Guest Commentary: Getting ready for Obamacare

By Ankeny Minoux The Denver Post
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With Obamacare a certainty, Colorado's 80 hospitals will continue to need financial relief from an estimated 716,300 uninsured residents in the state who use hospital emergency rooms as a point of entry for care. But of this uninsured number, how many are actually eligible for government programs and are just not signed up? Studies say it's one-third of the uninsured, or more than 239,000 people in Colorado.

That's an important question, because entering the ER uninsured most often means the hospital will not be paid for care rendered. This is because there are a number of hurdles that the staff must go through in order to get the patient signed up for government programs after they've been treated and released.

How big is the problem nationally? U.S. hospitals provided a record $39.3 billion in uncompensated care in 2010, much of it from care delivered in ERs. And when it comes to ER admittances only, this percentage jumps higher. A study conducted in 2010-11 by the Foundation for Health Coverage Education (FHCE) tracked uninsured patient care in four busy emergency rooms in San Diego and found that 80 percent of uninsured patients were eligible for free or low-cost government programs but not enrolled. The primary reason was the state's hard-to-access Medicaid qualification process, which continues to rely heavily on hard-copy applications and in-person appointments at overburdened social services agencies.

FHCE believes that state government agencies should be asking themselves the two questions private businesses ask when any type of product or service is failing:

Are we serving our customers in the most cost-efficient manner? In the San Diego study, the answer is "no." That study indicates Medicaid's efforts to sign up those eligible before they were in need of emergency treatment aren't working. And while this 80 percent figure of eligible-but-not-signed-up patients is startling, it is rather typical of any health care institution with a 24-hour basic services emergency room designation.

Are we using every means of available technology to keep down costs in providing our services? Here again, the answer is also "no." According to its own reports, California employs a staff of 27,300 at an average salary of $110,000 to enroll citizens in welfare, Medicaid and food stamps. The cost for running these programs — separate of the money budgeted for the health care or other services provided — comes to more than $3 billion per year in administrative costs.

The origins of Medicaid enrollment grew from its affiliation with welfare, and Medicaid has been an adjunct to other social welfare programs. Therefore, aggressive screening procedures have been designed to avoid fraud and to deter some from enrolling. However, these largely paper-based procedures are hindering people's ability to successfully enroll while saddling state and federal governments with entrenched paperwork-based protocols of the past rather than electronic approaches that allow people to enroll in plans simply and quickly while also safeguarding the overall system.

The Medicaid program needs to make full use of technology and move to point-of-care enrollment, providing automated checkpoints for eligibility and implementing a transparent system with fraud controls. Consider that we already have state and federal administrators checking Medicaid applications online with the IRS. A health care provider could easily share online capability with the Medicaid agency to immediately qualify or disqualify a person at a clinic or in the emergency room.

The government is currently talking about cutting Medicaid budgets to states like Colorado at the same time it is poised to expand the Medicaid program to include more people. Enrollment solutions must be addressed on behalf of all hospitals that want to keep their emergency services doors open.

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