



## ***KHSC Newsletter***

***April 2021***

### **The Rainmaker Risk**

*Chris Conrade, Conrade Insurance Group*

The risk of a disrupted revenue stream to any Kansas hospital is a real and ever-present concern. We know all too well that just a few minutes of Kansas severe weather can significantly disrupt hospital revenues for a year or even longer. That's why property insurance, including a correctly calculated business income and extra expense limit, is essential for your hospital's recovery and continuation.

Unfortunately, the last 12 months have taught us that building damage is not always a prerequisite for revenue cycle disruption. I do not need to remind any Kansas hospital administrator of the anxiety we all faced in March, April and May of 2020 when revenues fell sharply due to COVID-19 precautions. Unlike a fire or tornado, there was no building damage event that could trigger the business income insurance coverage. Fortunately, Midwestern grit and some CARES Act assistance meant most Kansas hospitals were able to survive this disruption and continue to operate today.

This leads us to the revenue disruptor we mostly do not talk about ... but should. That is the risk posed to your hospital's revenue stream by the sudden death or incapacitation of a "Rainmaking" provider. The *Cambridge Business English Dictionary* defines a rainmaker as "Someone who makes a lot of money for a company or who helps someone or something to succeed." In the post-Affordable Care Act world of hospital management, it has become increasingly common for highly productive providers to be employees of the hospital. Most Kansas hospital administrators will tell you that without some combination of supplemental income (sales and property tax and/or investment income) contractually adjusted revenues struggle to meet and exceed the expense line. So, in this reality of thin or non-existent margins, a provider that is directly or indirectly responsible for a significant portion of your hospital's adjusted revenue presents a significant enterprise risk. Considerable effort is made to ensure we are attracting providers that are the right cultural fit for the hospital. Hours are spent poring over contracts to safeguard both the provider and hospital during employment and potentially following employment. But how are we planning for the sudden loss of a key provider due to death or disability? Sadly, I believe most of us are not. However, we can.

**Key-person life and disability insurance** is unique because it is a product designed to protect the hospital's ongoing business and assets following the death or disability of an essential provider; the rainmaker if you will. The proceeds of a key-person policy can be used to cover the ongoing expenses from the provider's practice such as payroll and debt service. Or the hospital could even use the proceeds to expedite a recruiting project to quickly resume an important medical service to the community. Regardless of how the policy proceeds would be used, it is clear every hospital with a high-performing provider has this risk.

Key-person life and disability insurance could be your solution for the untimely loss of a rainmaker provider. If you have any questions about how this strategy could benefit your hospital, please don't hesitate to reach out.

*Chris Conrade is the vice president of Conrade Insurance Group and specializes in providing risk consultation and insurance to Kansas hospitals. Conrade Insurance Group serves more than 60 Kansas hospitals and partners with the Kansas Hospital Association by providing the KHSC-endorsed Chubb Hospital Property Insurance Program and the Cincinnati Management Liability Insurance Program.*

## **OSHA Releases New, Stronger Guidance on COVID-19**

*Chris Saiya, KHA Workers Compensation Fund*

On Jan. 21, President Joe Biden [ordered OSHA](#) to issue updated guidance and consider establishing an emergency temporary standard for workplace COVID-19 protections by March 15. On Jan. 29, OSHA issued stronger workplace health and safety [guidance](#) for protecting employees from COVID-19 exposures.

Also in response to the [Executive Order](#) from President Joe Biden, OSHA launched a [National Emphasis Program on COVID-19](#) focusing enforcement efforts "on companies that put the largest number of workers at serious risk of contracting the coronavirus."

"With more people being vaccinated and the number of infections trending down, we know there is light at the end of the tunnel," acting OSHA Administrator Jim Frederick said in a March 12 press release from OSHA. "But until we are past this pandemic, workers deserve a Labor Department that is looking out for their health."

Some of the recommended steps in OSHA's updated guidance to employers are:

- Assign a workplace coordinator who is responsible for all COVID-19 issues.
- Perform a thorough hazard assessment involving workers and their representatives to identify potential workplace hazards related to COVID-19.
- Identify precautions in line with the [hierarchy of controls](#): elimination, substitution, engineering controls like installing physical barriers, workplace administrative policies, and personal protective equipment.
- Consider enhanced protections, such as telework or work in less densely, better-ventilated facilities, for workers at higher risk for severe illness, such as older adults and those who have serious underlying medical conditions putting them at higher risk for severe illness from COVID-19.
- Educate and train workers on COVID-19 symptoms and hazards, as well as the policies and procedures established and implemented for their protection.

