

Testimony
Health and Human Services Committee
Tuesday, March 23, 2010
University of North Dakota School of Medicine and Health Sciences

Good afternoon, Chairman Weisz and members of the Health and Human Services Committee. My name is Randy Eken, and I am the Associate Dean for Administration & Finance for the University of North Dakota (UND) School of Medicine and Health Sciences (SMHS). I am here today to provide information about UND's participation in the Immunization Program.

As back ground information, I report directly to the Vice-President for Health Affairs and Dean of the SMHS and have run the business affairs of the SMHS for over 26 years. One of my office's responsibilities is managing the business requirements of our clinical faculty and residency programs. The majority of these clinical services revolve around our Centers of Family Medicine (CFM) programs in Bismarck and Minot.

The Medical School Practice Support office reports directly to me and is responsible for the patient care billing for the CFMs, Sports Medicine, UND Student Health Services, and other faculty of the SMHS. The total annual patient encounters for these clinical entities total over 35,000. The Medical School Practice Support is staffed by one full-time employee, Hope French-Brisbois, and 0.4 FTE non-benefited temporary support staff.

The SMHS has a history of collaborative projects with the North Dakota Department of Health, we share many common health interests that benefit the citizens of North Dakota. I received a phone call from the Deputy State Health Officer, Arvy Smith, in October 2007 wondering if the SMHS could be of assistance in helping them with some medical billing issues regarding the Local Public Health Units immunization programs. After some initial conversations, we knew our current billing systems and processes were not at all similar to the LPHU processes, but that we would do what we could to be of assistance. We have been working on a daily basis on this project since that time.

Given this back ground, these are the services that we are currently providing to the LPHUs.

Billing Services

- Insurance billing
 - UND receives claims through an electronic transfer from Blue Cross Blue Shield (BCBS ND) on a weekly basis immunization claims not processed by BCBS ND to the appropriate commercial insurance companies.
 - UND processes these claims to insurance by both electronic and paper insurance processing.
 - UND works with insurance companies on claim processing questions, and issues to ensure proper claim processing.
 - UND receives insurance remittance for claims and processes payments and claim denials.
- Electronic BCBS Member Liable
 - The electronic member liable went live in the fall of 2009 which allowed UND to begin work on the hold files which dated back to July 7, 2009.
 - Since go-live there have been more setbacks with additional modifications to the BCBS ND system.
 - UND has been able to electronically process claims through 10/13/09.
 - The progress has currently been delayed due to a programming error with BCBS ND. UND devised a work-around plan that will aid in the continuation of entering claims while BCBS ND fixes the error. BCBS ND anticipated a fix of two weeks for this programming error.
 - UND has a projected date of completion for the member liable claims portion of April/early May 2010.
- Patients
 - UND bills patients for their member liable balances that remain after BCBS have processed the claims. These BCBS member liable balances include co-pay, coinsurance, deductible, and non-covered claims.
 - UND bills patients for balances after commercial insurance claims have been processed.
 - UND works with patients on unpaid balances in cooperation with the LPHUs.

Fee Collections

- Fee collection from patients
 - UND contracts with a statements vendor which processes and sends statements via US Postal Service to each patient.

- Statements are sent to patients on a monthly basis and offer payment options of check or credit card.
- **UND Fee Collection**
 - UND withholds \$2 per administration fee billed by the LPHUs, for both children and adult patients.
 - Payment is sent to the LPHUs on a monthly basis for the total services submitted each month with the total UND administration fees withheld, the total credit card fees withheld, and any commercial insurance adjustments withheld. The payments are sent from the UND Accounting Services Department.
 - In an effort to reduce costs UND and Laura Olson at the Department of Health work together to provide the LPHUs with monthly payment reports electronically over their secure email.
 - To better serve the LPHUs, UND created step-by-step instructions for reconciling the monthly payments.
 - Based off of feedback, UND and Laura Olson from the Department of Health have recently restructured a few monthly payment reports sent to the LPHUs to create a more user friendly reconciling process.

Uncollectible Accounts

- Each patient account is looked at individually before collection action begins.
- UND notifies the LPHUs about any uncollectible patient accounts prior to beginning collections action.
 - LPHUs are asked to assist in updating and gathering current addresses and phone number data when existing data is incorrect.
- There are currently no immunization patients at collections.

We look forward to working with the committee on this important Immunization Study. This concludes my testimony. I would be happy to answer any questions that you may have.