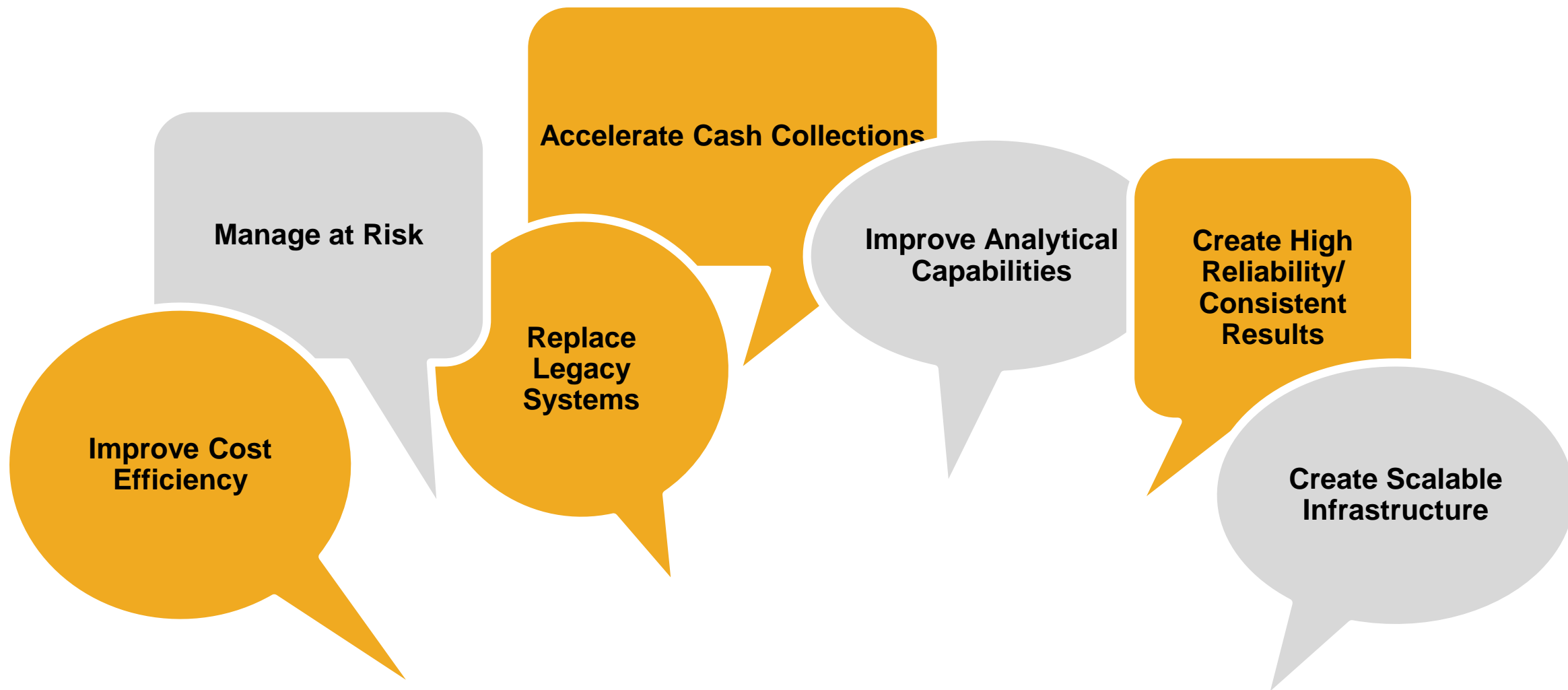
Refund or allow to age out

Report to states as unclaimed property



Assessing your Credit and Patient Accounting System(s) – Automation Opportunities

Pressure for Automation: What Our Clients are Saying?



