# THE DEBT COLLECTION MODULE: TRANSWORLD SYSTEMS INC. (TSI)

EXERCISING THIS TOOLTO COMPLY WITH AGED OPEN ITEMS ON THE ASM REPORT

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### **About the Speakers**

Mike Buske Transworld Systems District Manager (281) 480-1977 work (866) 480-2025 toll free Mike.buske@transworldsystems.com

Loren Allison
Collections Department
Gallup Indian Medical Center
(505) 722-1463
Loren.allison@ihs.gov

Angela Pinto
Lead Billing Technician
Gallup Indian Medical Center
(505) 722-8878
Angela.pinto@ihs.gov

#### **Overview of Discussion**

- What is the debt collection module?
- How is the debt collection module operated?
- The reports generated from the debt collection module
- An overview of the whole debt collection process.
- Denial Management of aged open items on the ASM report
- Key Advantages and Learning
- Questions and Answers

#### What is the Debt Collection Module?

- The debt collection module is a software solution that improves the follow up of outstanding aged open items on the aging summary report.
  - (i.e. Private insurance accounts, non beneficiary)
- Due to the Unified Financial Management System (UFMS) implementation, all I.H.S. facilities are required to clean up the aging accounts in the aging summary from the current age range to the 120+ age range.
- UFMS implementation and ORAP require all accounts receivable posting to be posted within 72 hours of receipt.
- Transworld Systems (TSI) supports these requirements

#### What is the Debt Collection Module?

- Manages debt collection for one or multiple billing sites
- AR Processes 2 types of information:
  - Start Records: Claims that need to be sent to TSI for first time collection action to initiate the collection process.
  - Stop Records: Claims that have previously been sent to TSI for collection action, but have had a change in balance. These records either stop the collection actions because the balance has been paid in full or written off, or these records cause an update in information being sent to the payer.
- Electronic submission of the Start and Stop records to Transworld Systems Inc. (TSI)
- Ability to run the debt collection process both manually and automatically
- Creation of the debt collection payment report detailing debt collection actions

Loren Allison

### **Transworld Systems Inc (TSI)**

Provides insurance resolution and recovers patient responsibility

- Processes unpaid claims for a fixed fee (\$4.75 per claim for I.H.S.)
- HFMA PEER Review
- Offers closeout of a high percentage of your unresolved accounts
- Provides HIPAA compliant and ethical process
  - Dedicated to protecting the security and confidentiality of our client patient information.
  - Business Associate Agreement with each facility
  - Transworld Website
    - https://service.transworldsystems.com

#### How to run the Debt Collection Module

#### RPMS Set Up

Select DEBT COLLECTION SITE PARAMETERS: I.H.S. FACILITY NAME NM

DEVICE: Right Margin: 80//

DEBT COLLECTION SITE PARAMETERS LIST PAGE 1

\_\_\_\_\_\_

SITE: HOSPITAL TSI INSURANCE CLIENT NUMBER: 12345

EXTRACT DIRECTORY: /usr/spool/BBM/xmit/

MINIMUM PRINCIPLE AMOUNT: **50 and above**REPORT DIRECTORY: /usr/spool/bbm/scripts/reports/

EARLIEST DOS ALLOWED: FEB 01, 2004 EARLIEST DATE TO SEARCH: FEB 01, 2004

MINIMUM BILL AGE DAYS: **90**OPERATING SYSTEM: UNIX

MAXIMUM INSURANCE TRANSACTIONS: 3000

SCHEDULE FOR AUTO PROCESSING?: YES

SCHEDULING FREQUENCY: WEEKLY

AUTO PROCESS START DATE/TIME: NOV 18, 2002@19:45

RUN AUTO PROCESS: Y/ N

LAST FROM DATE: JUL 04, 2004@24:00

INSURANCE TX'S TO DATE: 2131

LAST END DATE: JUL 10, 2004@24:00

CURRENT SCHEDULED TASK: 5135602

Mike Buske

### **Restricted Payers**

Option allows you to restrict certain A/R accounts from being sent to Transworld (TSI) for debt collection (i.e. Medicare and Medicaid's)

