

Addressing COVID-19's Impact on Health Centers' Finance and Operations and Response Planning for Future COVID-19 Outbreaks and Other Emergencies

Session 1: Revenue Issues



March 24, 2022

Housekeeping

- All participants muted upon entry
- Cameras on (if possible)
- Engage in chat
- Participate in Poll Questions on Mentimeter
- Raise hand if you would like to unmute
- Session is being recorded
- Slides and recording link will be sent via email within a week after session



National Center for Health in Public Housing

- The National Center for Health in Public Housing (NCHPH), a project of North American Management, is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) under grant number U30CS09734, a National Training and Technical Assistance Partner (NTTAP) for \$2,006,400, and is 100% financed by this grant. This information or content and conclusions are those of the author and should not be construed as the official position or policy of, nor should any endorsements be inferred by HRSA, HHS or the U.S. Government.
- The mission of the National Center for Health in Public Housing (NCHPH) is to strengthen the capacity of federally funded Public Housing Primary Care (PHPC) health centers and other health center grantees by providing training and a range of technical assistance.



Panelists



Bob Burns, MPA
Project Director, NCHPH



Mr. David Wagner MURP,
MHCM, CPME
Management Consultant,
FQHC Consultants

Menti Icebreaker Question

- Where are you joining us from?

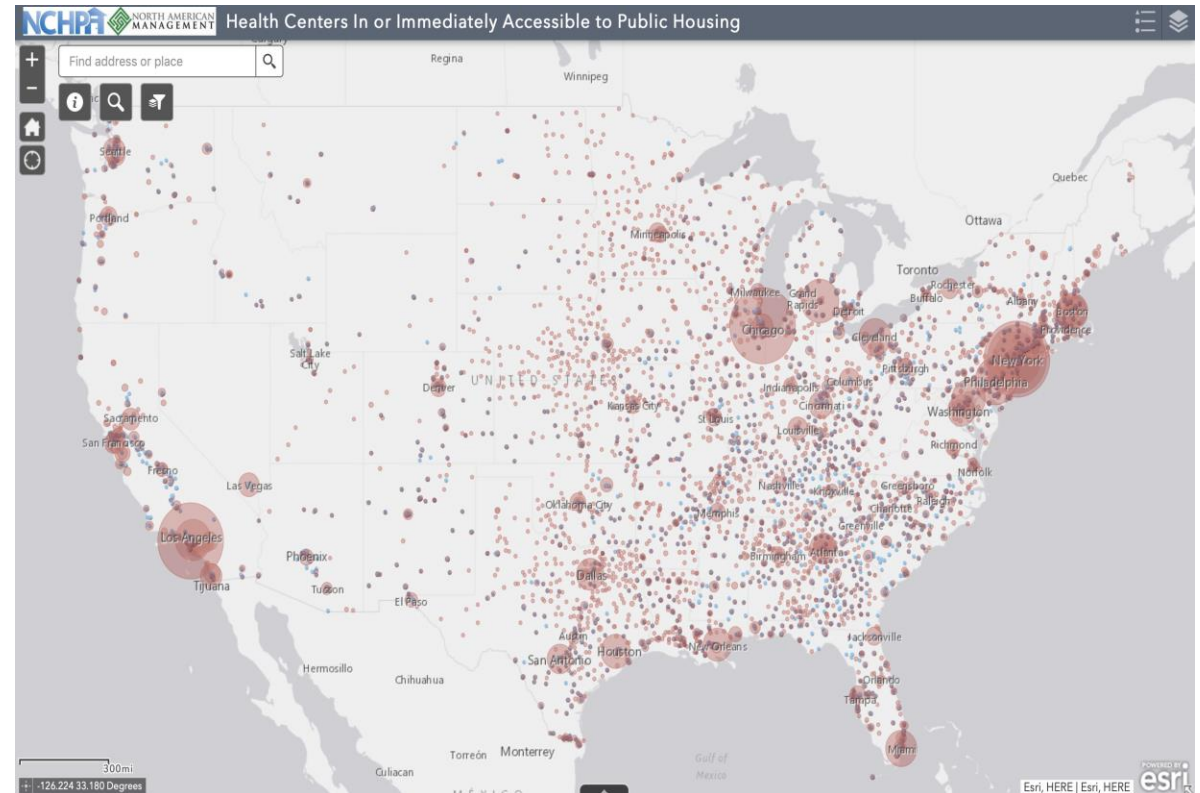
Agenda

- NCHPH Introduction
- Presentation on Revenue Issues
- Q & A



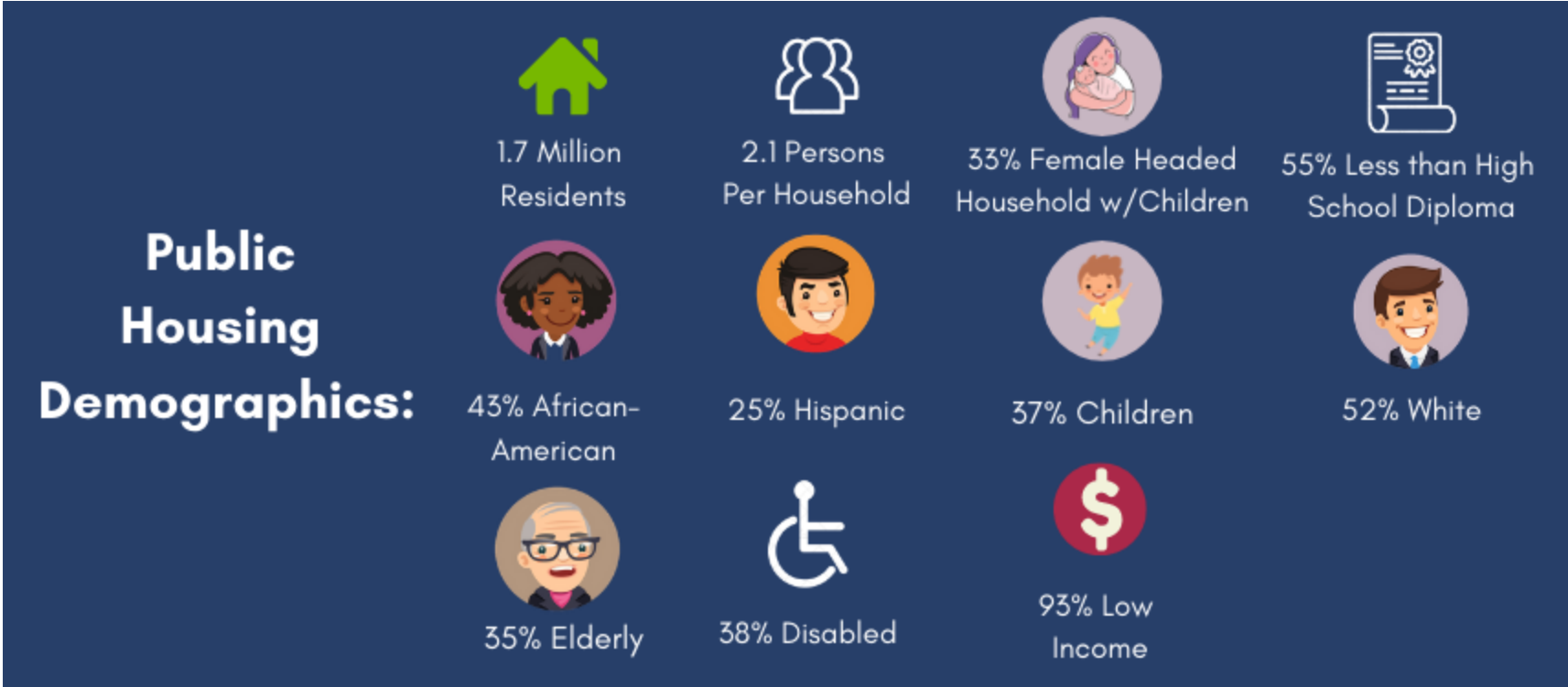
Health Centers close to Public Housing

- 1,375 Federally Qualified Health Centers (FQHC) = 28.5 million patients
- 435 FQHCs In or Immediately Accessible to Public Housing = 5.1 million patients
- 107 Public Housing Primary Care (PHPC) = 866,851 patients



Source: [2020 National Health Center Data](#)

Public Housing Demographics



Source: HUD

Addressing COVID-19's Impact on Health
Centers' Finance and Operations:
Revenue Issues



Menti Question 1

- When did COVID-19 cause you to abruptly alter your operations?

