



CASE STUDY

North Shore-LIJ Health System

TransUnion Healthcare

TransUnion helps North Shore-Long Island Jewish Health System qualify more patients for charity care

Challenge: Providing charity care without the patient

North Shore-Long Island Jewish Health System (North Shore-LIJ), one of the largest healthcare systems in the country, was often thwarted in their attempt to offer financial assistance to patients they believed were eligible.

North Shore-LIJ found that even when they included instructions on self-pay patient bills to contact the hospital for financial assistance, the response was very low. Many patients were scared off by the process, mostly because it required them to complete an application and provide supporting financial information.

As a result of this lack of response and information, these accounts would proceed through the active accounts receivable cycle, as well as the bad debt collections cycle, and were headed for bad debt write off even though North Shore-LIJ was sure that many of these patients would qualify for their financial assistance program.

TRANSUNION REVENUE MANAGERSM HELPED NORTH SHORE-LONG ISLAND JEWISH HEALTH SYSTEM:

- Enroll more patients in the hospital's charity care program
- Apply New York State's hospital charity care guidelines consistently
- Reduce paper documentation by almost 75%

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To reduce this bad debt, North Shore-LIJ knew it needed to rely less on patient provided data—while still engaging more patients in the process—and develop a qualifying procedure to better classify charity care-eligible patients.

Additionally, New York State legislated mandatory charity care based on Federal\ Poverty Level (FPL) percentages. Currently, New York hospitals can

receive reimbursements for bad debt and charity care, however, the trend is moving away from bad debt reimbursement. The state rules cover the uninsured and those who have exhausted their insurance benefits. Specifically, patients qualify based on family size and income, up to 300% of the FPL guidelines, although the North Shore-LIJ program goes up to 500%.

Traditional charity care process

PROCESS STEPS	IDENTIFY CHARITY PATIENTS	COLLECT REQUIRED DOCUMENTATION	ENROLL INTO CHARITY PROGRAM
Patient Flow	31,000*	500-600	300-400
Challenges	Limited patient interaction Patients have to self-identify themselves	Heavy reliance on patient-provided information Patients "scared off" by having to divulge too much information	Manual, inefficient process Inconsistent guidelines

* Average monthly self-pay bill volume (toll free number provided for patients seeking financial assistance)

Bob LeWinter is the vice president of Regional Claims Recovery, which is an extended business office of North Shore-LIJ that assists self-pay patients in resolving outstanding balances or insurance/third party payer issues. As North Shore-LIJ prepared for the new state policy, Bob commented:

“What we were trying to do is solve the disconnect problem when patients aren't stepping forward. Based on cost of living in our geographic area and our intuitive feel for the patient population, it's impossible to believe that out of 31,000 self-pay patient bill drops, only 300 were eligible for charity care.”

So, what do you do for those patients who aren't identifying them-selves as potential charity care candidates? And how does North Shore-LIJ handle these new, stricter guidelines for reporting?

Solution: TransUnion Revenue Manager

North Shore-LIJ looked to TransUnion to utilize external data and analytics to solve their charity care issues. TransUnion conducted a patient segmentation analysis to see if the charity eligibility process of North Shore-LIJ was accurate.

TransUnion reviewed 3,000 records designated as charity care eligible accounts in the past. These were patients with no insurance or those having responsibility for some portion of their charges, such as a co-pay or deductible. The data was analyzed using TransUnion's Revenue Manager platform, which performed a comprehensive, financial and demographic assessment on each charity care account.

Revenue Manager calculated an estimated family size and income to determine each account's FPL percentage, and then compared those figures against the North Shore-LIJ financial assistance program. The analysis showed that 94.5% of those accounts could be validated as charity care.

Presumptive Charity Care

As a result of this high success ratio, North Shore-LIJ developed Presumptive Charity Care. Presumptive Charity Care uses data and analytics to determine eligibility for charity care rather than having accounts being classified incorrectly as

bad debt. The hospital began screening batches of 1,000 accounts per day using TransUnion data and analytics.

Bob LeWinter said,

“What triggered the birth of Presumptive Charity Care was the lack of patient interaction. Analytics became a substitute for interaction, which we became comfortable with based on the results of the patient segmentation analysis. We limited the data we validated to family size and income, which allowed us to substitute analytics for the wage statement.”

Data from North Shore-LIJ also was used to analyze local cost-of-living conditions, such as high property taxes and utility costs, which allowed North Shore-LIJ to customize their business rules to better segment patients under New York State FPL guidelines and local cost variances.

North Shore-LIJ now has a proven method to identify patients for charity care who did not respond to billing and collection efforts, but met charity care guidelines as validated by data and analytics. But how would the hospital system get more patients into the charity process?

“We’ve been able to make the charity care process patientcentric, which maximizes revenue by identifying third party sources using analytics as a tool of inclusion vs. exclusion. It was never our intention to use analytics without patient involvement. We wanted to figure out a process to include the patient using analytics along with maximum interaction with our staff, instead of requiring them to send in documentation.”

–Bob LeWinter, Vice President of Regional Claims Recovery, North Shore Long Island Jewish Health System

Three Ways to Help Patients Enroll in Charity Care

Working with TransUnion, North Shore-LIJ also developed Interactive Charity Care, which occurs every time a patient calls to discuss an account. During those calls, hospital staff determines if the patient qualifies for any financial assistance using TransUnion data and analytics.

In years past, charity care at North Shore-LIJ was only done through proactive patient involvement in the application and income verification process. Now today, they have three:

1. **Formal.** The patient proactively completes and submits a paper charity care application with necessary supporting documentation.
2. **Interactive.** Hospital staff qualifies eligible patients over the phone by substituting data and analytics for traditional documentation. Staff is able to verify a patient’s identity against TransUnion data and determine if the patient qualifies for public assistance or other third-party reimbursement. If not, the staff can determine if the patient is eligible for the North Shore-LIJ charity care program and enroll them.
3. **Presumptive.** When the patient hasn’t completed a charity application, contacted the hospital or taken any action, North Shore-LIJ screens the account against TransUnion data and analytics and, if applicable, designates the account as charity care.

Using Revenue Manager, in combination with its own revamped processes and a centralized accounts receivable office, North Shore-LIJ has been able to reduce reliance on paper documentation by almost 75% and enroll more patients into its charity care program.

Going forward, North Shore-LIJ plans to use its interactive approach to maximize patient contact and continue to improve charity care enrollment.

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