

Important Data Points for Your Cancer Program's Financial Health

24th ACE Annual Meeting
January 30, 2018
9:05 to 9:45 AM

Ricky Newton, CPA

Director of Cancer Specialists of Tidewater, Ltd. &
Director of Financial Services & Operations for COA

(757) 639-4855

rnewton@tidewatercance.com

Revenue Cycle Oncology Staffing

- Each billing team member
 - Separate section of the alphabet
 - Obtains Preauthorization
 - Patient Financial counseling
 - Assures coding of claims is correct and then submits claims
 - Post payments and remittance
 - Follow up on unpaid claims and questions from patients on accounts

Collections Percentage

- Total Receipts since inception to now = \$15,692,907
- Total Adjustments associated with receipts = \$33,978,801
- Collection % $\$15,692,907 / (\$15,692,907 + \$33,978,801) = 31.59\%$
- After \$1 million of write-offs with no further collections
- Receipts the same as above
- Total Adjustments = \$34,978,801
- Collection Percentage = 30.97%
- This equals a .64% difference

Days in Accounts Receivable

- Overall Days in A/R at end of 2016 was 29.8
- Overall Days in A/R for Medicare was 23.2
- Overall Days in A/R for Anthem was 43.34
- Your team works the Anthem A/R hard
- New days in A/R for Anthem at June 2017 becomes 32.45
- Overall Days in A/R becomes 26.3
- Practices tend to be between 20 to 35 days
- Hospitals tend to be between 30 to 50 days

Technical Denials Report

Transaction SubSubGroup	January	February	March	April	May	June	July	2011
Eligibility								
00000826 - NO AUTHORIZATION (OUTPATIENT)	-496	1,619	-94		-15,665		1,562	-13,074
Total: Eligibility	-496	1,619	-94		-15,665		1,562	-13,074
Med.Records								
00000835 - TIMELY FILING W/O MED RECORDS					-2,881			-2,881
Total: Med.Records					-2,881			-2,881
Pt Accting								
00000260 - CLOSE ACCOUNT	-18							-18
00000262 - SMALL BALANCE W-O	-57	-85	-140	1	-55	-30	-9	-374
Total: Pt Accting	-75	-85	-140	1	-55	-30	-9	-392
Pt Care								
00000907 - MEDICARE LCD	-17,168	3,038		10,322	-4,334	-7,914	-3,180	-19,237
Total: Pt Care	-17,168	3,038		10,322	-4,334	-7,914	-3,180	-19,237
Total: Technical Denials	-17,739	4,572	-234	10,323	-22,935	-7,944	-1,627	-35,584

Review A/R adjustments and write off reports for which you have more control over (such as for timely filing, no preauthorization, appeals being denied, etc.)