What Will We Explore In This Series?

- ▶ Survey the effects of COVID-19 on Finance, Operations, and Staffing in FQHCs and RHCs
- ▶ Identify factors experienced by member health center
- ▶ Formulate a response plan to any future COVID-19 outbreaks and other emergencies

Menti Question 2

- ▶ When did you have the most significant operational impact

Menti Question 3 & 4

- ▶ When was the most significant downturn in your operation due to the pandemic?
 - ▶ What was the most significant impact you experienced
- (Both open ended questions)

Take-Aways for This Series...

- ▶ I will understand how COVID-19 affected health centers across finance, operations, and staffing.
- ▶ I will know how to identify the impacts of COVID-19 in these areas on my health center
- ▶ I will start to formulate a response plan so my health center can weather a future COVID-19 outbreak and other emergencies



Menti Question 5

- ▶ State in a 1 word example on what the adjustments were. May enter up to 3 words.

What Will We Explore In Today's Session?

Revenue Issues

- ▶ Survey the effects of COVID-19 on revenue in FQHCs and RHCs
- ▶ Identify factors experienced by member health center
- ▶ Formulate a response plan to any future COVID-19 outbreaks and other emergencies



Menti question 6

- ▶ What revenue sources were most negatively impacted by the pandemic

What Take-Aways Will I have today?

Revenue Issues

- ▶ I will understand how COVID-19 affected health center revenues
- ▶ I will know how to identify the revenue impacts of COVID-19 in on my health center
- ▶ I will start to formulate the revenue section of my response plan so my health center can weather a future COVID-19 outbreak and other emergencies



Revenue General Definition

Merriam-Webster defines income as

“1: the total income produced by a given source”



Revenue HRSA Definition

Part 1: Patient Services Revenue

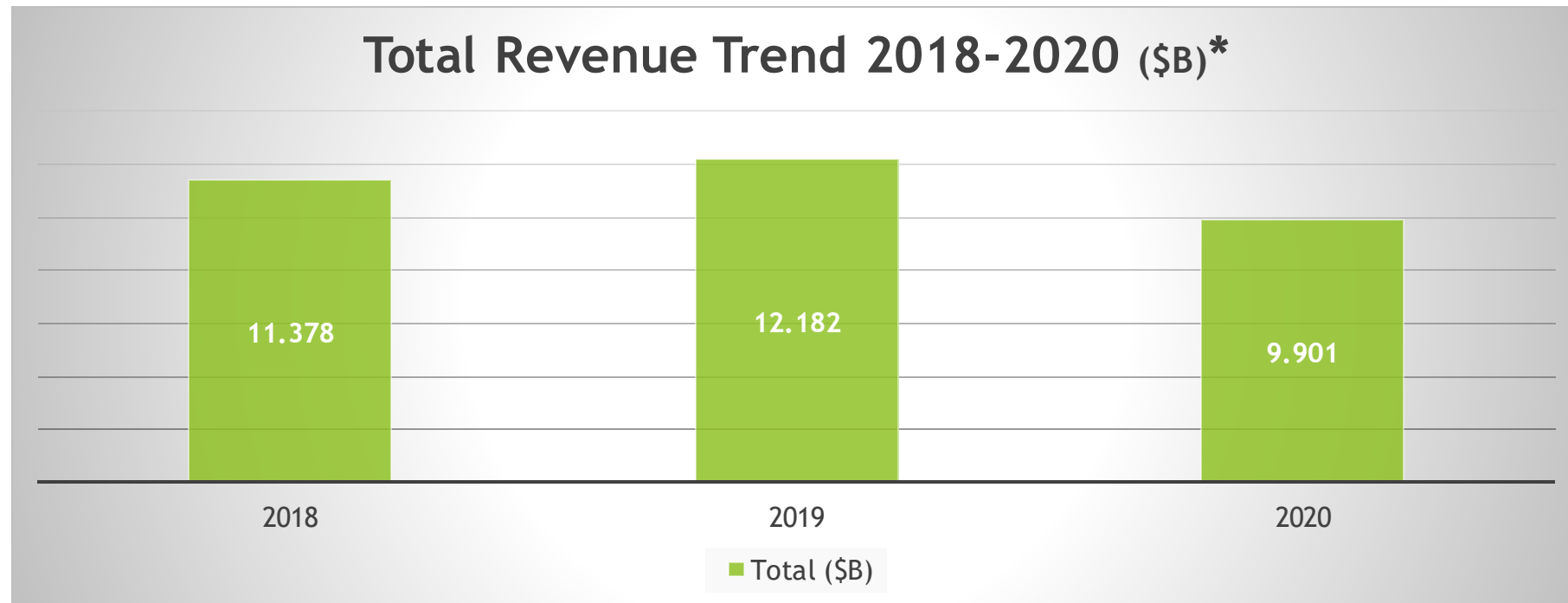
Medicare, Medicaid, Other Public, Private, Self-Pay

Part 2: Other Income

*Other Federal, State Government, Local Government,
Private Grants/Contracts, Contributions, Other,
Applicant (Retained Earnings)*



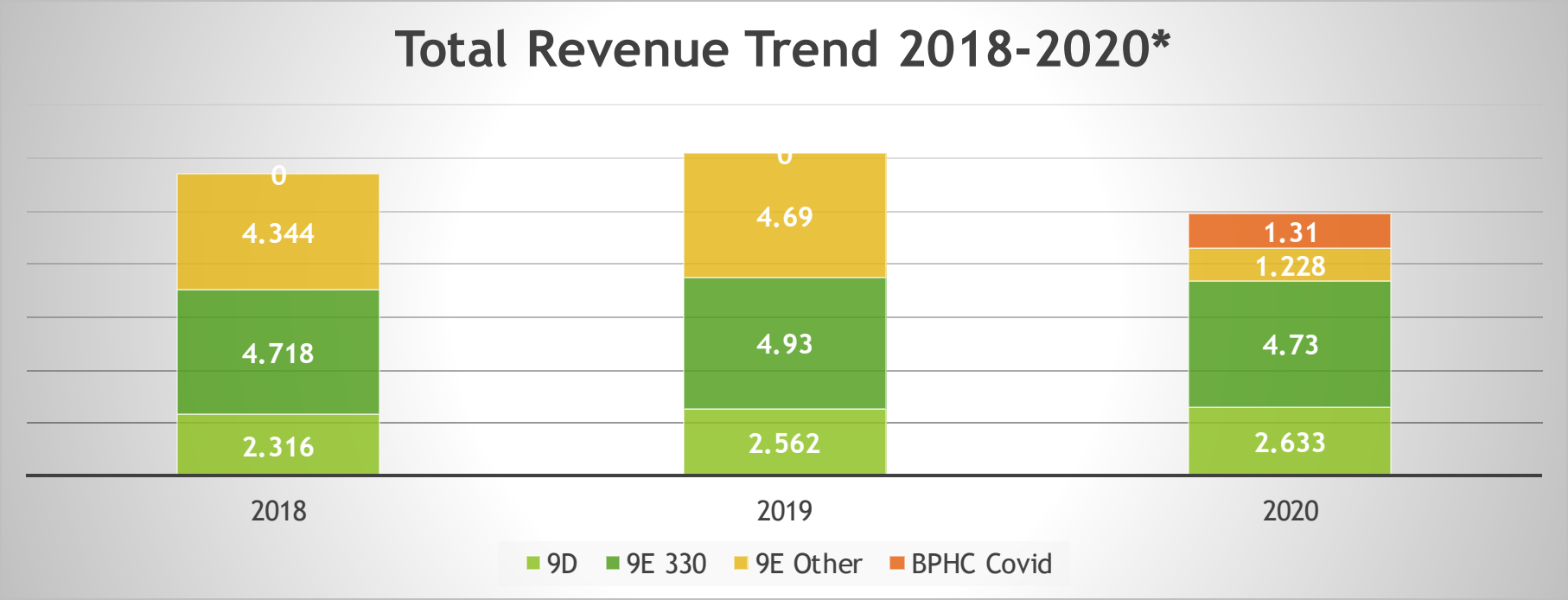
Total Revenue (\$B) Trends 2018-2020



[Data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9x&year=xxxx](https://data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9x&year=xxxx) 22