Chris Saiya, safety program manager for the Kansas Hospital Association Workers' Compensation Fund, is available to assist Workers' Compensation Fund members in their efforts to comply with the updated OSHA guidance. These services are offered at no additional cost to fund members. Contact Chris at [csaiya@khsc.org](mailto:csaiya@khsc.org) or (785) 233-7436.

## **COVID-19 Vaccinations and Revenue Cycle**

*Nick Bauer, Altruus*

### **Can you leverage the COVID-19 vaccinations to help address other issues?**

Do you have new patients receiving vaccinations that haven't seen a doctor in years? Now is your chance to meet with these patients and address their overall health. In some cases, organizations have been able to identify patients that have not been to the doctor before their scheduled vaccination visit. This provides the opportunity for a more thorough examination to address any health concerns the patient may have. By identifying these opportunities, organizations are providing a better service to their communities and contributing to the overall health of our country.

### **Did you know there are special requirements for billing Medicare Advantage for COVID-19 vaccinations?**

Medicare Advantage members' COVID-19 vaccines must be billed directly to Medicare. This may require searching for the correct Medicare ID, as opposed to using the existing Medicare Advantage ID that is currently on file. Reimbursements will come back through Medicare cost reports.

### **Is billing for the COVID-19 vaccine causing issues within your revenue cycle?**

Many organizations are finding their revenue cycle management teams are overwhelmed by an increased volume related to COVID-19 vaccinations. Altruus assists organizations with supplemental billing resources to help with the volume associated with COVID-19. This allows clients to maintain their focus on the core RCM billing without getting overwhelmed.

*Nick Bauer is vice president of sales with Altruus. Altruus provides hospitals with the tools to capture Medicaid revenue from patients that might not have been previously identified as qualifying for Medicaid. Contact Nick Bauer at (502) 608-3346 or [nbauer@altruus.com](mailto:nbauer@altruus.com) to learn more.*

## **Blue Cross Blue Shield Class Action Litigation**

*Josh Kerstein, Class Action Capital*

There is currently a Blue Cross Blue Shield Subscriber Class Action Settlement in the amount of \$2.67 billion. The plaintiffs allege the defendants (various Blue Cross Blue Shield entities across the USA and Puerto Rico) agreed not to compete with one another when selling health insurance and with the administration of commercial health benefit products, as well as agreeing to other means of limiting competition regarding the sale of health insurance and the administration of commercial health benefit products. The settling defendants deny all allegations of wrongdoing. The court has not decided who is right or wrong, but plaintiffs and settlement defendants agreed to a \$2,670,000,000 settlement to avoid the risk and cost of further litigation.

There also is ongoing litigation for provider plaintiffs (this includes hospitals, physicians, surgery centers, chiropractors, and other health care providers) alleging BCBS reached an explicit agreement to divide the United States into "service areas" and then to allocate those geographic markets among themselves, free of competition. Further, the provider plaintiffs challenge the agreements reached by BCBS to fix prices for services rendered by health care providers through the Blue Card Program. While the provider litigation is still ongoing, there is potential for a future settlement that hospitals and other health care providers who contract with BCBS should be aware of, as this case may present a substantial recovery opportunity at a later date.

Class Action Capital specializes in the research, data collection and filing of complex class action settlement claims and has helped more than a thousand health care facilities with recovery efforts from other settlements. If your facility uses or used BCBS or one of their entities for your health insurance or the administration of your health plan, you may be eligible for a refund. While no one is required to work with any third-party service in order to file a claim, Class Action Capital operates on a contingency fee basis with no upfront cost or filing charges and may be able to assist with the filing of your claim.

*If you would like to learn more about their services and this settlement, please contact Joshua Kerstein at [josh@classactioncapital.com](mailto:josh@classactioncapital.com) or by calling (914) 200-0066.*

## **The Sandwich Generation – Juggling Family Responsibilities and Finances**

*Laura Rogers, TwoWest*

Individuals taking care of aging parents AND raising kids of their own are members of the Sandwich Generation. Studies show that 47 percent of people in their 40s and 50s are currently in this situation (1). This is why it's important to help them be prepared for the future.

The need for financial help has never been greater. In fact, many employers have recently added financial wellness programs to their benefits, offering – not just for the "Sandwich Generation" – but for all employees, regardless of lifestage. In fact, 82 percent of employers agree that offering financial wellness is "the right thing to do" (2).