INSURANCE COMPANIES ACCOUNT AGING REPORTS

	<u>OVERPAID</u>	<u>CURRENT</u>	<u>31- 60</u>	<u>61- 90</u>	<u>91- 120</u>	<u>120 - 150</u>	<u>>150</u>	<u>TOTAL</u>	<u>>60</u>
FEBRUARY	-3,815 -0.35%	1,002,310 91.46%	79,177 7.22%	13,980 1.28%	4,109 0.37%	126 0.01%	1 0.00%	1,095,888 99.99%	18,216 1.66%
MARCH	-9,955 -0.86%	1,089,917 93.67%	49,670 4.27%	11,704 1.01%	18,256 1.57%	3,954 0.34%	1 0.00%	1,163,547 100.00%	33,915 2.91%
APRIL	-5,439 -0.51%	979,756 91.07%	43,050 4.00%	32,522 3.02%	8,112 0.75%	13,993 1.30%	3,838 0.36%	1,075,832 99.99%	58,465 5.43%
MAY	-6,006 -0.43%	1,298,951 93.75%	71,889 5.19%	7,801 0.56%	1,133 0.08%	348 0.03%	11,195 0.81%	1,385,311 99.99%	20,477 1.48%
JUNE	-6,959 -0.63%	994,191 90.09%	103,818 9.41%	10,807 0.98%	1,502 0.14%	338 0.03%	30 0.00%	1,103,727 100.02%	12,677 1.15%
JULY	-6,281 -0.52%	1,152,745 95.93%	37,908 3.15%	14,259 1.19%	2,060 0.17%	837 0.07%	159 0.01%	1,201,687 100.00%	17,315 1.44%
AUGUST	-4,938 -0.46%	1,017,155 95.18%	23,245 2.18%	19,560 1.83%	7,118 0.67%	822 0.08%	5,633 0.53%	1,068,595 100.01%	33,133 3.10%
SEPTEMBER	-6,267 -0.60%	950,606 90.44%	98,950 9.42%	6,491 0.62%	78 0.01%	864 0.08%	245 0.02%	1,050,967 99.99%	7,678 0.73%
OCTOBER	-6,545 -0.56%	1,026,980 88.59%	120,658 10.41%	16,191 1.40%	843 0.07%	40 0.00%	1,066 0.09%	1,159,233 100.00%	18,140 1.56%
NOVEMBER	-6,906 -0.60%	1,063,303 92.22%	88,694 7.69%	7,178 0.62%	293 0.03%	0 0.00%	421 0.04%	1,152,983 100.00%	7,892 0.68%
DECEMBER	-7,627 -0.75%	930,164 91.13%	84,991 8.33%	12,522 1.23%	474 0.05%	57 0.01%	94 0.01%	1,020,675 100.01%	13,147 1.29%
JANUARY	-3,096 -0.22%	1,270,458 90.48%	127,691 9.09%	8,533 0.61%	330 0.02%	110 0.01%	105 0.01%	1,404,131 100.00%	9,078 0.65%

Total Aged Accounts Receivables

		Deposit	0 - 30	31-60	61-90	91-120	120+	Total
Patient Total		(\$6,010.19)	\$6,177.45	\$5,234.65	\$4,767.60	\$6,325.68	\$22,925.47	\$39,420.66
	%	(15.25)	15.67	13.28	12.09	16.05	58.16	3.44
Insurance Total		\$0.00	\$927,126.26	\$168,565.64	(\$1,041.25)	\$8,640.05	\$2,762.96	\$1,106,053.66
	%	0.00	83.82	15.24	(0.09)	0.78	0.25	96.56
Total		(\$6,010.19)	\$933,303.71	\$173,800.29	\$3,726.35	\$14,965.73	\$25,688.43	\$1,145,474.32
	%	(0.52)	81.48	15.17	0.33	1.31	2.24	

- Insurance balances over 90 days – If number is high then think of hiring an outside company to catch your staff up and then hold your staff accountable
- Refunds found after 60 days should be refunded immediately

Order Summary (Includes all orders for this client)

Cost Per Account :
Assigned: 215
Avg Balance: \$524.92
Avg Age of Accounts Assigned (Months): 4.2

Recovery Rate

Total Dollars Assigned: \$112,857.62
Less mail skips: - \$12,780.08
Less accounts still active: - \$460.18
Net Dollars Assigned: \$99,617.36

Total Performance:

\$11,271.06
Paid in Full: \$5,533.65
Cancelled (Fully Resolved): \$4,125.93
Suspended: \$1,149.51
Partial Payments: \$461.97

% Recovery Rate on Net Dollars Assigned: 11.3%
% Recovery Rate on Total Dollars Assigned: 11.3%
(less mail skips)
% Accounts Responding: 32.56%

Patient balances over 6 months without a payment – Use other billing companies to follow up on collections of these balances

For every dollar invested, \$4.20
For every account assign \$52.42

Assignment Summary	# Assigned	\$ Placed	\$ Recovered
Transferred from TSI (Phase 1)	102	82,806.26	961.31
Direct Assign to CMS (Phase 2)	9	8,419.80	277.97
Total CMS Placements	111	91,226.06	1,239.28
Average Balance Assigned		821.86	

Performance Summary	# Assigned	\$ Placed	\$ Recovered
Total Assigned	111	91,226.06	1,239.28
Placed in Error, Deceased, Bankrupt	8	11,518.46	0.00
Less Active Accounts	33	30,356.50	81.58
Net Assigned	70	49,351.10	1,157.70

Performance			
Total Recovered			1,239.28

Recovery Rate on Net Assigned			2.51%
Recovery Rate on Total Assigned			1.36%

Account Detail Summary	# Assigned	\$ Placed	\$ Recovered
Paid Accounts			
Paid In Full	5	1,057.10	1,057.10
Settled In Full	0	0.00	0.00
Paid Service Fee	0	0.00	0.00
Returned Merchandise	0	0.00	0.00