* NOTE: capital grants were removed from this analysis of Operating Revenue

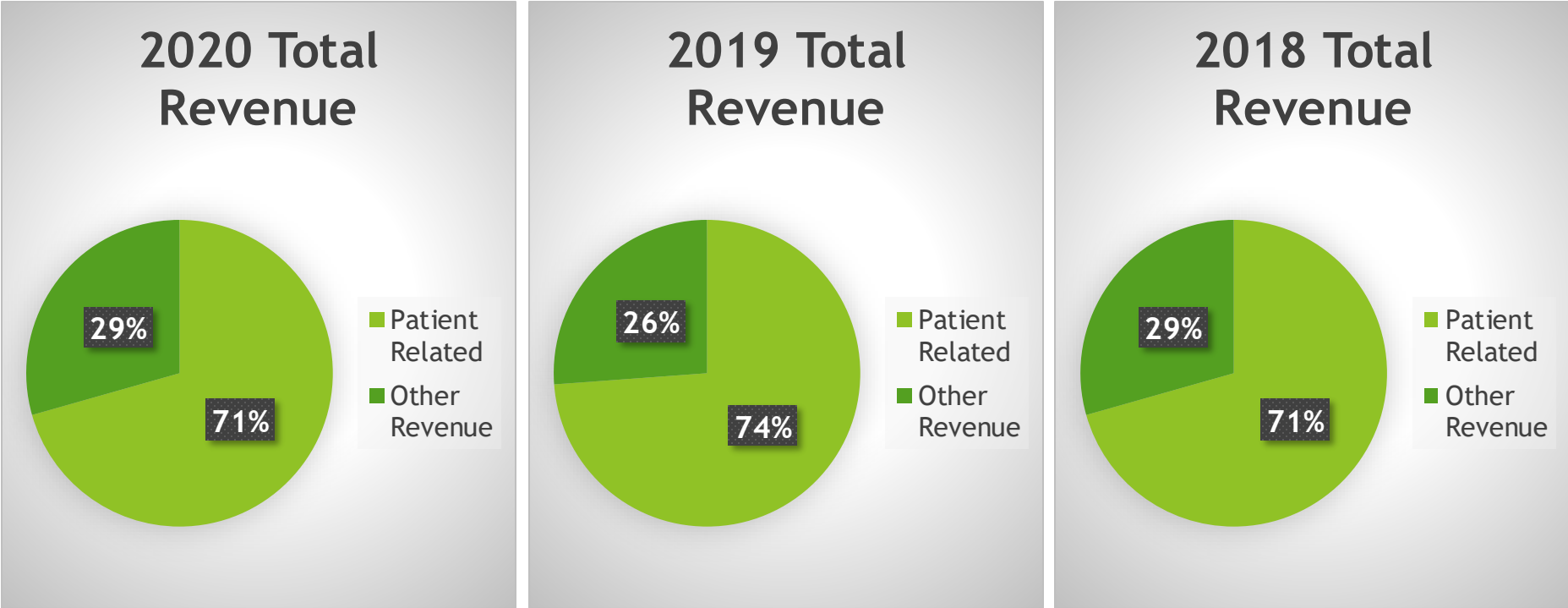
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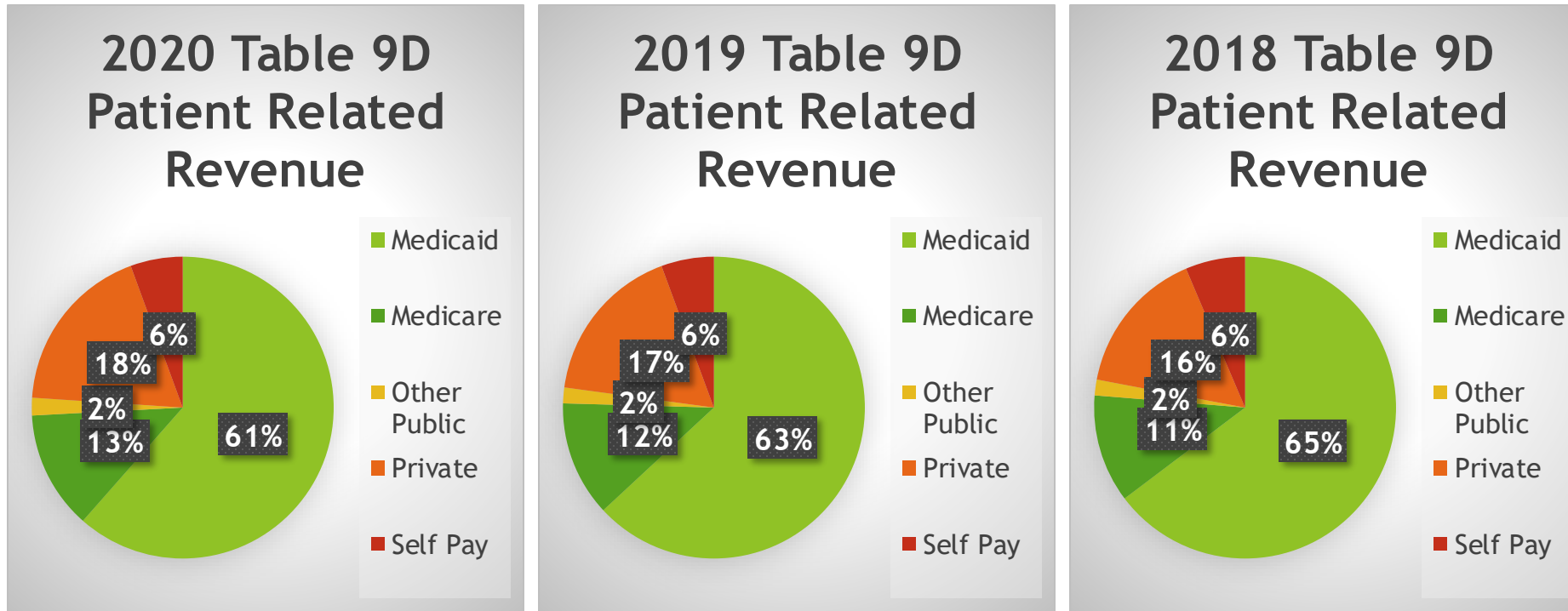
* NOTE: capital grants were removed from this analysis of Operating Revenue

