



Project Title

Mitigating Financial Risk Collection and Bad Debt Management During COVID 19

Project Lead and Members

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Organisation(s) Involved

SCH Finance

Healthcare Family Group(s) Involved in this Project

Healthcare Administration

Project Period

Start date: Jan 2020

Completed date: Mar 2021

Aims

- Mitigate financial risk of bad debt arising from foreign patients admitted in BVH due to COVID 19.
- Ensure that foreign patients remain admitted and continue to receive care in BVH.
- Find ways to engage and maintain patient whereabouts and that they are trackable.
- Provide alert and feedback to MOH on challenges faced on the ground and what can be done to improve the protocol.

Background

See poster appended/below

Methods

See poster appended/ below



CHI Learning & Development (CHILD) System

Results

See poster appended/ below

Conclusion

See poster appended/ below

Project Category

Care & Process Redesign, Risk Management, Cost Recovery

Keywords

Cost Recovery, Risk Management, Business Office

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Mitigating Financial Risk - Collection and Bad Debt Management During COVID-19

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Introduction

During the early days of COVID-19 pandemic, foreigners were still allowed to enter into Singapore. Those diagnosed with COVID-19 were admitted by law into designated hospitals including BVH.

Foreign patients pose a high financial risk to hospitals because:

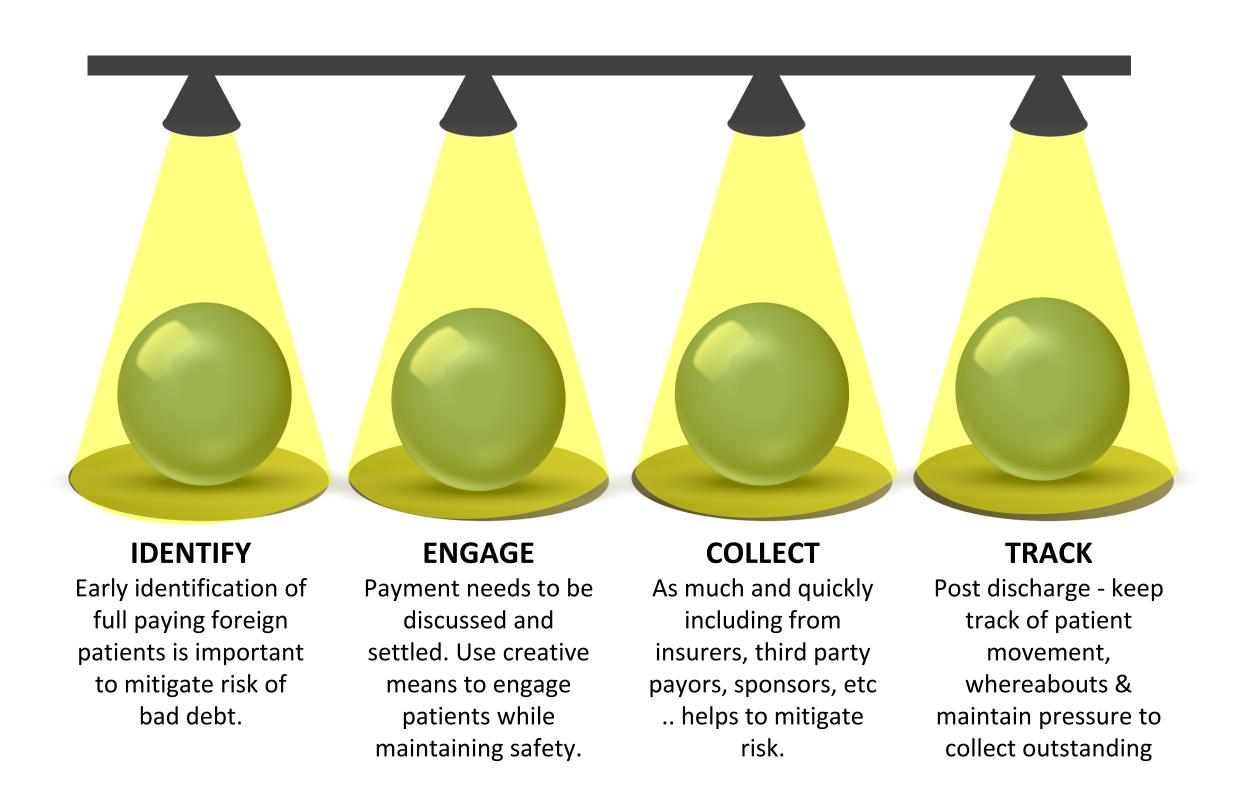
- Due to the urgency to prevent the spread of COVID-19 to the community by isolating them from the public, they are hospitalised regardless of their affordability, which are to be dealt with afterwards.
- Their stay in Singapore is short without a local address.
- Once they return to their countries of origin, hospitals have little or no legal recourse to collect the payment.
- Many are without insurance coverage. Those who do, are insured by foreign insurers of which the hospital have little recourse.

