Northwestern Medical Center – Fiscal Year 2023 Budget Submission

Responses to the Office of the Health Care Advocate

1. Hospital Financial Assistance and Bad Debt during COVID-19

a. Please provide the following updates since last year's hospital budget process:

i. How have you changed your official or unofficial patient financial assistance policies and/or procedures?

ii. How has your handling of patient collections changed?

iii. Please estimate the most recent quarter when you reviewed whether your free care policy documents (full policy, plain language summary, application, etc.) align.

b. Collecting on patient debt:

i. If a patient is overcharged, please explain your ability to correct a bill once the collection process has begun.

ii. Do you inform patients when patient balances owed are written off as bad debt?

iii. How many patients had bills that you sent to a third party to collect the debt during the following timespans: (1) Q4 FY2020 and Q1-Q3 FY2021 and (2) Q4 FY2021 and Q1-Q3 FY2022?

iv. What is the total dollar amount of bills sent to collections during the following timespans: (1) Q4 FY2020 and Q1-Q3 FY2021 and (2) Q4 FY2021 and Q1-Q3 FY2022?

c. Please provide the FY2021 actual and FY2022 projected bad debt by whether the patient who accrued the debt was insured or uninsured. Please split the insured category by whether the patient's primary insurance is Medicaid, Medicare, or a commercial plan.

1.a.i

During the pandemic, we increased the education provided to our patients to ensure that they were aware of changing coding and billing requirements associated with Covid-19 related treatments and testing. We increased communication with uninsured patients to ensure that they were aware of HRSA funding available for Covid-19 testing while those funds were available and made special effort in general to make sure all patients were aware of our existing financial assistance policies and could access any programs for which they qualified.

1.a.ii.

As noted above, we have utilized HRSA funding to the fullest extent as a benefit to our patients that may otherwise have out of pocket costs that would result in a collection attempt by the hospital.

1.a.iii.
The last full review of our free care policy documents was conducted in collaboration with the Office of Healthcare Advocate during the first quarter of 2020. During this review, income eligibility for free care was extended to be 400% of the poverty line, residency requirements were broadened, and the policy and plain language summary were revised in several ways to be easier to read and understand. In June of 2022, we also made changes to our website to make navigation of all financial and billing related information more intuitive and user friendly

1.b.i.
When we are made aware of the error, the account is reclaimed from the outside collector and moved to the work queue within the NMC Patient Financial Services department. This prevents any incorrect statements or bills from being sent to the patient while a correction is being made. Once corrected, the account is sent back to the outside collector to be processed following standard procedures. If the error is discovered after the patient has made an incorrect payment, a refund is issued to the patient.

1.b.ii.
No, the process of writing off an account as bad debt is an internal process that is reflected as an allowance on our income statement and balance sheet, but the amount remains as collectable on the patient account. When payments are received and applied to accounts that had previously been allowed for as bad debt, a recovery of bad debt is recorded and flows through the income statement as an offset to any new bad debt expenses in the reporting period.

1.b.iii. & 1.b.iv.

Fiscal Year	*Quarter*	*Accounts*	*Dollars*
2020	*4*	*13,951*	*2,654,449*
2021	*1*	*6,649*	*1,714,527*
2021	*2*	*5,714*	*1,303,041*
2021	*3*	*4,613*	*1,197,376*
2021	*4*	*3,004*	*920,023*
2022	*1*	*3,692*	*1,051,127*
2022	*2*	*9,509*	*2,862,113*
2022	*3*	*3,107*	*1,783,883*

The values for the 3rd quarter of 2022 includes April and May and does not include June.

1.c.

The transfers noted below are those accounts that have been outstanding for greater than two years. The bad debt expense shown on the income statement includes the effect of these transfers as well as an allowance for accounts that are likely to be transferred to bad debt in the future but that have not yet been outstanding for two years. The majority of these transfers would have already been allowed for prior to the transfer occurring.

Primary Insurance	*FY2021*	*FY2022*
Uninsured	*1,299,894*	*1,605,690*
Commercial	*3,634,041*	*2,585,148*
Medicare	*188,280*	*280,636*
Medicaid	*12,751*	*33,761*
Total	*5,134,966*	*4,505,235*

2. Medicaid Screening Processes

a. Emergency Medicaid

i. If your organization has written policies regarding screening for emergency Medicaid under HBEE Rule 1702(d),1 please provide them.

ii. For Q1-Q3 of FY 2022, please provide the number of facility patients screened for emergency Medicaid and the number of facility patients who received emergency Medicaid.

iii. For Q1-Q3 of FY 2022, please provide the number of labor and delivery patients screened for emergency Medicaid and the number of labor and delivery patients who were covered by emergency Medicaid.

iv. If your organization has outreach materials on the application process and eligibility criteria for Emergency Medicaid, please provide them. Please explain how your patients can access these materials and list the languages into which the materials have been translated.

b. Deemed Newborns

i. If your organization has written policies regarding screening newborns for Medicaid in line with HBEE rule 9.03(b), please provide them.

ii. For Q1-Q3 of FY 2022, please provide the number of newborns screened for Medicaid without an application and the number of those newborns who received Medicaid.

c. Since the passage of "H. 430/Act No. 48 An act relating to eligibility for Dr. Dynasaur-like coverage for all income-eligible children and pregnant individuals regardless of immigration status," what steps have you taken to prepare for the implementation? Do you have outreach materials, and if so, what languages are they translated into? If you have such materials, please provide them.