Total Revenue % Trends 2018-2020



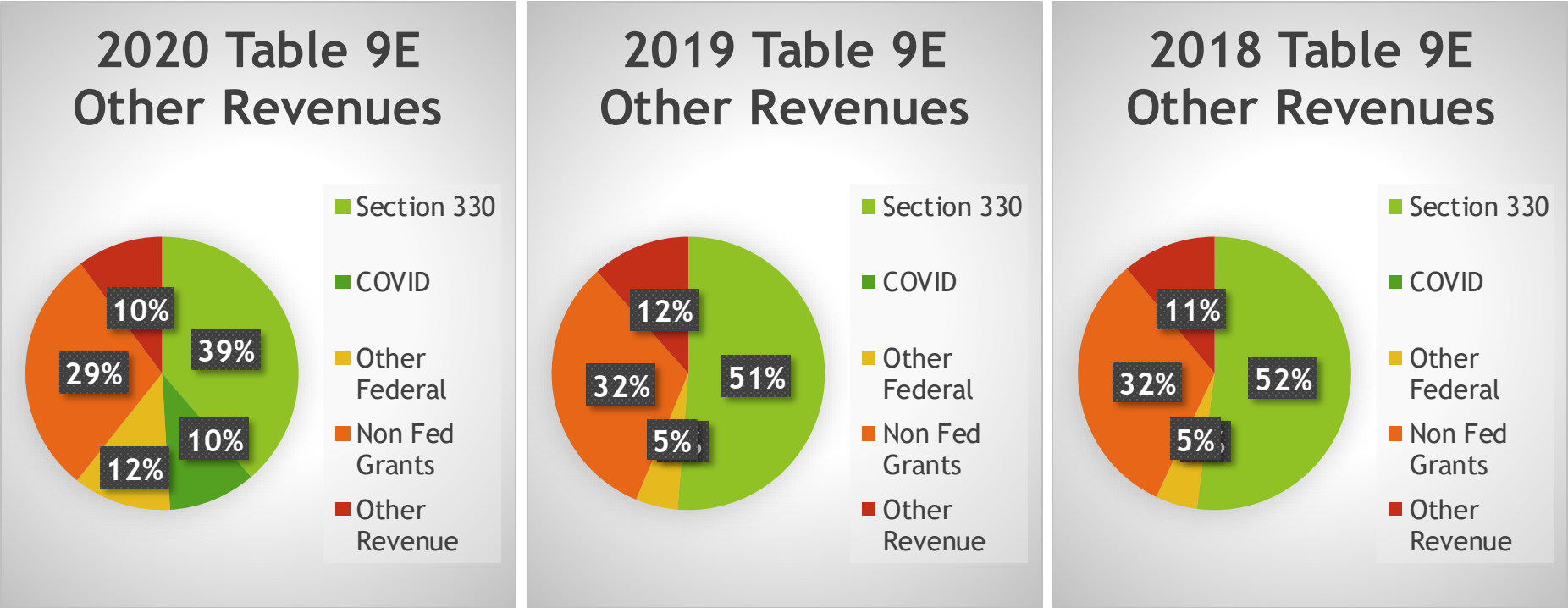
Data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9x&year=xxxx 24

Patient Related Revenue % Trends 2018-2020



[Data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9D&year=xxxx](https://data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9D&year=xxxx) 25

Other Revenues % Trends 2018-2020



Data.hrsa.gov/tools/data-reporting/program-data/national/table?tableName=9D&year=xxxx 26

Impacts of COVID on Health Center Revenues:

- ▶ Overall, Revenue Dropped
 - ▶ Dropped in Operating Sources
 - ▶ COVID Grants in 2020 helped some
 - ▶ COVID Grants did not replace lost revenue
- ▶ Types of visits changed
- ▶ Some services could not be delivered



CMS Telehealth Reimbursement

TYPE OF SERVICE	WHAT IS THE SERVICE?	HCPCS/CPT CODE	Patient Relationship with Provider
MEDICARE TELEHEALTH VISITS	A visit with a provider that uses telecommunication systems between a provider and a patient.	<p>Common telehealth services include:</p> <ul style="list-style-type: none"> • 99201-99215 (Office or other outpatient visits) • G0425-G0427 (Telehealth consultations, emergency department or initial inpatient) • G0406-G0408 (Follow-up inpatient telehealth consultations furnished to beneficiaries in hospitals or SNFs) <p>For a complete list: https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-Codes</p>	<p>For new* or established patients.</p> <p>*To the extent the 1135 waiver requires an established relationship, HHS will not conduct audits to ensure that such a prior relationship existed for claims submitted during this public health emergency</p>
VIRTUAL CHECK-IN	A brief (5-10 minutes) check in with your practitioner via telephone or other telecommunications device to decide whether an office visit or other service is needed. A remote evaluation of recorded video and/or images submitted by an established patient.	<ul style="list-style-type: none"> • HCPCS code G2012 • HCPCS code G2010 	For established patients.
E-VISITS	A communication between a patient and their provider through an online patient portal.	<ul style="list-style-type: none"> • 99421 • 99422 • 99423 • G2061 • G2062 • G2063 	For established patients.

Telehealth Visits

- ▶ The provider must use an interactive audio and video telecommunications system that permits real-time communication between the distant site and the patient at home.
 - ▶ NOTE: This is was allowable during the pandemic emergency under an 1135 waiver.



Virtual Check-Ins

- ▶ In all areas (not just rural), Medicare patients in their home may have a brief communication service with practitioners via a number of communication technology modalities including synchronous discussion over a telephone or exchange of information through video or image.



e-Visits

- ▶ In all types of locations including the patient's home, and in all areas (not just rural), Medicare patients may have non-face-to-face patient-initiated communications with their doctors without going to the doctor's office by using online patient portals.



Medicaid Telehealth Reimbursement

Current State Laws & Reimbursement Policies

Search by Filter Search by Keyword

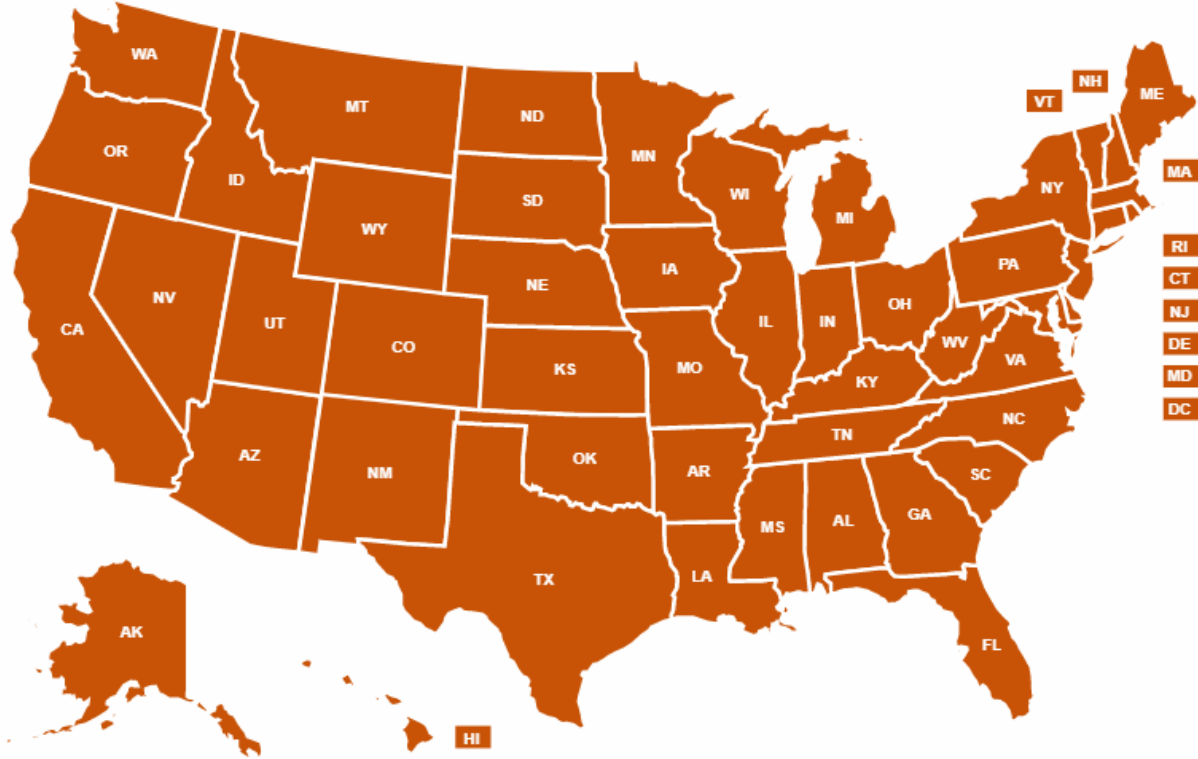
All 50 States & D.C.