Objectives

- 1. Mitigate financial risk of bad debt arising from foreign patients admitted in BVH due to COVID-19.
- 2. Ensure that foreign patients remain admitted and continue to receive care in BVH.
- 3. Find ways to engage and maintain patient whereabouts and that they are trackable.
- 4. Provide alert and feedback to MOH on challenges faced on the ground and what can be done to improve the protocol.

At the "Do" stage we executed the plans, schedule resources & time them well. We modified BO processes and the way we engage the patients to ensure safe, timely and effective collation of data for processing claims, aggressively tracking payment status and sending of reminders. By ensuring that patients whereabouts remain trackable and collecting as much as we could whilst they are still in constant communication.

CORE STRATEGIES IN COLLECTION



This follows the "Check" phase where we track & review effectiveness of our strategies and make modification or improvements before "Act" stage of implementing the improved initiatives. The cycle is repeated from time to time making a system of continuous and on-going improvement.

Method

We adopt the PDCA (Plan-Do-Check-Act cycle) approach for this project.

In the "Planning" stage, we conducted a change analysis to identify the impact of changes in government rules and policies on COVID-19 and study the impact on BVH revenue and collection. Thereafter, we brainstorm the potential solutions and mitigation. E.g. admission of foreign patients with no deposit nor safety net could lead to uncollectable and bad debt. Yet, it is necessary to keep them off the streets and prevent spread of COVID-19. What other means can we do to mitigate this risk?

individuals like vourself, who have been assessed to have a mild form of COVID-19 Updating Information On Admission This leaflet provides you with some information you will need for your stay. We wish To assist us to process your bill and claims, please complete the admission form you a speedy recovery. Or scan the following QR code to take you to the link: If you have any concerns regarding your isolation, you can seek advice from MOH at 1800 225 4122 (MOH Quality Service Management). Based on triaging of your risk level by the Ministry of Health, you are required to be cared for under medical supervision at a Hospital Facility until you are ready to be discharged or transferred to another care facility. BVH is a safer place for you to recuperate and rest while you wait for your body's immune system to eradicate the coronavirus that causes COVID-19. · You will be sharing a naturally ventilated room with other patients of the same gender The rates shown above are only estimates. The final bill size may vary from person t Please help us keep your beds and the wards neat and tidy person depending on the actual subsidy accorded to you (If you are a SC & FR), length of stay and services actually incurred. All meals will be provided. · If you require any assistance, please call Nursing Station Number provided Who will pay for my hospitalisation here? at the entrance of your ward. -- & Permanent Resident nined in Singapore since the onset of COVID-19, the full for your bill related to COVID-19 treatment. hospital facility is the safest and most app eligible for Government subsidies (subject to nd MediShield Life/Integrated Shield Plan for any remaining balance after You will have to remain in a c developing complications . Thank you for aiding in "

Result

The result is the recovery of revenues that would have otherwise been uncollectable and written-off as bad debt.

Out of the total billings of S\$1.2m due from Foreign Patients, we initially anticipated to be able to collect 50% but targeted 60% revenue recovery to push ourselves.

The actual recovered/collected was \$\$1.0m or 83%.

	FY2020	FY2021	FY2021	FY2021	FY2021	FY2021	FY2021	
Foreigners	Jan to Mar21	Apr to Jun21	Jul to Sep21	Oct to Dec21	Jan22	Feb22	Mar22	Total
Billed (FB) \$	616,740.42	518,961.64	32,363.55	10,337.18	-	2,064.03	4,816.07	1,185,282.89
- Paid	521,035.94	385,307.19	19,271.53	-	-	-	1,376.02	926,990.68
- O/S	95,704.48	133,654.45	13,092.02	10,337.18	-	2,064.03	3,440.05	258,292.21
Known Cases with Issues								
reported to MOH	53,178.40	70,135.29	-	-	-	-	-	123,313.69
Billed (FB) Nos	270	247	7	2	-	1	2	529
- Paid	229	182	3	-	-	-	1	415
- O/S	41	65	4	2	-	1	1	114
Known Cases with Issues								
reported to MOH	25	34	-	-	-	-	-	59

Conclusion

Responding to changes requires a systematic and coherent approach. It encompasses understanding the extent of the changes, the impact and the laying down of the strategic options to respond to the changes. PDCA is a systematic approach and has been very helpful in achieving the desire outcomes.