

ELIGIBILITY ENROLLMENT SERVICE

Case in Point: “Can Do” Eligibility Partnership Means \$5 Million More Annually

Problem Definition

This 500-bed general hospital and its 3,000 staff members handled about 30,000 inpatients and over 580,000 outpatient visits each year. *U.S. News & World Report* ranked the hospital among its “Top 50” in half a dozen areas, and demand for services was high. The area’s largely blue-collar population and eroding industrial base combined to increase self-pays as a share of its patient population. Patient accounts management was concerned that charity and bad debt write-offs were increasing and that its Medicaid eligibility/enrollment vendor was contributing reimbursement at barely a \$900,000 annualized basis, with a *success rate of just 19%* of all account referrals. The vendor also did not screen for fallback payment programs for self-pays who were not Medicaid-eligible.

Actions Taken

Management began to evaluate alternative eligibility vendors. After a detailed analysis, the Human Arc Eligibility Enrollment Servicesm (EES) was contracted by the hospital to assist with Medicaid (and, later on, fallback disproportionate share program) eligibility screening, enrollment and account follow-up. The hospital liked Human Arc’s “can do” approach, and it didn’t have to bear any learning curves, investments or staff disruptions.

Results

Human Arc’s first year in partnership with the hospital yielded:

- Over \$1.7 million in incremental Medicaid reimbursement, an *85% improvement over the previous vendor’s contribution*.
- Average net conversion on referred accounts of 40%, more than a two-fold improvement.
- A drop in bad debt as a percentage of total facility costs from 3.7% to 3.2%.

Human Arc’s Medicaid experience, relationships with county and state agencies, clinical and operational expertise, and comprehensive approach from initial interviewing through to tracking submissions, all combined to yield quick results for this client.

Upshot:

Human Arc EES has translated “can do” into “did that” for this client. Since beginning to work for the hospital, EES has:

- **Added well over \$14 million to the hospital’s cash flow** through Medicaid enrollment.
- **Yielded net conversions averaging in excess of 50%** on all referred accounts.
- **Boosted total cash flow contribution into the \$5 million-per-year range** by securing fallback disproportionate share funding eligibility for hundreds of additional patients.
- **Increased community goodwill** through non-medical outreach assistance to many hundreds of screened patients it has screened—at no added cost to them or the hospital.

EES0004-R0906