Medicaid Telehealth Reimburs...

Medicaid: Live Video*

APPLY

Data Last Updated Feb 29, 2020



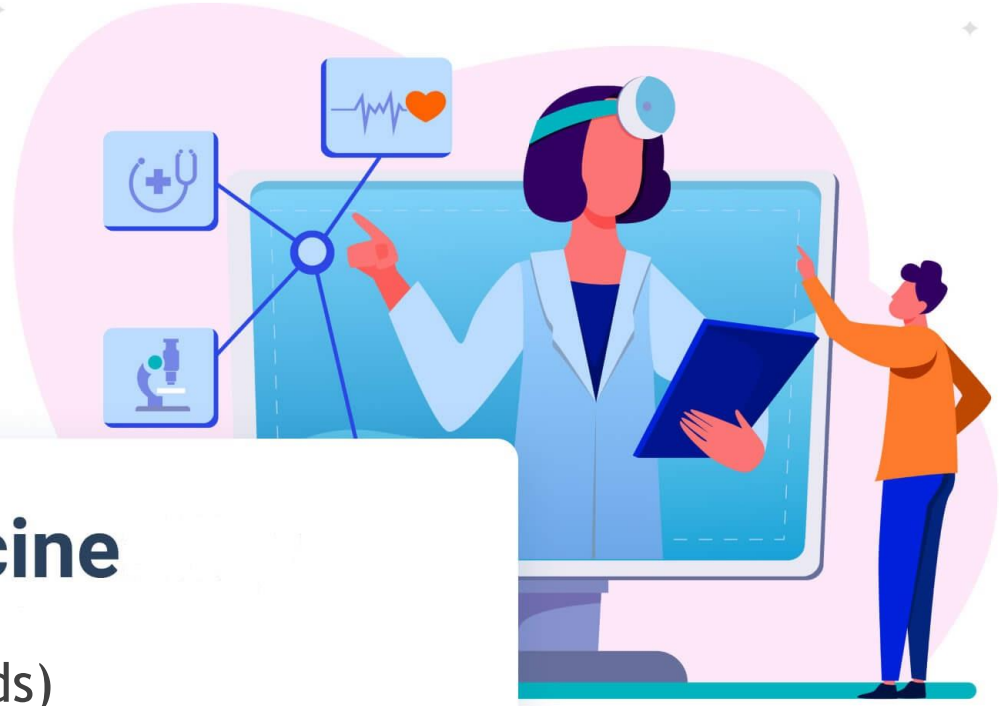
Policy Exists/Explicitly Allowed No Policy Exists or Not Explicitly Allowed

*Key applicable only to topics indicated with an asterisk in drop down menu.

Center for Connected Health Policy
<https://www.cchpca.org>

Cost Of Telemedicine

- ▶ Technology (Both Ends)
- ▶ Service Contracts
- ▶ Maintenance/Support
- ▶ Productivity/Patient Satisfaction



Measure, Monitor, Maneuver, Maintain

<i>System Rollup</i>	Month Actual	Month Budget	Month Prior Year	Current Month Projection	Month Variance From Budget**	Fiscal YTD Actual	Fiscal YTD Budget/ Goals	Month Pr Yr Fiscal YTD	Fiscal YTD Variance**
Encounters									
Medical	0	3067	0	0	(3067)	23014	30667	0	(7653)
Dental	0	108	0	0	(108)	547	1083	0	(536)
Behavioral Health	0	10	0	0	(10)	535	104	0	431
Revenue/Expenditures									
Net Revenue	\$ -	\$ 1,330,309.00		+	\$ (1,330,309.00)	\$ -	\$ 18,944,870.00	\$ -	#####
Labor Cost	\$ -	\$ 473,524.00		-	\$ (473,524.00)	\$ -	\$ 9,819,380.00	\$ -	\$ (9,819,380.00)
Direct Cost	\$ -	\$ 601,934.00		-	\$ (601,934.00)	\$ -	\$ 12,395,894.00	\$ -	#####
Net Operating Gain	\$ -	\$ 728,375.00		+	\$ (728,375.00)	\$ -	\$ 6,548,975.00	\$ -	\$ (6,548,975.00)
Operating Metrics									
FTE Count	0.00	0.00		-	0.00	0.00	0.00		0.00
Labor Cost per Visit	#DIV/0!	\$ 154.41		-	#DIV/0!	\$ -	\$ 320.20		\$ (320.20)
Operating Costs per Visit	#DIV/0!	\$ 196.28		-	#DIV/0!	\$ -	\$ 404.21		\$ (404.21)
Reimbursement/Visit	#DIV/0!	\$ 433.80				\$ -	\$ 617.77		
Accounts Receivable Metrics									
Days in A/R	128	45		-	83				
Collection Ratio	38%	50%		+	-12%				
Collectible Collx Ratio	73%	85%		+	-12%				
Days to Post	0.7	3		-	(2.3)				
Days to Bill	12	10		-	2				
Days to Adjudicate	22.4	30		-	(8)				
% A/R over 60	7%	7%		-	0%				
% A/R over 90	16%	23%		-	-7%				
% A/R over 120	47%	0%		-	47%				

What happened to your health center?

- ▶ Look at UDS Tables 5, 9D and 9E - Comparisons
 - ▶ By Month if Possible
 - ▶ Compare to Budget
 - ▶ Compare to Last Year
 - ▶ Compare to Nation
 - ▶ Compare to State/Local



What happened to your health center?

- ▶ Look at UDS Tables 5, 9D and 9E - Counts
 - ▶ Patient Visits
 - ▶ Specific Visit Types
 - ▶ Service Lines
 - ▶ Locations



What happened to your health center?

- ▶ Look at UDS Tables 5, 9D and 9E - Revenue/Efficiency
 - ▶ Visit Type / Revenue
 - ▶ Visit Type / Provider Time
 - ▶ Visit Type / Quality Measures
 - ▶ Visit Type / Clinical Outcome



What happened to your health center?

- ▶ Look at UDS Tables 5, 9D and 9E - Value Based Care
 - ▶ Utilization of Emergency Room
 - ▶ Diagnoses of ED Visits
 - ▶ Admissions
 - ▶ Diagnoses of Admissions



What happened to your health center?

- ▶ Look at UDS Tables 5, 9D and 9E - Variances
 - ▶ Trend - a movement over time in a particular direction (a trend can reverse and can be non-linear)
 - ▶ Shift - a sudden significant movement (can be part of a trend)

