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pulse

Executive Order Includes Health Care Data Request Impacting ARM Industry

The order to the U.S. Department of Health and Human Services focuses on hospital billing quality.

As part of an executive order on "An America-First Health Care Plan," the White House has directed the U.S. Secretary of Health and Human Services (HHS) to provide updated information on the Medicare.gov Hospital Compare website to inform beneficiaries of hospital billing quality. The information must be updated within 180 days of the order, which was issued on Sept. 24, 2020.

The updates to the website, according to the order, should include:

- Whether the hospital is in compliance with the Hospital Price Transparency Final Rule, effective Jan. 1, 2021;
- Whether, upon discharge, the hospital provides patients with a receipt that includes a list of itemized services received during a hospital stay; and
- How often the hospital pursues legal action against patients, including to garnish wages, to place a lien on a patient's home, or to withdraw money from a patient's income tax refund.

This is expected to be addressed in a rulemaking from HHS in the coming months and ACA International will be analyzing and weighing in on the proposal.

ACA and the Healthcare Financial Management Association Medical Accounts Receivable Resolution Task Force also addressed extraordinary collection activities after reconvening this year to update best practices for the fair resolution of patients' medical bills and address financial assistance policies in response to the COVID-19 pandemic. A section in the report (available here: https://www.hfma.org/dollars) on frequently asked questions addresses the basics of the account resolution process, working with account resolution business affiliates, steps to take when initiating certain collection actions and final disposition of unresolved accounts. Appendixes include a sample public health emergency financial assistance policy, relevant legal provisions, a glossary of terms and sample consent language.

Surprise Medical Billing

The White House executive order also addresses issues related to surprise medical billing.

As of July 2020, almost 30 states have enacted some level of surprise billing protection, with other states considering similar legislation.

In May 2019, President Donald Trump announced four principles to guide congressional efforts to "prohibit exorbitant bills resulting from patients' accidentally or unknowingly receiving services from out-of-network physicians."

The administration's surprise billing principles include:

- Patients receiving emergency care should not be forced to shoulder extra costs billed by a care provider but not covered by their insurer.
- Patients receiving scheduled care should have information about whether providers are in or out of their network and what costs they may face.
- Patients should not receive surprise bills from out-of-network providers they did not choose.
- Federal health care expenditures should not increase.

Without congressional action on surprise medical billing thus far, the White House also issued Executive Order 13877, Improving Price and Quality Transparency in American Healthcare to Put Patients First, in June 2019.

HHS, as required by Executive Order 13877, issued a report on surprise medical billing regulatory actions and the need

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Snapshot: Best Practices for Patient-Friendly Billing

ACA International and the Healthcare Financial Management Association reconvened this year to update best practices for the fair resolution of patients' medical bills. Here is a look at patient-friendly billing principles highlighted in the report.

By Katy Zillmer

Patient-friendly billing is part of the core framework of best practices recently updated by ACA International and the Healthcare Financial Management Association (HFMA) Accounts Receivable Resolution Task Force. The best practices focus on the fair resolution of patients' medical bills and address financial assistance policies in response to the COVID-19 pandemic.

The report reflects the task force's consensus on the equitable resolution of the patient portion of medical bills.

ACA and HFMA worked together on the 28-page report, which updates and extends guidance that was originally published by HFMA in 2014. The report emphasizes the importance of educating patients and ensuring that they understand the account resolution process.

Serving on the task force are ACA's CEO Mark Neeb, ACA's Vice President and Senior Counsel of Federal Advocacy Leah Dempsey, and ACA members from State Collection Service Inc.: Tim Haag, president, and Steve Beard, chief business development officer.

With a focus on patient education and communication, the best practices are designed to help patients engage in their health care and become active participants in resolving outstanding accounts.

The report includes best practices for modifying financial assistance policies in response to the COVID-19 pandemic and recommended safeguards to implement before initiating actions, such as credit bureau reporting, that some hospitals and their business affiliates may elect to pursue in accordance with account resolution policies that have been approved by the hospital's board of directors or other authorizing body.

As part of the focus on patient-friendly billing, the task force's goal was to identify a common set of account resolution best practices that align with the federal requirements and with HFMA's patient-friendly billing principles.

The principles are designed to simplify the process for patients, according to the report.

It states that, following the principles, health care financial communications will be:

- **Clear.** All financial communications will be easy to understand and written in clear language. Patients will be able to quickly determine what they need to do with the communication.
- **Concise.** Bills will contain just the right amount of detail necessary to communicate the message.
- **Correct.** Bill items will correctly reflect the patient's responsibility after the claim has been adjudicated and/or financial assistance or other discounts have been applied, as appropriate.
- **Patient-Friendly.** The needs of patients and family members will be paramount when designing administrative processes and communications.

Since the task force's 2014 report was issued, the group expanded its guidance for conversations with patients to include education and engagement that will provide a clear understanding of what they can expect at every stage of the account resolution process. Health care providers or their business associates should start patient education as early as possible during the account resolution process, but their efforts should not stop there.

"The best practice is for the provider or business associate to offer ongoing education to reinforce the opportunities (e.g., financial assistance, payment plans, other sources of coverage) patients have for positive account resolution," according to the report. "Therefore, providers and business associates must use every patient communication to engage and educate the patient about their account resolution options."

The report maps out the entire medical accounts receivable resolution process from preservice to post-discharge, incorporating elements from HFMA's Patient Financial Communications Best Practices and Patient-Friendly Billing initiative.