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
          Debt Collection Menu
            IHS FACILITY NAME
      ** LOGGED INTO CASHIERING MODE **
User: DOE, JOHN
                   BUSINESS OFFICE 6-APR-2009 10:00 AM
DCP Debt Collection Process
SPM Debt Collection Site Parameters
RPM Restricted Payers Maintenance
DCI
     View Debt Collection Site Parameters
REP
      Reports ...
```

### Restricted Payers (cont'd)

### Restricted Payers (cont'd)

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
          Restricted Payers Maintenance
             GALLUP MED C
         ** LOGGED INTO CASHIERING MODE **
    User: ALLISON, LOREN C
                     BUSINESS OFFICE
  6-APR-2009 10:05 AM
Select A/R SITE PARAMETER/IHS RPMS SITE:
  IHS FACILITY NAME
Select A/R Account to Restrict Transmission: (ENTER A/R ACCOUNT NAME)
```

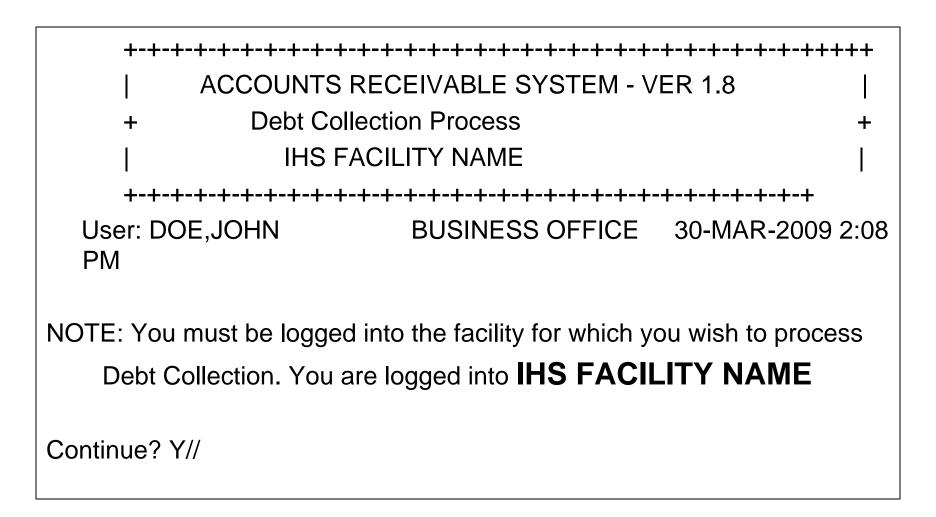
### Restricted Payers (cont'd)

A/R Account: (A/R ACCOUNT NAME)

STATUS: RESTRICT TRANSMISSION TO TSI//

- Enter "1" to restrict payer (restrict transmission to TSI)
- Enter "0" to allow transmission to TSI

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
            Debt Collection Menu
             IHS FACILITY NAME
        ** LOGGED INTO CASHIERING MODE **
   User: DOE, JOHN
                  BUSINESS OFFICE 30-MAR-2009 2:02 PM
DCP Debt Collection Process
SPM Debt Collection Site Parameters
RPM
     Restricted Payers Maintenance
DCI
    View Debt Collection Site Parameters
REP
    Reports ...
```