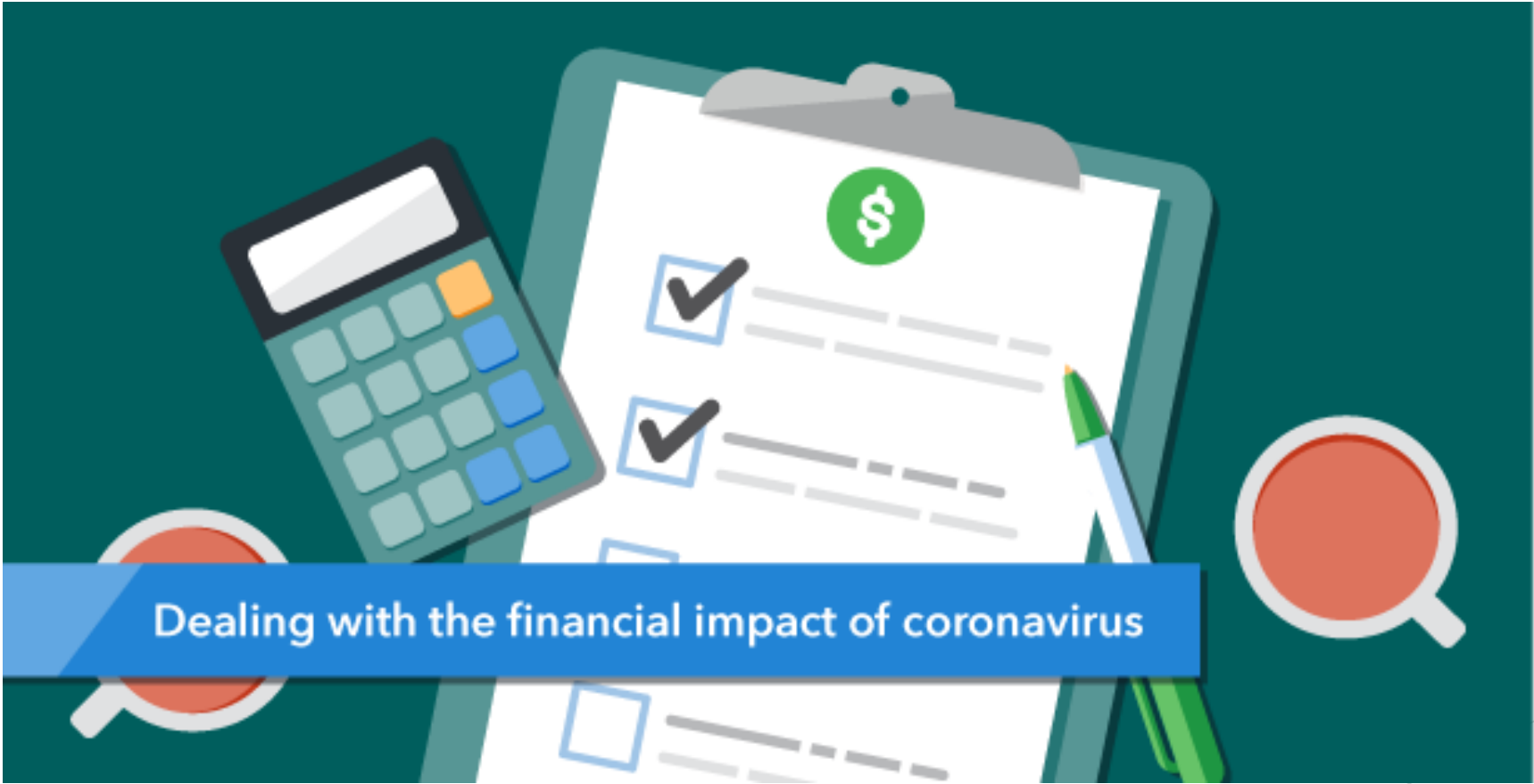


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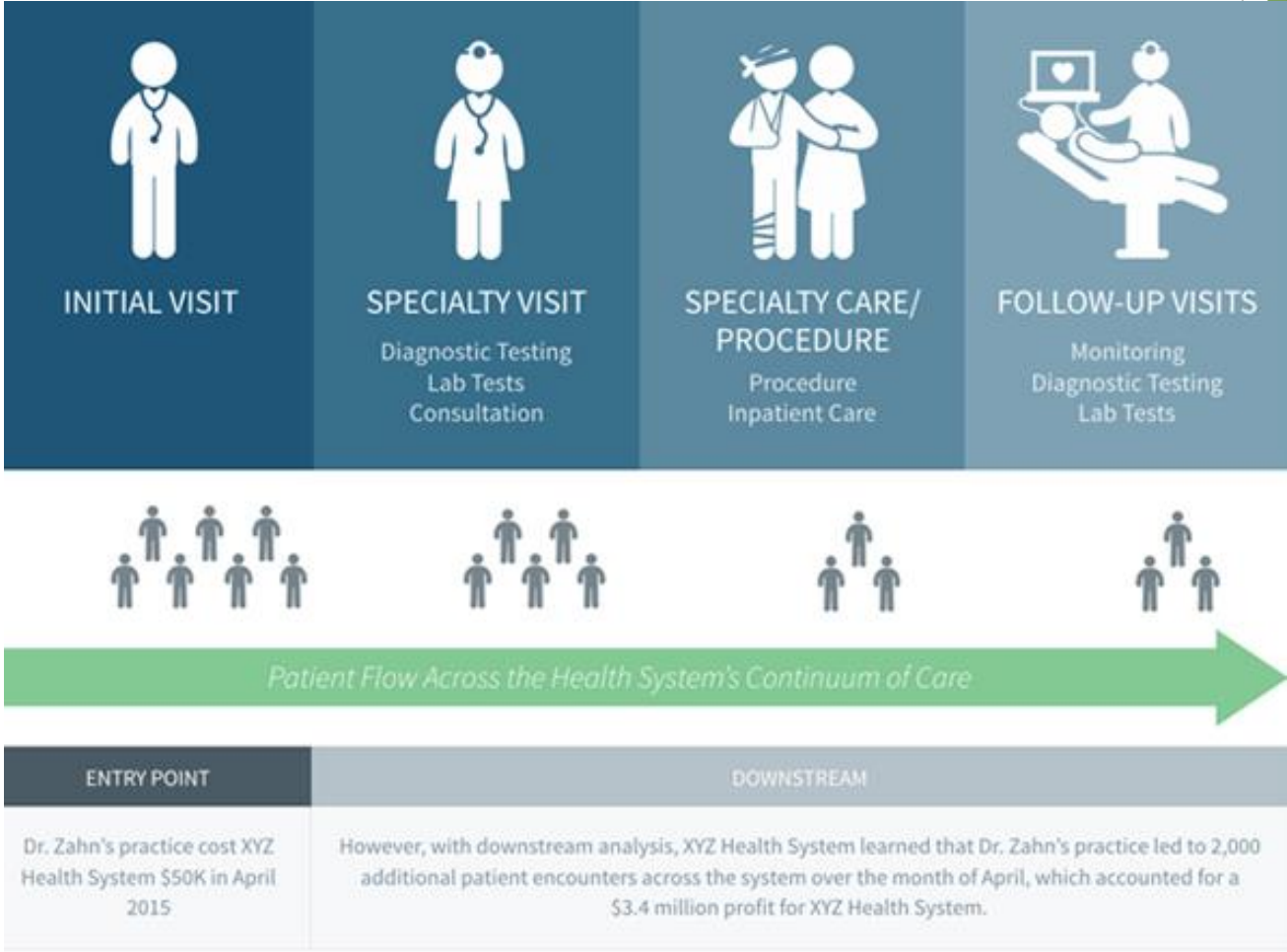


How to Prepare for The Next One..



Find Downstream Revenues

► Revenue that is realized due to having an active patient in addition to the activity being considered.