There are many financial wellness options flooding the marketplace, and choosing the right program to offer can be overwhelming. Key attributes of any wellness offering should provide employees the tools, support and systems to:

- **Create a Plan.** Review financial goals regularly and make any changes to the financial plan to help employees manage unexpected events, such as a career change or a health emergency.
- **Save for Life Events.** If your employees have not started, they will likely need to start saving for major life events – home purchase, college tuition or long-term care. A robust program can provide tools and accountability for savings milestones.
- **Control Debt.** For many Americans, this may be a tall order, but installment debts (car payments, credit cards, personal loans, college loans, etc.) should account for no more than 20 percent of take-home pay.
- **Long-Term Focus.** Putting away as much as possible into a retirement plan, where savings (which may be matched by the employer) grow tax-deferred until retirement.
- **Talk to the Family** about the provisions for the future including realistic college options, long-term care insurance, adequate retirement income and savings goals. Make the location of key documents known and enlist a professional for advice.

Professional support for all employees, regardless of income, financial aptitude or complexity of their situation is critical when planning financial goals. When faced with financial decisions, it is important to feel confident employees have a trained professional to rely on.

If you would like to know more about offering financial wellness, contact Ryan Rink ([Rink@TwoWestAdvisors](mailto:Rink@TwoWestAdvisors)).

1. Passy, C. (2015, Oct. 10). Six Lessons for the Sandwich Generation. Retrieved March 14, 2017, from <http://www.marketwatch.com/story/6-lessons-for-the-sandwich-generation-2015-09-10>
2. 2 PWC's 2017 Employee Financial Wellness Survey

### **Language Translation: Key to Meeting Patient Needs**

*Joe Samoszenko, Propio Language Services*

Whether it is during a pandemic or during more "normal" times, a practitioner's ability to speak with a patient is always critical to providing quality care. This can be difficult when the patient does not speak the same language as the physician. Propio Language Services provides a solution through their over-the-phone interpreter services.

Propio is one of the fastest-growing businesses in the Kansas City area. Propio is known by key characteristics including:

- **Passion** – We are a purpose-driven organization, and it influences everything we do.
- **Quality** – Only 20 percent of interpreters interested in working with Propio make it through our rigorous screening process: a minimum of one year of experience; an average of eight years of experience. Quarterly conference calls to ensure client needs are met.
- **Capacity** – We partner with more than 5,000 interpreters. More than 200 languages for over-the-phone interpreting; more than 125 languages for document translation; more than 40 languages for on-site interpreting, and 50 languages for video remote interpreting. Our systems and telephony technology are state-of-the-art – fully redundant and secure, with current database utilization at less than 5 percent.
- **Response Time** – Average connection time for over-the-phone interpreting is 15 seconds for Spanish and 30 seconds for all other languages; document translations can be turned around in days or even hours; on-site interpreting can be scheduled for the same day.
- **Price** – Proprietary technology and operating model enable us to be THE low-cost provider.
- **Confidentiality and Ethics** – All interpreters understand and abide by industry-recognized standards for confidentiality, interpreter ethics and HIPAA requirements.
- **Client Satisfaction** – Clients are highly satisfied with the speed, quality and character of experienced interpreters who derive fulfillment from helping others using their language skills.

Besides over-the-phone services, Propio can also provide document translation, on-site interpreting and video remote interpreting services.

If you have not reviewed what Propio can do for your organization, please call us at (913) 712-9910. Ask for the KHA/KHSC discounted pricing.

### **Unemployment Identity Theft: Protection and Restoration Services**

*Rachael Lawton, Lawton Benefits Group*

In the past year, human resource staff at Kansas hospitals have had to deal with a number of new activities including tracking payments for Employee Retention Credits and Payroll Protection Program loan forgiveness. Some hospitals have also provided various forms of additional leave time or sharing of leave time among staff members. Added to that was the fact that many hospital

employees also became victims of identity theft through fraudulent unemployment claims. They often turned to their HR professionals for help.

Luckily, many hospitals had already put into place programs to assist employees with identity theft. Programs such as the IDShield program offered through Lawton Benefits Group help employees handle these identity theft issues in a timely manner.

A recent study indicated 39 percent of U.S. companies are currently offering identity protection or legal services benefits at their workplace, with many more considering adding those services to their benefits package. If your hospital is not offering LegalShield or IDShield to your employees, please consider contacting Rachael Lawton at (651) 353-6568 to discuss how this affordable benefit can be easily implemented for your staff team.