```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
               Debt Collection Process
                                                    +
                 IHS FACILITY NAME
  User: DOE, JOHN BUSINESS OFFICE 30-MAR-2009 2:11
   PM
The last chosen 3P Approval date range was...
Starting Date: XXX XX, XXXX
Ending Date: XXX XX,XXXX@XX:XX
Select 3P Approval date range for this Debt Collection process...
Select Beginning Date:
Select Ending Date:
```

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
             Debt Collection Process
                IHS FACILITY NAME
     User: DOE, JOHN
                    BUSINESS OFFICE 30-MAR-2009 2:11 PM
Start Date: XX/XX/XXXX (Prior End Date)
End Date: XX/XX/XXXX (T-90 days)
$$ Limit: 50.00
Do you want to proceed? N//YES
... Pass 1-Finding bills on which to stop collections...'
XX bills FOUND on which to STOP collections!
...Pass 2-Finding bills on which to START collections!
XX bills FOUND on which to START collections!
Creating and sending files...
File was sent successfully
File bar-stop-ins-12345-1234-12.dat sent.
```

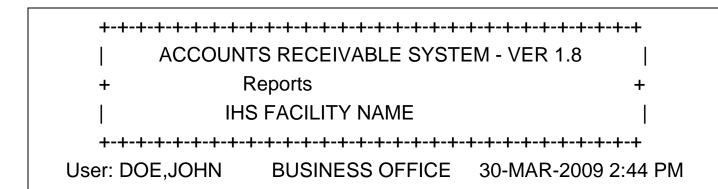
- When the debt collection process is complete a notification of the transmission is sent via email to Mike Buske and Michael Chadwick at OIT.
  - "Today the system extracted XX bill stopped records. There are XX bill start records to report. Please complete transmission. Thank you"
  - A return email is received from Mike Buske stating "confirmed received"
  - Michael Chadwick (OIT) manages the relay server.
    - Each facility has access to the relay server for file confirmation
    - http://www.asdstgw.d1.na.ihs.gov

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
               Debt Collection Menu
                 GALLUP MED C
           ** LOGGED INTO CASHIERING MODE **
  User: ALLISON,LOREN C BUSINESS OFFICE 30-MAR-2009 2:29 PM
      Debt Collection Process
 DCP
 SPM Debt Collection Site Parameters
 RPM Restricted Payers Maintenance
 DCI View Debt Collection Site Parameters
 REP
           Reports ...
Select Debt Collection Menu Option:
```

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
                   Reports
                 IHS FACILITY NAME
  User: DOE, JOHN BUSINESS OFFICE 30-MAR-2009 2:44
  PM
      Debt Collection Log Report
        Debt Collection Payment Report
 BIR
      Bill Inquiry
Select Reports Option:
```

```
ACCOUNTS RECEIVABLE SYSTEM - VER 1.8
          Debt Collection Log Report
             IHS FACILITY NAME
    BUSINESS OFFICE 30-MAR-2009 2:46 PM
 User: DOE, JOHN
Enter Transmission Date Range...
Select Beginning Date: XX/XX/XXXX (XXX XX, XXXX)
Select Ending Date: XX/XX/XXXX (XXX XX,XXXX)
Output DEVICE: HOME//
```

DEBT COLLECTION LOG				
Run Date: XXX XX, XXXX@XX:XX	Date the DCP Was Run		Page: 38	
DATE SENT AR BILL ACTION CODE	DOS	AR BA	LANCE	
A/R Account: ZENITH ADMINISTRATORS				
03/27/2009 4428259A-GL-123456	10/04/2008 0.00	CANC	CANCEL	
03/27/2009 4504545A-GL-654321	11/02/2008	124.00	STARTS	
03/27/2009 4504545B-GL-123215	11/02/2008	177.69	STARTS	
03/27/2009 4530171A-GL-01010	11/06/2008	97.00	STOP	
03/27/2009 4527932A-GL-987654	11/06/2008	177.69	STARTS	
576.38 (5) Total Amount (# of claims)			claims)	
68588.44 (308) Grand Total (# of all claims)				