Open Accounts			
Collection Efforts Continuing	30	24,114.06	81.58
Forward to Phase 3	2	3,898.16	0.00
Legal	1	2,425.86	0.00

Closed Accounts			
Collection Efforts Exhausted	59	46,575.76	100.60
Less: Skip-Cannot Locate	6	1,636.66	0.00
Deceased	4	8,488.17	0.00
Bankrupt / Defunct	2	98.75	0.00
Placed In Error	2	2,931.54	0.00
Disputed-Suit Not Advisable	0	0.00	0.00
Other	0	0.00	0.00

Spend time researching payment assistance programs on behalf of patients to help bridge the financial gap of what is owed for their treatment
 Tools to assist in this process AssistPoint at www.assistpoint.com
 ACCC's Patient Assistance and Reimbursement Guide at www.accc_cancer.org/publications/PatientAssistanceGuide.asp

**ACCOUNTS PLACED IN COLLECTIONS –
 PATIENTS WHO HAVE BEEN DISCHARGED FROM PRACTICE**

Missed Drug Report for Supportive Care

All offices

	INVENTORY BALANCE May	PURCHASES May	INVENTORY BALANCE May	TOTAL USED May		TOTAL BILLED OUT	TOTAL USED	DIFFERENCE
PROCRIT 60K	0	0	0	0				
PROCRIT 40K	0	4	2	2				
PROCRIT 20K	0	0	0	0				
ARANESP 200 MCG	7	14	9	12	J0885	80	80	0
ARANESP 300 MCG	6	3	7	2	J0881	5400	5400	0
ARANESP 100 MCG	2	8	5	5	J2505	48	48	0
ARANESP 150 MCG	0	0	0	0	J1442	2400	2400	0
ARANESP 500 MCG	2	3	2	3				
ARANESP 25 MCG	0	0	0	0				
ARANESP 40 MCG	4	8	11	1				
ARANESP 60 MCG	9	4	7	6				
NEULASTA 6MG	13	60	25	48				
NEUPOGEN 300MCG	2	0	2	0				
NEUPOGEN 480MCG	7	1	3	5				

Office Location 1

	INVENTORY BALANCE May	PURCHASES May	INVENTORY BALANCE May	TOTAL USED May		TOTAL BILLED OUT	TOTAL USED	DIFFERENCE
PROCRIT 60K				0				
PROCRIT 40K	0	4	2	2				
PROCRIT 20K				0				
ARANESP 200 MCG	1	4	3	2	J0885	80	80	0
ARANESP 300 MCG	1		1	0	J0881	1500	1500	0
ARANESP 100 MCG	2	4	3	3	J2505	31	31	0
ARANESP 150 MCG				0	J1442	0	960	-960
ARANESP 500 MCG	1	1	1	1				
ARANESP 25 MCG				0				
ARANESP 40 MCG	1	4	5	0				
ARANESP 60 MCG	3	4	2	5				
NEULASTA 6MG	8	32	9	31				
NEUPOGEN 300MCG	1		1	0				
NEUPOGEN 480MCG	4		2	2				

Missed Drug Report for Supportive Care

Office Location 2

	INVENTORY BALANCE May	PURCHASES May	INVENTORY BALANCE May	TOTAL USED May		TOTAL BILLED OUT	TOTAL USED	DIFFERENCE
PROCRIT 60K				0				
PROCRIT 40K				0				
PROCRIT 20K				0				
ARANESP 200 MCG	3	2	2	3	J0885		0	0
ARANESP 300 MCG		3	1	2	J0881	2260	2260	0
ARANESP 100 MCG				0	J2505	12	12	0
ARANESP 150 MCG				0	J1442	1440	480	960
ARANESP 500 MCG		2		2				
ARANESP 25 MCG				0				
ARANESP 40 MCG	2		2	0				
ARANESP 60 MCG	3		2	1				
NEULASTA 6MG	1	20	9	12				
NEUPOGEN 300MCG	1		1	0				
NEUPOGEN 480MCG	1			1				

