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Talking Points: Successful Consumer Communications Strike the Right Balance Between Care and Collecting

By Kelli Krueger

Theodore Roosevelt once said, "The most important single ingredient in the formula of success is knowing how to get along with people."

The exact date of this quote is unclear; nevertheless, it has stood the test of time.

With that said, as a collector, you need a rock-solid approach to building a trusting first impression with the consumer so you can get to the solution side of the call.

Here are nine steps to getting along with the consumers you talk to every day.

1. **Begin with the end in mind.** Think to yourself: "Is what I'm doing getting me closer to my end goal or further away?" How is your attitude? What about your tone? Are you listening to respond instead of listening to understand?
2. **Remember that it's not all about you.** If you're only thinking about yourself and what you want throughout the call, you're missing the mark. It's not up to you if the consumer makes a payment. The attention needs to be on the person who has control of the decision.
3. **Focus on the HOW—not the WHAT or WHY.** Legally, you need to talk about the What and the consumer will naturally explain the Why, but this should only be 20% of the call. The What and the Why are the problem. The How is the solution. Spend 70% of your time on that, with the last 10% on closing the call with a recap of the How (even if the call doesn't result in a resolution).
4. **People are emotional first and rational second.** Our goal is to help consumers see the positive feeling associated with paying their debt versus the negative feeling of being in collections. Warmth and empathy go a lot further than logic and evidence in achieving this goal. That said, it's important that these attempts are genuine and not over-the-top to avoid seeming fake and deliberately manipulative. The importance of resolving the consumer's debt may seem obvious to you, but remember it takes a mix of compassion and action to help consumers reach a logical solution.
5. **Assume nothing.** If you don't ask for payment in full, the consumer may not know that it's an expectation. It may seem obvious to you, but you need to say it so they are aware of it too.
6. **Time is different for everyone.** The statement "I can't pay today" means something different for everyone. You might hear, "I can never pay that bill" but the consumer thinks they are saying, "I can't pay today but can when I get paid on Friday." Do not assume they know paying next week is an option. The consumer may think you are not there to help them and will be on the defense, so remember to present other options when it's the right time.

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New Surprise Medical Bills Law to Take Effect Jan. 1, 2022

Kaiser Family Foundation summarizes what you need to know about the No Surprises Act.

At the end of 2020, the No Surprises Act was signed into law with an effective date of Jan. 1, 2022. It applies to health plans beginning on or after that date. The law is designed to protect consumers from costly surprise medical bills, which occur when consumers receive care from providers or at facilities outside of their health care network as a result of the consumer's inability to choose where or who provides care. This often happens in emergency situations but can also happen in non-emergency situations such as when a facility in a consumer's network provides care with ancillary providers that are outside the network.

A recent brief by the Kaiser Family Foundation (KFF) outlines the key points of the new No Surprises Act.

The KFF reports that about two-thirds of adults worry about affording unexpected medical bills. There can be millions of surprise bills each year, with one in five emergency claims and one in six in-network hospitalizations estimated to result in one or more unexpected bill.

The No Surprises Act applies to most private health plans offered by employers and non-group health insurance policies.

Under the new act, health plans will be required to cover surprise bills at in-network rates. Surprise bills must be covered without prior authorization, and in-network cost sharing must also apply and will be based on an amount typically calculated as the median in-network payment cost of the same or similar services.

Out-of-network providers cannot send patients bills for extra charges. Providers may not bill a consumer more than the in-network cost sharing amount for services, and it is the responsibility of out-of-network providers to determine a patient's insurance status as well as the appropriate cost under this new law.

Enforcement for the No Surprises Act generally follows the same rules that apply to the Affordable Care Act. States are originally in charge of enforcement, but the federal government will provide backup if states fail to properly enforce the act.

With these new rules, health plans and health care providers will need to resolve payment discrepancies to determine who will be responsible for the bill through arbitration.

After a 30-day period of negotiation between a plan and a provider, they may begin an independent dispute resolution (IDR) process to determine which offer is more reasonable based on factors such as the plan's median in-network rate for similar services. The final decision is legally binding.

By July 1, 2021, the government must publish regulations on how in-network cost sharing amounts for surprise bills should be determined as well as alternate methods for determining amounts for new plans and services that did not have established rates in 2019. The U.S. Department of Health and Human Services must also establish a process for receiving complaints from consumers about surprise medical bill issues.

For more information, visit the full brief at the Kaiser Family Foundation website: https://bit.ly/3sm63Aq.

The Possible Benefits to Removing the Firewall to Affordable Care Act Marketplaces

Improving access to the Affordable Care Act marketplace may make health insurance more affordable for many Americans.

In December 2020, The Commonwealth Fund published results of a study focused on the effects of making it easier for consumers to enroll in subsidized health plans through the Affordable Care Act. The data used came from the U.S. Census Bureau's Current Population Survey, Annual Social and Economic Supplement from 2018 and 2019.

The COVID-19 crisis has brought about a drastic economic downturn. It is estimated that as a result, over 14 million people have lost jobs that provided them with health insurance, The Commonwealth Fund reports. With continued hardship, it is likely that even more people will continue to lose jobs or income and therefore experience increasingly higher costs for health insurance.

Following is a summary of the study from The Commonwealth Fund:

Only workers with incomes that fall between 100-399% of the federal poverty line with employer premiums that exceed 9.83% of their income are eligible for marketplace subsidies. This rule only applies to single-person policies though, creating what has become known as the "family coverage glitch." It is estimated that more than 6 million people on family plans are therefore left out and unable to qualify for marketplace subsidies, further perpetuating the burden of health care costs.