Standard Workflow



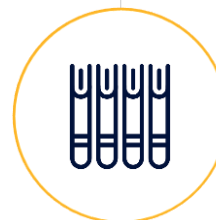
IDENTIFICATION



ANALYSIS



PROCESSING



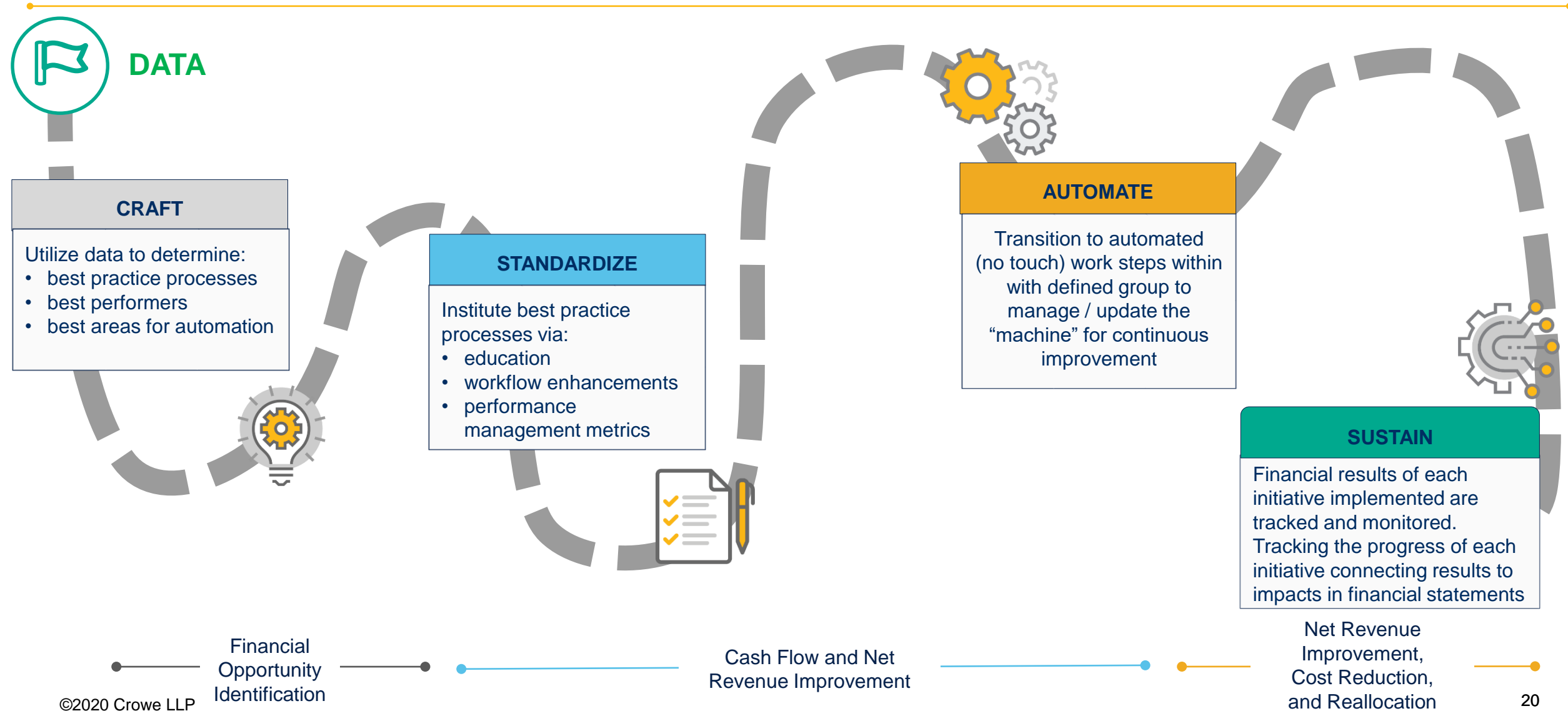
COLLECTION

FLEX NUMBER OF EMPLOYEES
TO MEET VOLUME DEMANDS

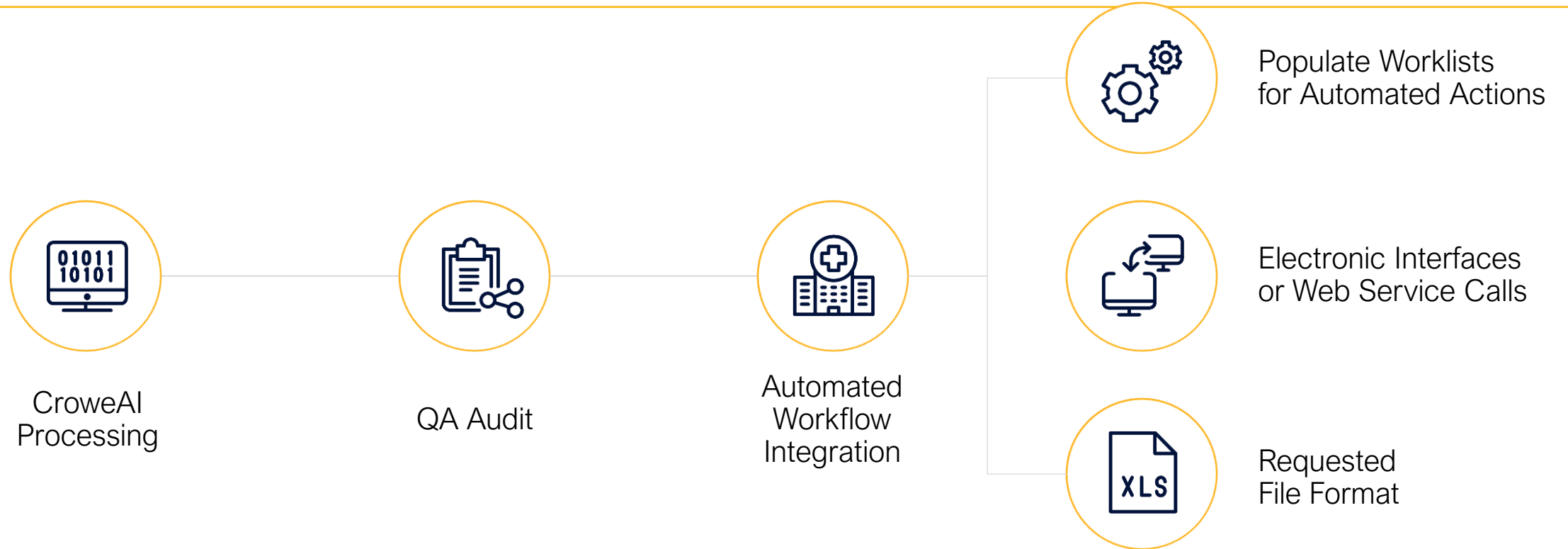
15 minutes per account

- Manual Processes
- Delay in Identification Causing Cash Flow Impact
- Patient Experience Impacted
- Unnecessary Refunding of Statutory Exemptions