Office Location 3

	INVENTORY BALANCE May	PURCHASES May	INVENTORY BALANCE May	TOTAL USED May		TOTAL BILLED OUT	TOTAL USED	DIFFERENCE
PROCRIT 60K				0				
PROCRIT 40K				0				
PROCRIT 20K				0				
ARANESP 200 MCG	3	8	4	7	J0885		0	0
ARANESP 300 MCG	5		5	0	J0881	1640	1640	0
ARANESP 100 MCG		4	2	2	J2550	5	5	0
ARANESP 150 MCG				0	J1442	960	960	0
ARANESP 500 MCG	1		1	0				
ARANESP 25 MCG				0				
ARANESP 40 MCG	1	4	4	1				
ARANESP 60 MCG	3		3	0				
NEULASTA 6MG	4	8	7	5				
NEUPOGEN 300MCG				0				
NEUPOGEN 480MCG	2	1	1	2				

Payer Contracting

- New payment methodologies to replace pay for service
 - Oncology Care Model, Episodes of Care, Accountable Care Organizations
- Negotiating in the hospital verses the private practice setting with payers
- Negotiating with Employers
- Private Payers
 - Focus on the 5 biggest private payers
 - Focus on the CPT codes that are billed out the most **when contracting** (In the infusion center focus on 96413, 96415, 96367 & 96372) (Office 99204, 99205, 99214 & 99215) (Hospital 99223 & 99233)

Contract Negotiation Example

CPT CODE	DESCRIPTION	# OF TIMES	COST PER CPT CODE	MEDICARE ALLOWABLE	TOTAL
		PERFORMED All Insurance			REIMB VS COST
38221	BONE MARROW BIOPSY	9	357.49	170.19	-1,685.70
99201	Office/outpatient visit, new	1	109.75	43.98	-65.77
99202	Office/outpatient visit, new	1	195.42	75.08	-120.34
99203	NP DETAILED, LOW COMPLEX	46	279.05	109.05	-7,820.00
99204	NP COMPREHENS, MOD CMLPX	252	318.27	165.90	-38,397.24
99205	NP COMPREHENS, HIGH	225	413.33	208.45	-46,098.00
99211	ESTAB PT-NP PHYSICIAN	393	39.64	20.02	-7,710.66
99212	PROB FOCUSED, STRTFWD	674	81.39	43.98	-25,214.34
99213	EXPANDED, LOW COMPLX	1103	115.41	72.94	-46,844.41
99214	DETAILED, MOD COMPLX	2576	184.56	108.34	-196,342.72
99215	COMPREHENS/HIGH COMPLX	1541	280.78	146.24	-207,326.14
99221	H&P/LOW	8	179.09	102.62	-611.76
99222	H&P/MODERATE	159	298.48	138.37	-25,457.49
99223	H&P/HIGH	173	416.65	204.87	-36,637.94
99231	HOSP/PROB FOCUS/LOW	338	89.68	39.33	-17,018.30
99232	HOSP/EXPANDED/MOD	652	147.82	72.94	-48,821.76
99233	HOSP/DETAILED/HIGH	546	210.30	105.12	-57,428.28
96360	IV infuse hydration, initial	41	89.30	57.92	-1,286.58
96361	Each additional infuse hour	82	30.01	15.37	-1,200.48
96365	IV infusion therapy/diagnost	860	109.53	70.08	-33,927.00
96366	Each additional hr up to 8hr	692	43.86	18.95	-17,237.72
96367	Additional sequential infuse	2370	64.27	30.39	-80,295.60
96368	Concurrent infusion	960	41.20	20.74	-19,641.60
96372	Therapeutic/diagnostic injec	1913	37.72	25.39	-23,587.29
96374	IV push,single orinital dru	16	85.60	57.21	-454.24
96375	Each addition sequential IV	395	39.86	22.53	-6,845.35
96401	Chemo adminisrate subcut/IM	118	90.10	75.08	-1,772.36
96402	Homonal anti-neoplastic	37	68.47	32.54	-1,329.41
96409	IV push single/initial subst	80	168.64	111.20	-4,595.20
96411	IV push each additional drug	36	101.39	62.21	-1,410.48
96413	Chemotherapy IV one hr initi	1736	230.04	135.87	-163,479.12
96415	Each additional hr 1-8 hrs	1626	60.08	28.25	-51,755.58
96416	Prolong chemo infuse>8hrs pu	53	241.66	140.87	-5,341.87
96417	Each add sequential infusion	820	117.68	62.93	-44,895.00
Total Loss if all patients were reimbursed by Medicare rates for all E&M codes					-1,222,655.73