#### LOG Debt Collection Log Report

#### DCPR Debt Collection Payment Report

This option allows you to view payment information on transmitted claims from a specific date range-great

for fiscal year comparisons

#### BIR Bill Inquiry

This option allows you to check the inquiry of a claim

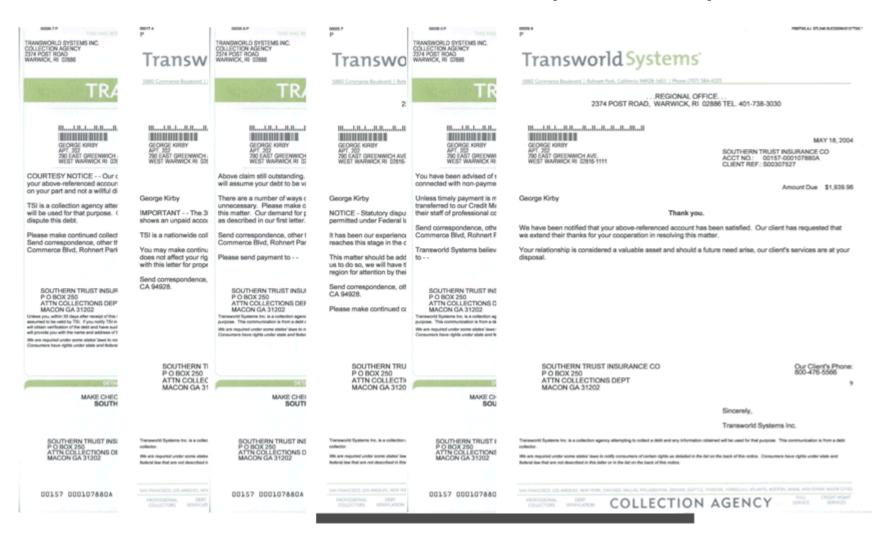
#### Overview of the Whole Debt Collection Process

A file of START and STOP files are generated and that file is bundled and transmitted to the relay server.

That file is dropped into a unique account for your facility on the relay server and scanned for data files. The file is encrypted and relayed to Transworld Systems Inc. When the file has been relayed, a record of the transmission shows up on the IHS relay server website: http://asdstgw.d1.na.ihs.gov

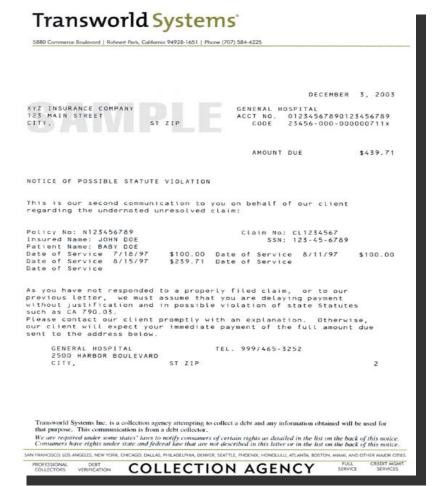
TSI notified via electronic transaction to send payer 1<sup>st</sup> letter

### Transworld Systems Inc. Written Demand Letters (Non Bens)



### Transworld Systems Inc. Written Demand Letters (Third Party)





### Overview of the Whole Debt Collection Process (cont'd)

response, TSI sends 2nd, 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup> letter until response is received. (Letters increasing in urgency)

Service units post accounts in AR as payments and/or denials received

Service unit review reports in AR V1.8 and sent by TSI to verify accounts processed and collection rate

### What Happens Afterwards

- After the debt collection processed has been initiated prepare for inbound activity from third party payers.
  - (i.e. Written correspondence and telephone calls)
  - IHS claim number is the same for the Transworld account number, so the health record is easily identified in RPMS
    - Transworld will not use the same account number twice for debt collection process
  - Valid correspondence is received for follow up . A valid close out is a now a true contractual adjustment write off
  - Voucher Examiner has access to Transworld website to review claim transmissions and progress.
- If correspondence is sent prematurely, often times a payment is being batched pending posting.
- Top 5 Responses from third party payers:
  - Payment
  - Valid denial
  - Claim still in processing
  - No claim on file (please resubmit)
  - Claim incomplete (invalid coding/billing)

