

Making the Business Case for Hiring a Financial Navigator

By Lori Schneider and Christina Fuller

In the U.S., cancer is one of the most expensive diseases to treat, second only to heart disease,¹⁻³ and cancer-related expenses are rising.⁴⁻⁵ In fact, cancer patients experience a higher out-of-pocket financial burden than those with other chronic diseases.⁶ For people with cancer, figuring out how to pay for treatment is one of their greatest concerns.⁷ As many as 47% of people with cancer in the U.S. report “catastrophic” levels of financial hardship.⁸ Today, even insured patients struggle to pay for cancer treatment, resulting in a condition termed “financial toxicity.”⁹ In a 2015 national census survey of cancer programs, 90% reported an increased need to help patients with co-pays or co-insurance; 82% reported an increased need by patients to better understand insurance; 79% reported an increase in the number of under-insured patients; and 73% reported an increase in the number of patients needing help with their prescription drug expenses.¹⁰ To address these concerns many cancer programs have developed and implemented financial navigation programs.

THE PROBLEM

The number of insured patients is increasing, but these patients are paying more out of pocket for cancer care due to increased cost sharing. Insurers have shifted some of the cost burden to patients through higher deductibles and increased co-payments and co-insurance, resulting in higher out-of-pocket expenses.^{11,12} One study of 254 insured cancer patients found that 75% applied for drug co-payment assistance, 42% reported a significant or catastrophic financial burden, 68% cut back on leisure activities, 46% reduced spending on food and clothing, and 46% used savings to defray out-of-pocket expenses; to save money, 20% took less than the prescribed amount of medication, 19% partially filled prescriptions, and 24% avoided filling prescriptions altogether.⁹ Another study found that the financial toxicity resulting from the high cost of cancer care is almost as deadly as cancer itself, with cancer patients going bankrupt nearly 80% more likely to die than patients who avoid bankruptcy.¹³ This study also found that certain cancers had significantly higher mortality rates; prostate cancer patients who filed for bankruptcy were almost twice as likely to die and bankrupt colorectal cancer patients were 2.5 times more likely to die compared to patients not facing bankruptcy.¹³ A large study of 19.6 million cancer survivors found that 28.7% of cancer survivors reported financial burden, and financial burden was associated with lower physical and mental functioning scores, as well as depressed mood and concern for cancer recurrence.¹⁴

THE SOLUTION

Financial navigators employ a proactive approach with patients and families, sharing out-of-pocket costs, screening for financial stressors and barriers, and identifying resources to help reduce patient financial toxicity. Leveraging shared-decision making, financial navigators, social workers, providers, patients, and families can work together to determine a treatment course that will not only best meet the patient’s needs

but also look to reduce costs.¹⁵ In addition to reducing financial toxicity and stress for patients and families, effective financial navigation can protect the revenue stream of the cancer program by optimizing reimbursement and reducing patient debt and charity write-offs.¹⁶⁻¹⁸ Developed by an Expert Advisory Committee of experienced financial navigators and cancer program leaders, ACCC's Financial Advocacy Guidelines provide rationale and strategies for building an infrastructure for comprehensive financial navigation services.¹⁹

REDUCING PATIENT FINANCIAL TOXICITY & PROTECTING THE CANCER PROGRAM'S BOTTOM LINE

The key to successful financial navigation is early intervention. A widely accepted model of financial navigation has two key components: 1) optimizing health insurance coverage and 2) optimizing external assistance programs.²⁰ This model can help reduce patient financial toxicity and ensure the cancer program is able to collect on services provided.²⁰

Financial navigators can work closely with social workers, nurses, and other staff to ensure that patients schedule all the necessary appointments, have transportation to and from appointments, and are connected to resources to help with everyday bills.¹⁸ Financial navigators can also work with physicians to develop and update disease-specific clinical pathways to be consistent with NCCN guidelines and to document treatment standardization for payers.¹⁸

Financial navigators carry out many tasks that can help reduce financial toxicity, including:^{16,18,21}

- Working with patients to optimize insurance, researching additional Medicare program assistance, and enrolling eligible patients in Medicaid.
- Verifying current insurance coverage, including out-of-pocket costs, deductibles, and/or coinsurance.
- Providing patients and families an overview of their treatment costs.
- Identifying available co-pay, foundation, and pharmaceutical assistance and helping patients enroll in the appropriate program(s). This could include completing and submitting applications to determine eligibility and submitting charges to programs on behalf of patients. Access to co-pay and financial assistance helps patients feel supported and confident, provides hope, and reduces psychological stress.²²
- Acting as the patient's direct point of contact for all insurance and billing concerns.