The report was developed with the support of State Collection Service.

Members of HFMA's 2020 Medical Accounts Receivable Resolution Task Force include a diverse group of providers, consumer advocates and collection agencies.

Access the report and additional resources from the task force here: https://www.hfma.org/dollars

Next month's Pulse will include a spotlight on price transparency best practices from the report.

Executive Order *cont. from page 1*

for congressional support in July 2020. (The report is available here: https://bit.ly/33RrJek).

According to the report and statistics on surprise medical billing published by JAMA Internal Medicine, "41% of insured adults were surprised by a medical bill in the past two years and almost half of those, 19%, received a surprise medical bill because the provider was out-of-network."

"Congress needs to enact legislation now to protect patients from surprise billing. Sound surprise billing legislation will not only protect patients but will also encourage a fairer, patient-centered health care system," the HHS report states.

View the White House executive order here: https://bit.ly/2SMYTWe

Survey: Health Care Cost Burdens in Employer Plans Remain 'High'

New survey findings from the Kaiser Family Foundation (KFF) show employers' and employees' contributions toward health insurance premiums continue to rise more quickly than wages and inflation.

Approximately 157 million Americans rely on health insurance coverage from their employers. The survey includes input from nearly 1,800 small and large employers.

Looking at yearly family premiums in employer-sponsored health insurance plans, they increased 4% to an average of $21,342 this year, according to a news release on the 2020 benchmark KFF Employer Health Benefits Survey. On average, employees are contributing $5,588 toward the cost of family coverage, with their employers paying the remaining amount, according to the news release.

"Conducted partly before the pandemic, our survey shows the burden of health costs on workers remains high, though not getting dramatically worse," KFF President and CEO Drew Altman said in the news release. "Things may look different moving forward as employers grapple with the economic and health upheaval sparked by the pandemic."

The KFF conducted the survey, the 22nd annual, from January to July.

Additional findings, according to the news release, include:

- The annual change in premiums is similar to the year-to-year rise in workers' earnings (3.4%) and inflation (2.1%), though over time the amount employers and workers pay toward premiums continues to increase more quickly than wages and inflation.
- Since 2010, average family premiums have increased 55%, at least twice as fast as wages (27%) and inflation (19%).
- This year 83% of covered workers have a deductible in their plan, similar to 2019 and up from 70% 10 years ago. The average single deductible stands at $1,644 for workers who have one, similar to last year's $1,655 average but up sharply from the $917 average of a decade ago.

View a graph from the survey in Data Watch and read the complete survey results, news release and a summary of findings here: www.kff.org/ehbs

NEWS & NOTES

Survey: Providers Expect Payer Population to Shift

According to a survey from the Healthcare Financial Management Association, about 70% of hospitals and health systems are expecting more self-pay and Medicaid patients as part of their payer population over the coming year and for commercially insured patient payers to decrease. About 26% of survey respondents said they expect their payers, including self-pay, Medicaid and commercial health plans, to stay the same. https://bit.ly/30ZPMpy

Unsubsidized Enrollment on Individual Health Insurance Market Drops

According to the Centers for Medicare and Medicaid Services, affordability in the individual health insurance marketplace continues to be challenge, as shown by a recent report on consumers purchasing their own insurance and who do not qualify for subsidies for their premiums. According to the report, from 2016 to 2019, unsubsidized enrollment declined by 45%, or 2.8 million people, in the U.S. The enrollment declined by 300,000 people in 2019 alone, the third consecutive year of declines. https://go.cms.gov/2H2tg8o

We Want to Hear From You

Pulse is published for ACA International health care collection agencies to provide current industry information for health care providers. ACA welcomes article ideas and submissions for consideration in *Pulse* to the Communications Department at comm@acainternational.org.

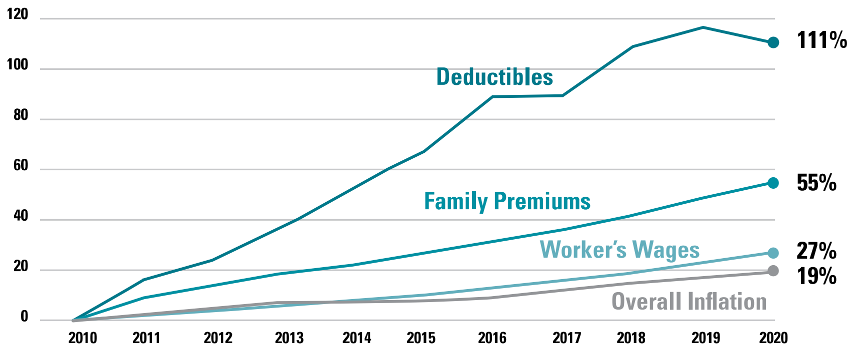
For more health care collections news, visit ACA's Health Care Collections page at www.acainternational.org/pulse.

datawatch

Rise in Employer Premiums and Deductibles Since 2010

According to a survey from Kaiser Family Foundation, employer premiums and deductibles have increased at a faster rate than wages in the last decade. For example, since 2010, the average family premiums have increased 55%, at least twice as fast as wages (27%) and inflation (19%).

Employer Premiums and Deductibles Have Risen Much Faster than Wages Since 2010



Source: Kaiser Family Foundation 2020 Employer Health Benefits Survey www.kff.org/ehbs

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is a monthly bulletin that contains information important to health care credit and collection personnel. Readers are invited to send comments and contributions to:

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