

**Department:** Health Department

**Program Contact:** Wendy Lear

**Program Offer Type:** Support

**Program Offer Stage:** As Proposed

**Related Programs:**
**Program Characteristics:**
**Executive Summary**

Business Operations - Medical Billing Unit is responsible for providing medical billings and cash collection services for the Health Department.

**Program Summary**

Provides claims processing services and cash collection services for all of the Health Department's Primary Care and specialty clinics. Responsible for all billing and collection from Medicaid, Medicare, and commercial insurance. Medical billing is an essential part of any clinical system. This team is responsible for the collection of all patient fees, insurance payments, Medicare and Medicaid claims processing. The Medical Accounts Receivable Team is responsible for collecting nearly \$40 million in annual medical billing revenue. This represents about 1/3 of the Department's total budget.

**Performance Measures**

| Measure Type | Primary Measure                                       | FY13 Actual | FY14 Purchased | FY14 Estimate | FY15 Offer |
|--------------|---|-------------|----------------|---------------|------------|
| Output       | Number of encounters processed for payment            | 279,000     | 334,000        | 275,000       | 300,000    |
| Outcome      | Percent of Receivables aged (older than 90 days)      | 24%         | 23%            | 23%           | 21%        |
| Quality      | % of FQHC claims rejected, denied or otherwise unpaid | 2.3%        | 2.3%           | 2.2%          | 2.1%       |

**Performance Measures Descriptions**

Number of encounters demonstrates volume of work. % of receivables older than 90% should be a small and declining %, since the older a claim gets the less likely it is to be paid. Finally there are many reasons why a claim might not be paid (e.g. client ineligible for service, didn't have insurance coverage on the date of service) but this should be a small and declining % of total claims.

Revenue/Expense Detail

|                        | Proposed General Fund | Proposed Other Funds | Proposed General Fund | Proposed Other Funds |
|------------------------|-----------------------|----------------------|-----------------------|----------------------|
| Program Expenses       | 2014                  | 2014                 | 2015                  | 2015                 |
| Personnel              | \$1,172,296           | \$0                  | \$1,200,961           | \$0                  |
| Contractual Services   | \$1,420,673           | \$0                  | \$247,029             | \$0                  |
| Materials & Supplies   | \$588,747             | \$0                  | \$1,540,071           | \$0                  |
| Internal Services      | \$142,310             | \$0                  | \$153,657             | \$0                  |
| <b>Total GF/non-GF</b> | <b>\$3,324,026</b>    | <b>\$0</b>           | <b>\$3,141,718</b>    | <b>\$0</b>           |
| <b>Program Total:</b>  | <b>\$3,324,026</b>    |                      | <b>\$3,141,718</b>    |                      |
| <b>Program FTE</b>     | 13.00                 | 0.00                 | 13.00                 | 0.00                 |

| Program Revenues     |            |            |            |            |
|----------------------|------------|------------|------------|------------|
| <b>Total Revenue</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Explanation of Revenues

Significant Program Changes

Last Year this program was: 40041 Business and Quality - Medical Billing

County General Fund match is no longer needed for the CAWEM program, resulting in a cost reduction in Medical Billing. The State of Oregon has expanded the program Statewide and is paying the State match rather than requiring the match from Counties.