

Turning the Tide on Uncompensated Care

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Providers have dealt with growing volumes of uncompensated care for the past 20 years, absorbing more than \$660 billion in bad debt and financial assistance¹. Current market trends—in large part attributed to the pandemic—indicate this challenge will intensify for the foreseeable future.

Fortunately, the traditional eligibility and enrollment function is evolving at hospitals and becoming a much more effective tool in protecting the bottom line. As providers embrace what innovative technology has to offer and understand the power of technology in the hands of knowledgeable, well-trained staff, what appears to be an insurmountable challenge becomes more manageable.

We Saw It Coming: The Impact of Higher Unemployment

Prior to the pandemic, about 160 million people—around half of the U.S. population—received health insurance through their employers.² But in the first three months of the COVID-19 crisis, an estimated 15 million workers and their dependents lost coverage.³ Not surprisingly, nearly half of hospital leaders (48%) report their rates of uncompensated care increased this past year as the number of uninsured, self-pay, and Medicaid-covered patients also rose. As expected, the percentage of commercially insured individuals decreased.⁴

While the economy has begun to rebound, there are still millions of individuals unemployed and without coverage. Even for those who have regained employment and insurance, more than half are likely to be covered by high-deductible health plans.⁵ After months without an income, this population is even more financially vulnerable than they were pre-pandemic.

To prevent uncompensated care from rising uncontrollably, providers need an efficient, aggressive strategy to help their patients find and enroll in coverage and financial assistance.

How Technology Helps

Determining eligibility for government coverage and financial assistance is a cumbersome, time-consuming task when handled manually. Myriad programs, each with unique qualifying criteria, can quickly overwhelm patients, as well as the staff assisting them. Add the equally complex enrollment process, followed by the need to monitor application status and facilitate approvals, and it's easy to see why a manual or even semi-manual process generates chaos and isn't likely to yield the successful enrollments needed to thwart uncompensated care.

Technological advances have streamlined and optimized these processes, making them more efficient, productive, and successful. Here are a few examples of how IT is optimizing traditional eligibility and enrollment:

- **Artificial Intelligence.** Machine learning (ML) models can predict the likelihood of a patient's eligibility for a specific program. This helps staff in three ways, enabling them to:
 - Prioritize which patients to assist first
 - Focus their efforts on programs where they are most likely to be successful
 - Design workflows to ensure an efficient and successful enrollment, timing follow-up communications to align with typical program response times
- **Bedside tablets and automated workflow.** Who knew a digital tablet could make light-year strides for the eligibility and enrollment function? The power of this tool comes from two sources: First, leveraging an automated workflow, and secondly, being able to go to the patient's bedside early in the admission process.

An automated, decision-tree workflow supports an interview whereby each of the patient's answers determines the next question, narrowing the path to where eligibility is most likely to be found. This decreases the time needed with the patient. Staff can immediately access and complete digital applications, let the patient sign via a secure and compliant e-signature (where accepted), and submit—all in one seamless process. Fully digitized files allow for electronic follow-up and archiving.

The advantage of the mobile tablet is equally important: It improves your chances of securing an opportunity to assist patients when they're most likely to cooperate, and it helps ease patients' financial stress early by letting them know they have an advocate doing everything possible to alleviate any financial burden.

- **Patient websites and portals.** Websites and portals make it easier for patients to find the information they need and begin securing financial help. Helping patients understand the eligibility and enrollment process, providing answers to FAQs, offering a point of contact, and giving patients the ability to upload documents and check on the status of their applications can help alleviate their stress, improve satisfaction, and increase the chances coverage/financial assistance will be secured.



Why Trained Staff Are Irreplaceable

We've often heard, "Technology is only as valuable as the hands it's in," and that is certainly true when speaking of the sensitive process of helping patients who are seeking care, likely feeling unwell, experiencing the stress of illness, and simultaneously needing financial assistance.

While technological advancements can significantly improve efficiency, optimize processes to achieve successful enrollments, and even enable providers to improve patient engagement and interactions, it remains true that without a well-trained, knowledgeable, and skilled staff, it's unlikely a hospital can achieve its potential in securing the best payment options for patients.

Staff who are thoroughly educated in the nuances of Medicare/Medicaid, Disability/SSI, third-party liability, commercial insurance, state and county programs, social programs, and charity programs recognize technology is a powerful tool they can leverage, but they also rely on their own experience. For example, in-depth knowledge of these programs can help staff identify, and even override, automated decisions when needed to secure help for the patient.

A Winning Combination

Using a combination of the latest technologies and skilled expertise, providers can improve their eligibility and enrollment function to better manage the risk of uncompensated care.

At Change Healthcare, we excel in this area, as evidenced by our 2021 Best in KLAS award for Eligibility Enrollment Services, our fourth such recognition. In 2020, we helped hospitals and health systems secure \$882 million in reimbursement.

[Learn more about our services](#) and [listen to the staff at Halifax Health](#) explain how our services helped their patients and health system.



¹ ["Fact Sheet: Uncompensated Hospital Care Cost."](#) American Hospital Association, January 2021.

² ["Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2019 to 2029."](#) Congressional Budget Office, May 2, 2019.

³ ["How Many Americans Have Lost Jobs with Employer Health Coverage During the Pandemic?"](#) The Commonwealth Fund, Issue Briefs, Oct. 7, 2020.

⁴ [LaPointe J. "Over 40% of Hospitals Seeing Bad Debt, Uncompensated Care Increase."](#) Rev Cycle Intelligence, Oct. 21, 2020.

⁵ [Price S. "51% of U.S. Workforce Enrolled in High-Deductible Health Plans, Which May Leave Some Underinsured."](#) Value Penguin, Jan. 25, 2021.



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Change Healthcare (Nasdaq: CHNG) is a leading independent healthcare technology company, focused on insights, innovation and accelerating the transformation of the U.S. healthcare system through the power of the Change Healthcare Platform. We provide data and analytics-driven solutions to improve clinical, financial, administrative, and patient engagement outcomes in the U.S. healthcare system.

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