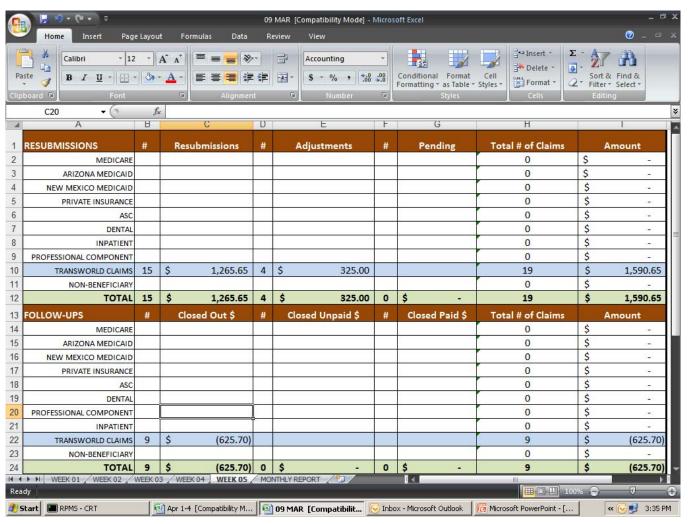
### What Happens Afterwards

- Internal control policy-collection staff have to be up to date with the follow up of outstanding claims
  - If paid batches and zero paid batches are up to date, this will reflect a true and accurate status of outstanding accounts on the aging summary
- Monitoring the aging summary effectively decreases the 90-120, and 120+ account category
  - Cancelled Bills Report (CXL)-Claims with a cancelled status in third party with an open balance in A/R
    - POS accounts will show up on this report due to restock of medication
  - Aged Open Items Report (AOI)-lists all outstanding balances for all payers

### What Happens Afterwards

- Collection Staff enter messages into AR referring to third party correspondence. This is very pertinent to the collection department.
  - The debt collection module will automatically post a message in A/R stating that claim has been sent to Transworld for collection.
- Internal Excel spreadsheet of manual tracking for Transworld claims utilized by the collection staff.

### **Tracking Spreadsheet - GIMC**



### **Key Learning and Advantages**

- Learning translates into opportunities for improvement
  - How to manage the volume of outstanding claims
  - Timing of written demands
    - Facility specific intervals
  - Collection staff have a good communication with the billing and A/R staff
- Initiate internal process to keep up with claim responses
- Streamlines the A/R posting for private insurance
- Follow up on zero paid batches results in a true projection of outstanding claims.
- UFMS Requirements
  - Money deposited but no EOB or remittance received (service unit cannot use any of the money until batched and posted)

# Key Learning and Advantages (cont'd)

The debt collection process improves the daily process:

- Payments and benefits are received in a faster turnaround time which greatly reduces the ASM report.
- Indian Health Service facilities maximize their results before unpaid claims reach the 60-90 days in the aging summary (depending on the minimum age parameter)
- Third party insurance companies give a faster response from debt letter, they do not want to be sent to a collection agency.
- Follow up When A/R receives responses from third party payers, claims are immediately adjudicated in A/R. If not, this could result in sending claims out again.
- Stay informed of what claims you are sending out, keep a log of the responses compared to outstanding claims.

# Key Learning and Advantages (cont'd)

- Parameters More time to focus on claims that are not being sent to Transworld. Everything must be worked, no matter the amount.
- Training Collections, A/R, billing and coding
- The debt collection module helps:
  - Increase revenue which is our #1 goal
  - Eliminates and decreases the ASM
  - Creates a relationship with insurance companies, which helps break down barriers
  - To be compliant with the UFMS policy and third party internal controls policy
  - To be able to pull the smallest 120+ age summary report ever!

### **Questions and Answers**