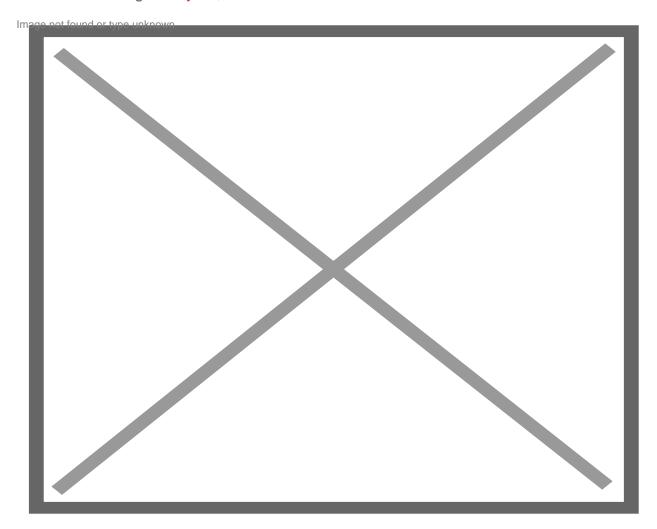
Poor Billing Practices at Schneider Hospital Exacerbates Revenue Problem

Delayed invoicing and inefficient collections have left Schneider Regional Medical Center with millions in outstanding patient receivables, prompting calls for urgent reforms to address financial shortfalls

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The Schneider Regional Medical Center is facing a challenge common to local health facilities: collecting bill payments from patients following medical treatment. Part of the problem, however, often lies with the hospital's failure to issue invoices promptly.

"We have a lot of work to do to improve our billing and collecting," SRMC's Chief Executive Officer Tina Commissiong told members of the Senate Committee on Budget, Appropriations and

Finance last week. Outstanding patient receivables as of May 31 amount to \$12 million, including insurance and patient payments. "The \$12 million represents charges, [but] the expected collection is probably more like \$7 million," clarified Jordan Wathen, SRMC's Senior Vice President of Financial Services.

Ms. Commissiong was grilled by Senator Samuel Carrion who – speaking from personal experience – wondered why "sometimes it takes maybe one or two years for a patient to receive their billing." Though explaining that dealing with insurance companies could impede the timeliness of bills, Ms. Commissiong conceded that "there's no reason that a patient should be getting a bill for the first time a year to two years later." A more reasonable timeframe, she said, is 3 to 6 months.

"We're going to be working hard to continue to drive revenue," the CEO promised. Mr. Carrion noted that slow revenue collection would inevitably cause a lag in vendor payments, which then "affects your overall budget." It's a matter that he says requires immediate attention. "There has to be an aggressive approach and a strategy," he offered.

With patients regularly ignoring their bills, the hospital continues to absorb eye watering sums when it comes to uncompensated care, anticipating \$44 million in the upcoming fiscal year alone. The medical facility's management is asking the government to fill that gap. In the interim, Ms. Commissiong says her team is being upskilled and is developing systems to ensure bills are posted "as soon as the patient is discharged." Even in instances where patients are willing to pay, SRMC's management admits that some never actually receive their bills.

Challenges with self-pay were a point of contention for committee chair Senator Donna Frett-Gregory as well. With everyone entitled to medical care regardless of their ability to pay, "it's a hard conversation to have before the person [receives] care," noted Ms. Commissiong. Still, Ms. Frett-Gregory questioned whether SRMC was actively encouraging patients and clients to pay at least nominal amounts — \$25 or \$50 — at the counter before leaving the emergency room. It's something that SRMC officials say they plan to consider. "We need the public to understand and be sensitive to the fact that it's not just free care," Ms. Commissiong said. Appealing directly to residents, she continued, "you do need to pay something on your way out after you've been treated."

Signage and the physical presence of a cashier at the exit would cause "people to at least go in their pocket and give whatever they have or pull out a credit card," proposed Ms. Frett-Gregory. She again begged Ms. Commissiong to change the current system, as right now it "doesn't help to trigger the conscience to make some sort of a payment...You may not collect all of it, but there's an opportunity for you to see your revenues increase based on how you treat that particular part of the hospital's operations," the lawmaker noted.

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