Journey to Automation



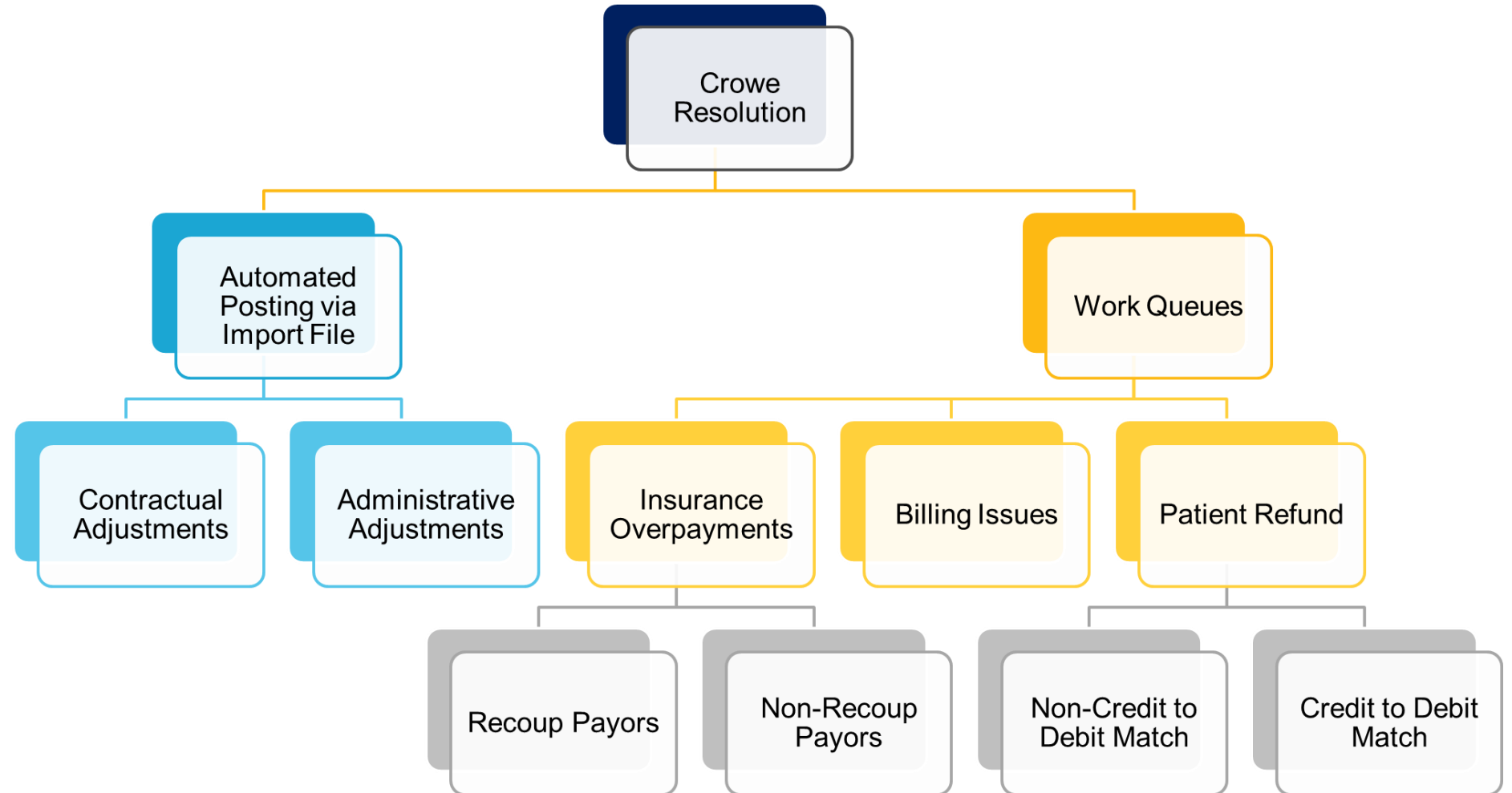
System Integration



Crowe will partner with the client to determine the best path for automated workflow integration.

Credit Balance Automation

- **High confidence adjustment resolutions** get pushed into the patient account system, post a transaction via an import file that zero's the account out
- **True commercial insurance overpayments** flow resolutions into a work queue. Set up the work queue to turn credit balances into income by allowing us to track any identified insurance overpayment until they reach the credit balance statute recoupment period.
- The **other refund types** (patient and government dollars) create separate “intelligent” work queue where the staff resolve, and provide machine learning models with more intelligence for higher confidence



Client Testimonial

Katie Wisnousky, CRCS-I
Director SBO



UnityPoint Health



Audience Q & A

Smart decisions. Lasting value.

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