President Joe Biden has proposed removing the firewall between employer insurance coverage and marketplace subsidies to help alleviate the growing burden of health care costs. The proposal would allow more people to purchase Affordable Care Act marketplace plans. To understand what effect this would have, The Commonwealth Fund calculated the impacts of removing the firewall in order to make more people eligible for subsidies.

The study considered two premium

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7. **Be genuine.**
   Remember there is a real live person on the other end of the phone who needs to know they matter. Have a genuine conversation with them—the kind where you listen and respond to what is said. On the flip side, you are also a real live person. Make that clear to the consumer by meeting them halfway and helping them resolve their account while considering their unique situation.
8. **Do not make one consumer pay back taxes on another consumer's debt**.
   The reasons consumers are unable to pay may all seem the same, but it's actually unique to each individual. Treating them like they are the same is not fair to you, your client or the consumer. For example, being unemployed does not always equal inability to pay. It means something different for everyone. Take the time to determine what it means for every consumer instead of assuming it is a stall or a refusal to pay.
9. **End on a positive.**
   You know the saying: "It's not a matter of *if* they can pay, it's a matter of *who* they will pay." That applies to every stage of a collection call. Not everyone can pay when you ask them to, but there is always next time when they call you back or you follow up. Closing a "no" call in a positive way will always create a better return and leave the door open for the consumer to pay.

Kelli Krueger is ACA International's director of education

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subsidy schedules: "the current 2021 marketplace premium tax credit schedule" and a "schedule with enhanced premium subsidies that extends to all income levels and is linked to a gold-level benchmark plan the covers a greater percentage of average costs than the current silver-level benchmark plan."

After calculating the changes the proposal would make, the researchers found that there could be numerous benefits of removing the coverage firewall. They found that "between 6% and 13% of people with employer coverage could pay a lower amount on premiums by enrolling in a marketplace plan."

They also noted that people who make up to 399% of the poverty level ($51,040 for an individual and $104,800 for a family of four) would benefit the most. The proposal could also be especially helpful to Black, Latino, and American Indian or Alaska Native people, with more people of these groups becoming eligible for lower premiums compared to white or Asian Americans. Researchers also found that people in Southern states would benefit more because employee premiums tend to be higher relative to median income there.

While the study showed that removing the firewall could provide relief to many employees, it also took into consideration possible implications of these actions. Some of these include greater out-of-pocket costs for subsidized plans versus employer plans, higher premiums for employer plans and the uncertainty of how employers may change their offerings in reaction to the change.

More information:
https://bit.ly/2NBdJjj

See a chart from this study in Data Watch.

NEWS & NOTES

Poll: Support for Price Transparency and Surprise Medical Bill Protections

According to a poll from the Kaiser Family Foundation, consumers are in favor of price transparency measures required for health care providers and legislation to ensure protections from surprise medical bills. For example, 80% of respondents said they support legislation with the goal to protect patients from high out-of-network costs and surprise medical bills. Ninety-three percent of respondents said they support proposals that would require increasing the availability of information about the price of doctor appointments, tests and procedures for consumers.
https://bit.ly/3seljzv

Health Care Revenue Cycle Management Market Poised for Growth

"Robust" merger and acquisition activity is expected in the health care market in 2021, according to Corporate Advisory Solutions. Growth is expected within segments of the health care revenue cycle management lifecycle because of outsourcing to make up for financial setbacks, automation and increase in the use of virtual health programs.
https://bit.ly/3k5KcKB

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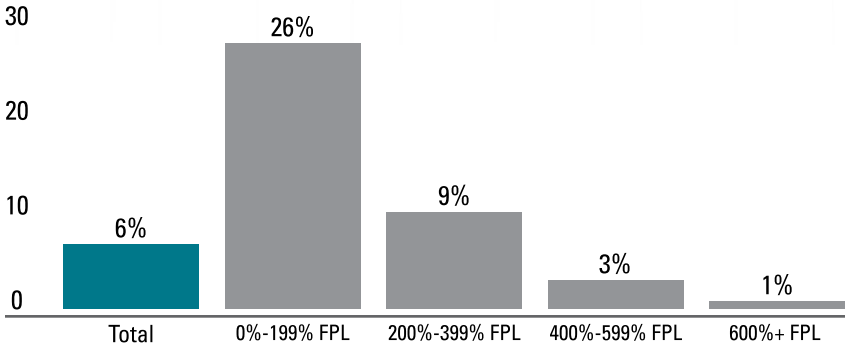
datawatch

According to The Commonwealth Fund, an increasing percentage of people are burdened with high health care premiums (8.5% or more of household income). To help alleviate these burdens, President Joe Biden has proposed removing the firewall between employer insurance coverage and marketplace subsidies. The results of a study conducted by The Commonwealth Fund suggest that "between 6% and 13% of people with employer coverage could pay a lower amount on premiums by enrolling in a marketplace plan."

Percentage of People in Employer Plans with High Premium Burdens Relative to Income, by Poverty Level



Source: Jesse C. Baumgartner, Sara R. Collins and David C. Radley, Removing the Firewall Between Employer Insurance and the ACA Marketplaces: Who Could Benefit? (Commonwealth Fund, Dec. 2020). https://doi.org/10.26099/hg7v-dy10

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