Building Sustainability for family planning programs

Tasmeen Weik, DrPH, MPH
Health Scientist

Office of Population Affairs
Agenda

- Framework for sustainability of family planning centers

- Tools to consider sustainability
ACA: What it means for Family Planning

Health insurance marketplace
- Greater number of insured clients
  - Potential for increased revenue
- Clients need to see providers in their network
- Centers need to contract with private health plans

Investments in Health IT
- More focus on electronic data transmission (claims processing)
- Greater demand for information on patient care quality
- Centers need to invest in Electronic Health Records and information systems

Medicaid Expansions
- Potential for increased Medicaid Revenue
- Clients need to be enrolled
- Centers need to help enroll clients

Essential Health Benefits
- No Cost Sharing Preventive Services
- Clients will have better access to preventive services
- Clients want a usual source of care
- Service sites need to consider expanding services or partnering with primary care

ACA: Medicaid Expansions
- Potential for increased Medicaid Revenue
- Clients need to be enrolled
- Centers need to help enroll clients
Where do we need to go?
Where do we need to go?
Sustainability Assessment

- Service site tool--health center level
  - Enrollment activities
  - Primary care
  - EHR system
  - Quality monitoring and Improvement
  - Revenue
    - Gross collection
    - Average days in account receivable
    - claims denial
  - Contracting with health plans
  - Cost analysis
Financial Dashboard

- Provides at a glance views of Key Performance Indicators (KPI)
  - Benchmark—standard or set of standards used as a point of reference for evaluating performance.
    - May be set by an organization or historical experiences
  - KPI's
    - Gross collection rate
    - Accounts Receivable (A/R) Aging
    - Days in Accounts Receivable (A/R)
    - Utilization
    - Payer Mix
    - Net Program Revenue
    - Months of Cash on Hand

Financial Dashboard--KPI

• **Gross Collection Rate**
  - Percentage of total charges is collectable with respect to insurance contracts and patient mix.
  - Over time should be between 40-60%
    - Below 40%—problem with collection process
    - Over 75%—prices too low
  - Does not account for contractual allowances (difference between what’s billed and negotiated payment)
Financial Dashboard-KPI

- **Utilization**
  - Reflects how busy the clinic is.
  - Number of unduplicated patients
  - Utilization should be tracked over time.
  - Benchmarks vary by site (strategic planning)
Financial Dashboard---KPI

- **Payer Mix**
  - Can be calculated using revenue, unduplicated patient numbers, encounter numbers
  - Diverse mix is desirable.
  - Benchmark considerations:
    - Medicaid eligibility as determined by patient financial demographic data
    - Revenue goals necessary to meet program expenses
    - Implementation of Medicaid expansion/securing commercial insurance contracts
    - Ability/funding to subsidize sliding fee patients

Financial Dashboard--KPI

- **Net Program Revenue (compared to budget)**
  - Total revenue from program less all program specific expenses
  - Compare net program revenue to budget
    - Occasional variability expected, perpetual variance may indicate financial instability
    - Acceptable tolerance level +/- 5-10%

Title X NTC
Resources Currently Available

- Available national training:
  - Clinical training (including LARC specific training)
  - Cost Analysis
  - Revenue cycle management (including contracting)
  - 3-unit Coding e-learning
  - Outreach and enrollment resources
    - 5 things providers should know
    - Onsite enrollment resources
    - Podcasts
    - Print ready flyer
    - Front desk enrollment job aid

- Coming soon:
  - Dashboards
Questions?
Comments?