Find and Build Cash Reserves



- ▶ 180 days minimum
- ▶ Calculate using non-emergency numbers

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Get a Line of Credit



LINES OF CREDIT

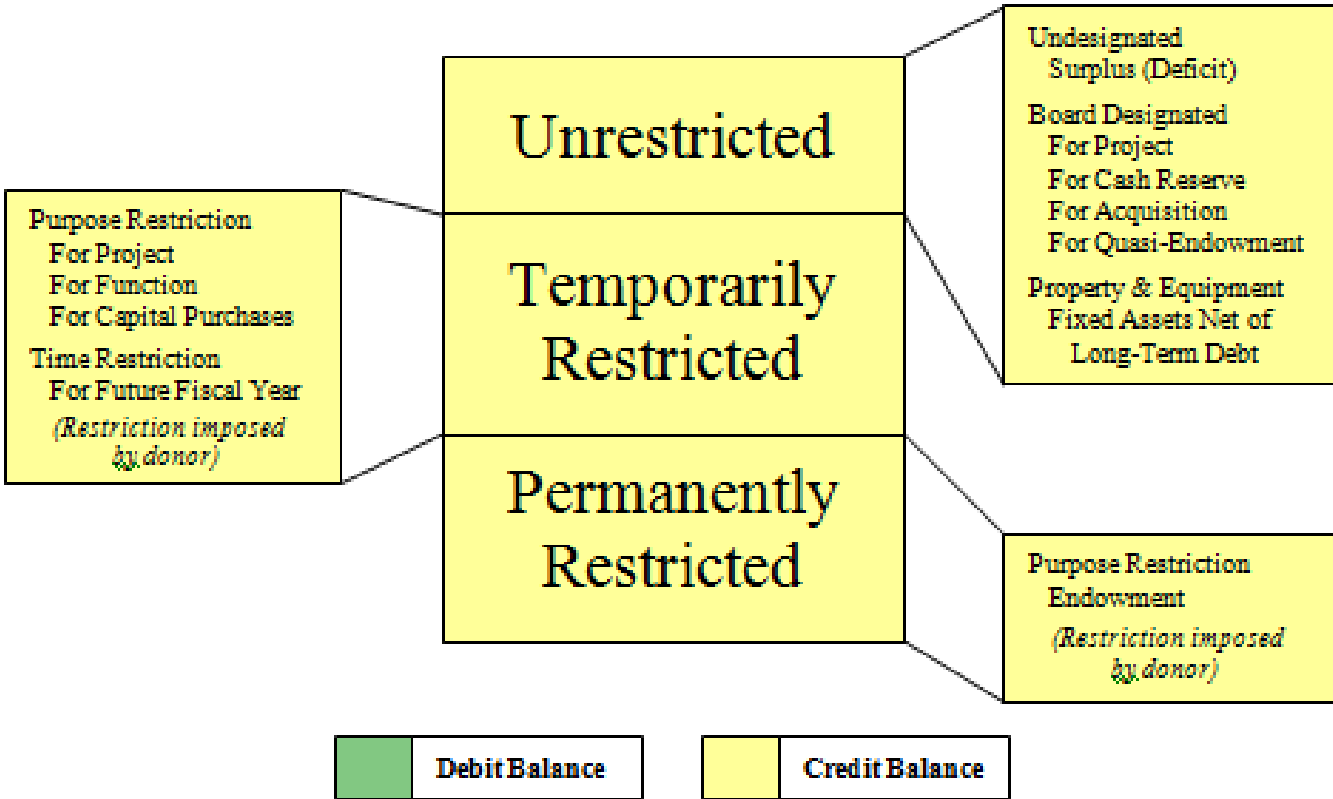
A business line of credit is a fixed amount of money, which can be accessed as needed to meet fluctuations in cash flow.

- ✔ Unlike a term loan, capital is available to withdraw as needed, instead of in a lump sum.
- ✔ A line of credit offers flexibility because interest is only paid on credit when it's accessed.
- ✔ Secured and unsecured lines of credit are available from both banks and non-bank lenders.

