

DAY 1 PATIENT PAY OUTSOURCING



Baylor Surgical Hospital at Las Colinas reduced bad debt expense by \$1.1M and improved average monthly self-pay collections by 121% after implementing MNET's Day 1 Patient Pay Solution

The Challenge

Increase patient payments after insurance recoveries without adding staffing or negatively impacting patient experience.

With year over year case volume increases and patient bad debt write-offs continuing to increase, the financial management team at Baylor Las Colinas was faced with a choice: add business office staff to bolster in-house, patient balance collections or consider outsourcing to an external solution. Facility case volume and gross revenue would require two FTE internal collectors at a total estimated cost of over \$110K (including benefits) annually. Lack of business office space and concerns over staffing costs limited the hospital to one collector that then only spent 70% of their time on collections while also serving as an admissions and department "float". This resulted in fewer patient contact opportunities prior to bad debt write-off. Additionally, once the account was moved to a third party for collection agency, the cost to collect increased and a positive patient experience became more difficult to maintain.

- Rising Bad Debt Write-Offs
- In-house collections function underperforming
- To fix In-house collection function would require hiring multiple FTEs
- Patients requiring more bill detail & explanation

The Solution

Mnet's Day 1 Patient Pay Solution was implemented. A qualified service center team with extended hours and integrated payment options chosen by the facility combine to make it easier for patients to pay sooner.



A True Partnership

For seamless patient account servicing as an extension of the facility's business office, Mnet built integrations with the patient accounting system and merchant services provider. Both Mnet and facility have current accurate account information to better serve patients and reduce delayed payments over bill confusion. With a dedicated patient billing service center available nights & weekends, Mnet began taking and making calls as the Patient Financial Services (PFS) department for Baylor Las Colinas on Day 1 of patient balance after insurance. Statements now direct patient payment inquiries to the PFS team or online to a custom PaySuite designed to work in conjunction with the hospital's existing web page. Patients can speak with live agents, "self-help" to setup approved payment plans or select from additional financial services to settle their balance. Whether ready to pay in full or seeking payment options, the PaySuite provides options to offer 100% patient acceptance. To ensure the Day 1 Patient Pay Solution also met budgetary requirements, the entire program was provided on a 100% contingency fee structure.

- PaySuite Implementation to increase payment options
- Service Center available nights & weekends
- Patient Accounting Software and Merchant Services Integration
- 100% Patient Acceptance
- 100% Contingency Based Fee Structure

The Impact

Self-Pay Dollars Collected more than doubled
Bad debt write-offs reduced by half
\$1M Decrease in Avoidable Write Offs
49% Decrease in Self-Pay Bad Debt Write Off
121% increase in self-pay collections



Self-Pay Collections Increase & Patient Complaints Decreased

To measure program success, Mnet was provided a baseline of facility collections on patient balance after insurance. Month two post implementation saw self-pay recoveries increase by 82%. Over the subsequent 12 months, performance held at an average of 121% higher than pre-program baseline. This led to an avoidable write-off reduction of over \$1M in the first twelve months and reduced the hospital's percentage of bad-debt-to-revenue from 3.7% to 2.1%. In-house collection staff was moved full time to patient financial advocate role. After-hour payments (post 5pm local time) led to a reduction in payment timelines overall. Patient complaints remain at or lower than pre-program levels with Mnet & facility teams meeting regularly.

12 Month Pilot Financial Outcomes

Pre-SurgiCARES Self Pay Collection Baseline	\$70,000 monthly
Post-SurgiCARES Self Pay Collection Average	\$155,000 monthly
Self Pay Collections Increased by	121%
Increased Cashflow During Pilot (Bad Debt Avoidance)	\$1,020,000

Pilot Details

The 12-month pilot was conducted from May, 2018, through April, 2019.



Baylor Surgical Hospital at Las Colinas is an affiliate of United Surgical Partners International partnered with local physicians and Baylor Medical Center at Irving with an annual case volume of 6,700. Utilizing 7 operating rooms, 20 guest suites, on-site imaging and diagnostics, and a 24/7 emergency department, Baylor Surgical Hospital at Las Colinas provides multi-specialty surgical services to patients in the greater Dallas/Fort Worth area.



Mnet is a revenue cycle service & technology provider partnering with the surgical industry to provide custom patient-pay solutions to surgical hospitals, ambulatory surgery centers, and management companies. As of 2020, Mnet services over 700 surgical facilities nationwide both directly and in support of centralized billing offices. With patient billing and collection services beginning at Day 1 of patient responsibility and carrying through to account resolution, Mnet has a solution to help increase your self-pay recoveries while enhancing your patients' experience.

See How Mnet Can Improve Your Patient Collections

Try our free collections estimator online at:
<https://mnethealth.com/collections-estimator>