Contract Negotiation Example with Anthem

CPT CODE	DESCRIPTION	COST PER CPT CODE	MEDICARE ALLOWABLE	# OF TIMES PERFORMED Anthem	TOTAL REIMB VS COST-Anthem	New Negotiated Rates	TOTAL New REIMB VS COST-Anthem
38221	BONE MARROW BIOPSY	357.49	170.19	2	-374.60		-374.60
99201	Office/outpatient visit, new	109.75	43.98	0	0.00		0.00
99202	Office/outpatient visit, new	195.42	75.08	0	0.00		0.00
99203	NP DETAILED, LOW COMPLEX	279.05	109.05	12	-2,040.00		-2,040.00
99204	NP COMPREHENS, MOD CMLPX	318.27	165.90	63	-9,599.31		-9,599.31
99205	NP COMPREHENS, HIGH	413.33	208.45	56	-11,473.28		-11,473.28
99211	ESTAB PT-NP PHYSICIAN	39.64	20.02	98	-1,922.76		-1,922.76
99212	PROB FOCUSED, STRTFWD	81.39	43.98	169	-6,322.29		-6,322.29
99213	EXPANDED, LOW COMPLX	115.41	72.94	276	-11,721.72		-11,721.72
99214	DETAILED, MOD COMPLX	184.56	108.34	644	-49,085.68	135.43	-31,639.72
99215	COMPREHENS/HIGH COMPLX	280.78	146.24	385	-51,797.90	182.80	-37,722.30
99221	H&P/LOW	179.09	102.62	2	-152.94		-152.94
99222	H&P/MODERATE	298.48	138.37	40	-6,404.40		-6,404.40
99223	H&P/HIGH	416.65	204.87	43	-9,106.54		-9,106.54
99231	HOSP/PROB FOCUS/LOW	89.68	39.33	85	-4,279.75		-4,279.75
99232	HOSP/EXPANDED/MOD	147.82	72.94	163	-12,205.44	91.18	-9,232.32
99233	HOSP/DETAILED/HIGH	210.30	105.12	137	-14,409.66	131.40	-10,809.30
96360	IV infuse hydration, initial	89.30	57.92	10	-313.80		-313.80
96361	Each additional infuse hour	30.01	15.37	21	-307.44		-307.44
96365	IV infusion therapy/diagnost	109.53	70.08	215	-8,481.75		-8,481.75
96366	Each additional hr up to 8hr	43.86	18.95	173	-4,309.43		-4,309.43
96367	Additional sequential infuse	64.27	30.39	593	-20,090.84	37.99	-15,584.04
96368	Concurrent infusion	41.20	20.74	240	-4,910.40		-4,910.40
96372	Therapeutic/diagnostic injec	37.72	25.39	478	-5,893.74	31.74	-2,858.44
96374	IV push, single or initial dru	85.60	57.21	4	-113.56		-113.56
96375	Each addition sequential IV	39.86	22.53	99	-1,715.67		-1,715.67
96401	Chemo adminisrate subcut/IM	90.10	75.08	30	-450.60		-450.60
96402	Hormonal anti-neoplastic	68.47	32.54	9	-323.37		-323.37
96409	IV push single/initial subst	168.64	111.20	20	-1,148.80		-1,148.80
96411	IV push each additional drug	101.39	62.21	9	-352.62		-352.62
96413	Chemotherapy IV one hr initi	230.04	135.87	434	-40,869.78	169.84	-26,126.80
96415	Each additional hr 1-8 hrs	60.08	28.25	407	-12,954.81	35.31	-10,081.39
96416	Prolong chemo infuse >8hrs pu	241.66	140.87	13	-1,310.27		-1,310.27
96417	Each add sequential infusion	117.68	62.93	205	-11,223.75		-11,223.75
Total loss for on all E&M codes from Anthem patients					-305,666.90		-242,413.36
Total savings if you negotiate 8 E&M codes as shown above							\$63,253.54

Questions???