2.a. & 2.b.

We actively assist uninsured patients who may qualify for emergency Medicaid in doing so, however, we do not currently have policies around this process. We do not track the number of patients for whom this has happened, so we are unable to report on that.

We have four certified assistors on staff who work side by side with patients to help them enroll in emergency Medicaid when appropriate. For patients who prefer to complete a paper application on their own, we provide one and remain available for support. Translation services to assist in this process are available to any individual who may need them.

2.c.

We have conducted targeted outreach related to this new law. We met with providers in our region to inform them of the program and to ensure that they are prepared. We also met with the UVM Extension Migrant Farm Worker Program to help support outreach to individuals who may utilize the program. We have not prepared outreach material or conducted any broad communications around this program.

3. Health Equity

a. Please provide examples of any policies, procedures, and initiatives that your hospital has undertaken, or plans to undertake, to address systemic racism within your institution and community.

b. If you have a funded DEI / Racial Equity position or DEI committee at the hospital, what are their primary roles and responsibilities? How is this position empowered and supported within the hospital? If you do not have this type of position, are you planning to create one? What obstacles are preventing you from creating this type of position?

c. Please describe the process for how your hospital handles patient complaints related to discrimination.

d. How much funding in your current and future budgets has been allocated to DEI and/or racial equity focused projects, trainings, or collaborations?

e. What percentage of staff and administrative leadership have received training in language access needs, implicit bias, and cultural competency? Does this vary significantly by job category?

f. Are patient satisfaction surveys given in languages other than English? In what languages is the survey available? Is race/ethnicity data collected as a part of these surveys?

g. Please discuss any analyses or tracking your hospital conducts or is considering conducting regarding access to care, care efficacy, or satisfaction among vulnerable populations including, *but not limited to,* i. patients whose primary language is not English,

ii. BIPOC patients,

iii. patients with no or intermittent broadband and/or cellular telephone service, and

iv. patients who are not U.S. citizens.

h. Discuss how you utilize health disparities data to inform hospital policies and procedures.

3.a.

Please refer to the Equity section of the FY2023 budget narrative submitted to the Green Mountain Care Board.

3.b.

NMC has not yet funded a DEI position and is very new in creating our DEI committee. With the successful recruitment of our new Chief Human Resources Officer and the specific inclusion of DEI within NMC's strategic plan, the work on DEI at NMC is now ready to move forward in a meaningful way, guided by a new professional partner and our committee of staff, providers, and leaders.

3.c.

NMC has a formal patient complaint process policy, which includes complaints about discrimination. Any employee can receive a complaint. The receiver of the complaint logs it into our MIDAS system, a software package that provides structure to and supports accountability within our process. The complaint is then routed to the leader of the specific area who works with colleagues in our Patient Relations, Risk, and Regulatory team to investigate the concerns, including potential follow up with the complainant. Appropriate resolutions are then put in place as needed. Communication is sent to the complainant describing the results of the investigation, apologizing as needed, and describing the steps taken to resolve the concern. Patient complaint data is shared with the NMC Board of Directors on a quarterly basis.

3.d.

As NMC is in the selection process to determine our partner in DEI and create the action plan relating to DEI, funds are available in the Administration department budget to begin this work after a partner is selected. We have invested in it through the training with Dr. Avila and will be investing in it more and more formally as a strategic priority now that it is specifically present in our strategic plan and a component of our upcoming Annual Operating Plan.

3.e.

Cultural Competence is part of the mandatory yearly education for all NMC employees. In 2020, NMC provided specific training on implicit bias through Dr. Maria Mercedes Avila and an organizational cross section of approximately 50 individuals participated in that training. Improving our annual cultural competence training and expanding our educational and training offerings relating to diversity, equity, and inclusion are part of intentions relating to the advancements we seek in this regard.

3.f.

NMC uses the standard CAPHS survey through Press Ganey which asks about both race and ethnicity. Currently all of our surveys are in English. This is an identified area for improvement that we intend to address as we advance our work with diversity, equity, and inclusion.

3.g.

NMC is not currently conducting such analysis and tracking in an ongoing way. As mentioned above, NMC and our community partners took a more inclusive approach to the Community Health Needs Assessment earlier this year to help ensure the voices of underrepresented populations were included in the data collection and prioritization efforts. This intentional approach to being more inclusive in our data collection and action planning is also evident in the creation of our newly formed Patient Advisory Committee. We also anticipate that our newly formed DEI group of staff, providers, and leaders who will be working with our DEI consulting partner will perform related analysis and tracking on DEI issues among staff and providers using our Engagement Surveys and other means.

4. Contingency Planning

a. Please provide a high-level contingency plan detailing how your hospital would amend its business strategy if the Board reduced or denied your charge request.

4.a.

We have not prepared a high-level or detailed contingency plan. If NMC's rate increase request is reduced or denied, the hospital's Board of Directors will work closely with hospital leadership to determine the appropriate path forward. Like all non-profit healthcare organizations, we are continually trying to balance the needs of the communities we serve with financial sustainability.