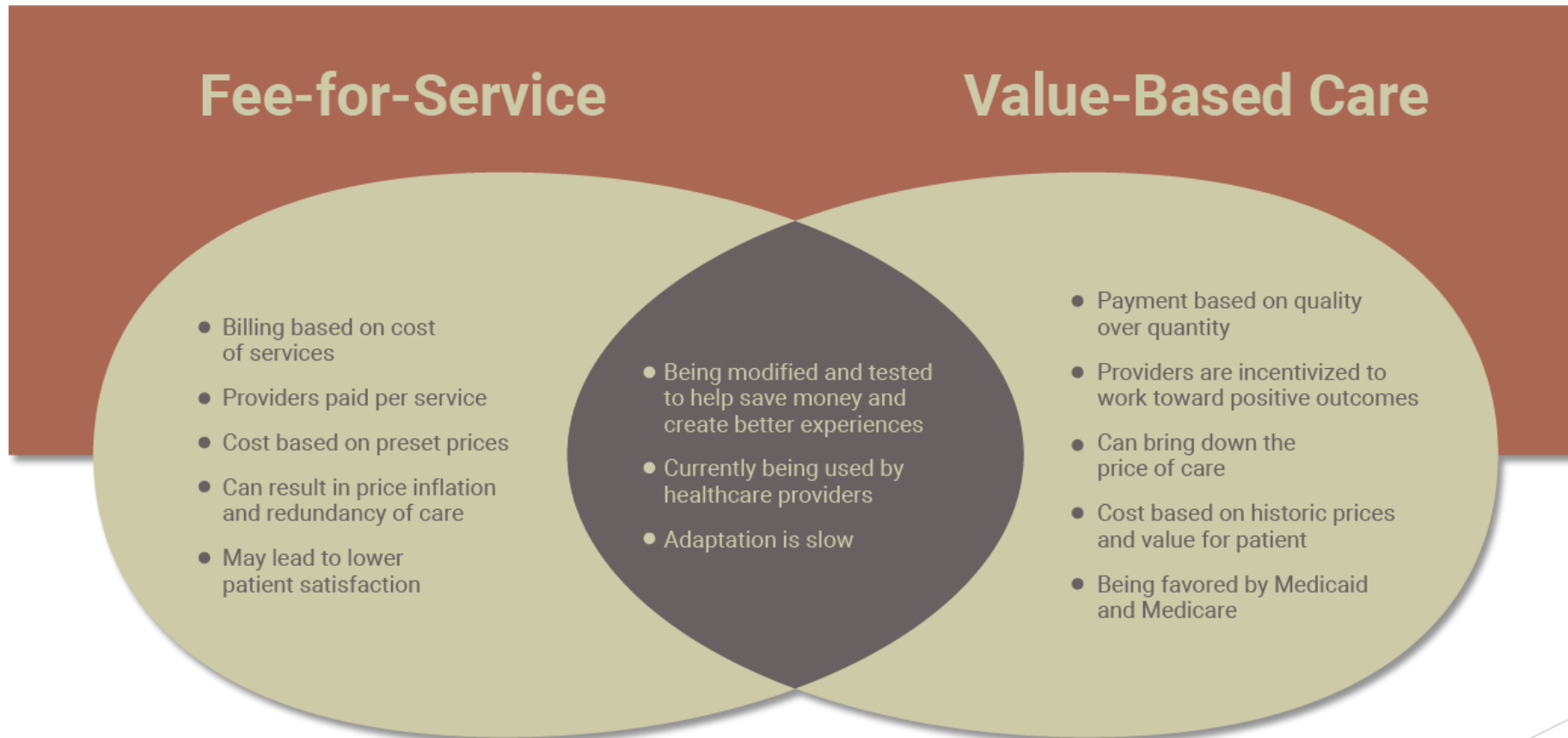
- ▶ Your Bank
- ▶ Non-Bank
- ▶ Donors

Free Up Restricted Assets

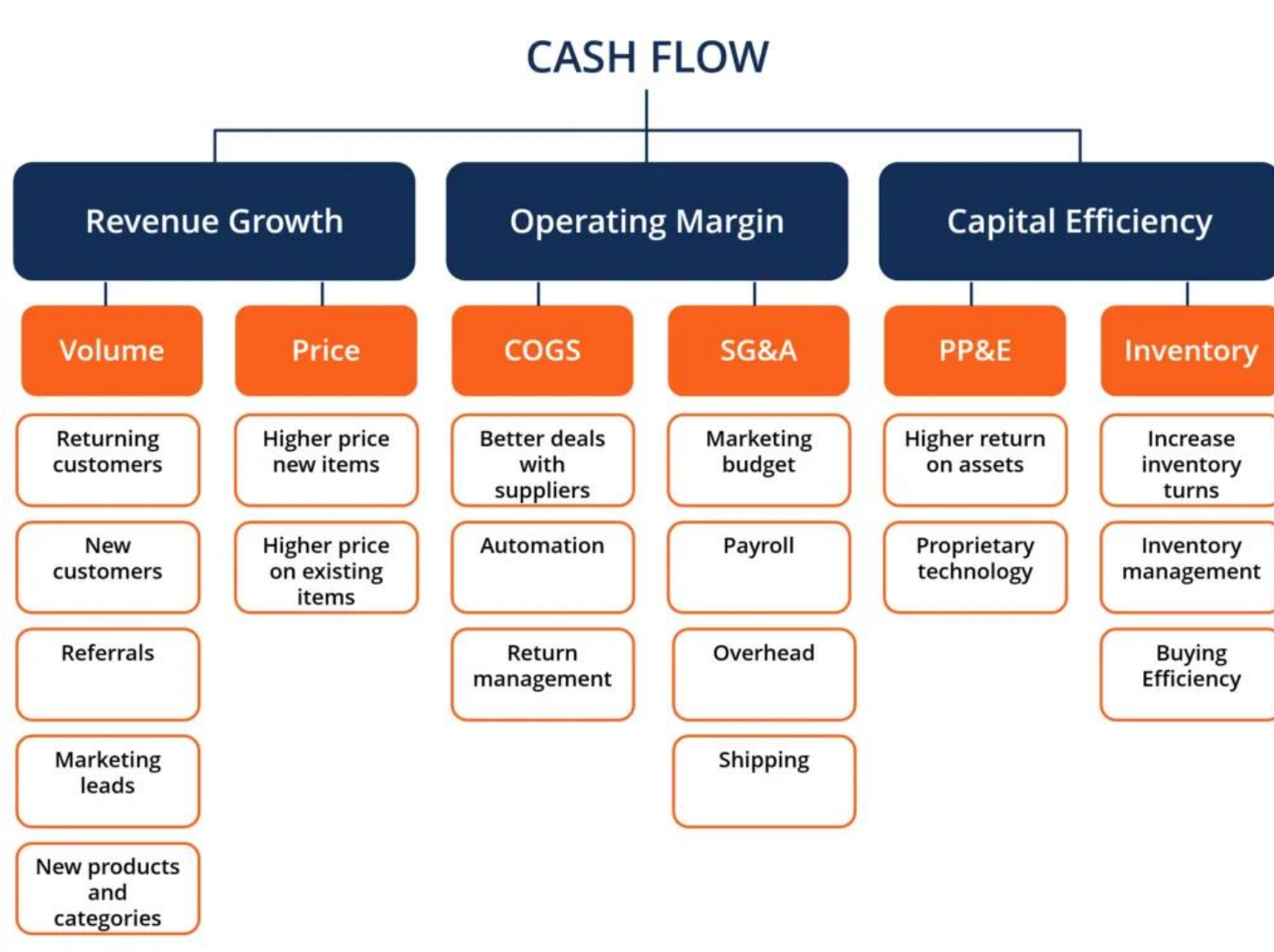
NET ASSETS - DIAGRAM



Understand Changing Reimbursement



Understand Cash Flow Efficiency



Apply Your Quality Infrastructure to Finance



<http://www.ihl.org/resources/Pages/HowtoImprove/default.aspx>

Formal Financial PDSA

QI ESSENTIALS TOOLKIT: Project Planning Form

Example: Project Planning Form

Team: John, Sally, Mark, Dave, Laura, and Beth		Project: Lowering Depression Scores: Achieve a 15-point decrease in PHQ-9 scores for 50% of depressed patients by May 1.																							
Driver – list the drivers you'll be working on	Process Measure	Goal																							
1. Patient education	% of patients in depressed population receiving education materials before leaving office will have documented use of education materials	90% of patients in depressed population will have documented use of educational materials before leaving office																							
2. Follow-up assessment	% of patients in depressed population that have a follow-up assessment within the first eight weeks of their initial diagnosis	75% of patients in depressed population have a follow-up assessment within the first eight weeks of their initial diagnosis																							
3.																									
4.																									
5.																									
6.																									
Driver Number (from above)	Change Idea	Tasks to Prepare for Tests	PDSA	Person Responsible	Timeline (T = Test; I = Implement; S = Spread)																				
					Week																				
					1	2	3	4	5	6	7	8	9	10	11	12	13	14							
1	Provide pamphlet and link to short video at time of patient discharge	Need to make sure we have enough pamphlets on site; need to ensure link to video works	Nurse will hand materials to patient before leaving the exam room with all patients scoring high on the PHQ-9	Beth and Mark		T	T																		
2	Patients will come back to the office for a follow-up assessment within eight weeks of depression diagnosis	Need to schedule appointments within timeframe and get patients to attend follow-up appointment; need to make sure secretaries are aware of this test	Have secretaries write down the date and time of the follow-up appointment on the back of the clinic's business card	Laura		T	T																		

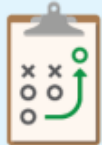
<http://www.ihl.org/resources/Pages/HowtoImprove/default.aspx>

Your Response Plan



INITIATE

- Ensure proper financial policies, procedures, and systems are in place and that staff have been trained on proper recording, submission, and/or reporting of awarded finances.
- **Benefit:** Increases the ability to detect and deter fraud, waste, and abuse.



PLAN

- Identify existing resources and capability gaps for threats and hazards and the available financial resources to fill those gaps.
- **Benefit:** Improves a jurisdiction's ability to project disaster financial needs and influence its budget.



EXECUTE

- Effectively and promptly allocate funds among disaster project activities.
- **Benefit:** Ensures that adequate monetary resources are available for a jurisdiction to complete its recovery mission.



MONITOR & CONTROL

- Monitor and track the status of recovery financial resources against stringent requirements to ensure that resources are being used accurately and judiciously.
- **Benefit:** Supports achievement of the program's desired return on investment.



CLOSE

- Close out the project by concluding procurements, archiving documents, and participating in audits.
- **Benefit:** When properly conducted, eases the burden of the audit process.

<https://www.fema.gov/sites/default/files/2020-07/disaster-financial-management-guide.pdf>



Resources

Institute for Healthcare Improvement (IHI)

<http://www.ihl.org/resources/Pages/HowtoImprove/default.aspx>

Center for Connected Health Policy

<https://www.cchpca.org/about/national-telehealth-resource-center-partners>

CMS Medicaid State Plan

<https://www.medicaid.gov/medicaid/benefits/downloads/medicaid-telehealth-services.pdf>

CMS Medicare Telehealth

<https://www.cms.gov/newsroom/fact-sheets/medicare-telemedicine-health-care-provider-fact-sheet>

FEMA Disaster Financial Management

<https://www.fema.gov/sites/default/files/2020-07/disaster-financial-management-guide.pdf>



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Addressing COVID-19's Impact on Health Centers' Finance and Operations and Response Planning for Future COVID-19 Outbreaks and Other Emergencies



Next Session Reminder: April 7, 2022

About This Learning Collaborative:

This learning collaborative guides participants through the challenges and solutions for addressing the financial and operational impacts of COVID-19 on health centers serving residents of public housing and other underserved communities, with an emphasis on applied response planning for future emergencies.

Learning Objectives:

After completing the entire program, participants will be able to:

1. Survey the effect of COVID 19 on revenue, cost, productivity, and staffing.
2. Formulate response plans to any future COVID-19 outbreak and/or future emergencies.

Panelists

David Wagner, MHCM, CHC, CMPE
Consultant, National Center for Health in Public Housing

Bob Burns, MPA
Program Director, National Center for Health in Public Housing

Target Audience

Administrative and clinical managers and staff, particularly those responsible for finance, workforce management and operations for health centers that serve residents of public housing and other underserved communities.

Dates:

Session 1:
Revenue Issues

March 24, 2022
1:00-2:00 PM EDT

Session 2:
Cost Issues

April 7, 2022
1:00-2:00 PM EDT

Session 3:
Productivity Issues

April 21, 2022
1:00-2:00 PM EDT

Session 4:
Staffing Issues

May 5, 2022
1:00-2:00 PM EDT

To register,
click the link below:

[Register here](#)

National Center for Health
in Public Housing
visit us at: www.nchph.org

Complete Post – Evaluation Survey

Survey: <https://www.surveymonkey.com/r/J3CZMDK>



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Thank you!