Financial navigation is not only a service to assist the patients; it also guarantees that the cancer program is going to get paid for services rendered. Financial navigators can perform medication, radiology and imaging, and molecular lab testing pre-authorizations to verify coverage and reimbursement, protecting patients from unnecessary costs and the cancer program from incurring possible bad debt or charity write-offs.¹⁸

To help mitigate risks related to financial toxicity (bad debt, charity write-offs, etc.), cancer programs should initiate cost-of-care discussions with patients and offer education on how to develop an economic game plan to reduce potential financial-related burden.^{21,23}

Financial navigators can help strengthen your cancer program's bottom line. For example, navigators at one large physician practice leveraged EHR technology to 1) capture patients at the time an order is placed; 2) establish communication with patients; 3) follow up on patient accounts; and 4) track billing to co-pay assistance programs and foundations.²⁴ In one year, financial navigators tripled patient enrollment in co-pay and foundation assistance programs, helping to reduce patient expenses by \$4.1 million dollars.²⁴

DEMONSTRATING THE ROI OF FINANCIAL NAVIGATORS

Mosaic Life Care Medical & Radiation Oncology, St. Joseph, Missouri, uses this formula to demonstrate ROI (return on investment) of its financial navigators:

$$\frac{\text{Revenues from Investment} - \text{Cost of Investment}}{\text{Cost of Investment}} \times 100 = \text{ROI} (\%)$$

In FY 2017-2018, this program brought in more than \$1 million from co-pay assistance and free drug programs. Subtracting the salary of its oncology financial navigator (\$30,000) brings this amount to \$970,000. After dividing \$970,000 by the salary (\$30,000) and multiplying by 100, this program saw an ROI of 3,233% from its financial navigator. In FY 2018-2019, assistance from co-pay assistance and free drug programs was \$1.5 million. Following that same formula, the ROI of its financial navigator is 4,900%.

CASE STUDY ONE²⁵

The Cowell Family Cancer Center at Munson Healthcare, Traverse City, Mich., has operated a financial navigation program since 2013. The program's two financial navigators conduct insurance optimization, assist with insurance and other program enrollment, and seek out alternative forms of

financial assistance through foundations and free drug programs. The navigators serve 20% of the patient population and secure an estimated \$4 million in aid each year. The cancer center uses a financial navigation platform that automates and streamlines the financial navigation process. During an eight-month pilot of this platform, the cancer center found that of the 244 patients who received financial navigation services, 74% received one or more forms of assistance. Financial navigators secured a combined total of \$3.5 million in “approved savings” (defined as the total value of aid secured through the financial navigation process); \$1.5 million of this savings accounted for community benefit (defined as direct patient benefits, such as aid to offset living expenses, transportation costs, provide free or replacement drugs, or aid for services that are not billed by the hospital, such as oral drugs); and \$260,000 contributed to revenue increase (a direct benefit to the cancer center).

CASE STUDY TWO¹⁷

After a six-month financial navigation pilot, Lacks Cancer Center, Grand Rapids, Mich., saved more than \$265,000 and decreased out-of-pocket patient expenses by more than \$700,000, the cancer center approved an FTE financial navigator. During the subsequent three years, the cancer center’s health system achieved the following outcomes:

- Year 1: 218 patients received navigation services, reducing out-of-pocket responsibility for patients by more than \$2.6 million and saving the hospital system more than \$1 million in reduced charity and bad debt.
- Year 2: 168 patients received navigation services, and a second .8 FTE financial navigator was hired. Out-of-pocket responsibility for patients was reduced by more than \$4 million and saved the hospital system \$2.5 million in reduced charity and bad debt.
- Year 3: 211 patients received navigation services, reducing out-of-pocket responsibility for patients by more than \$5 million and saving the hospital system \$3.7 million in reduced bad debt and charity.

CASE STUDY THREE²¹

Akron General Medical Center, McDowell Cancer Center, Akron, Ohio, developed a unique patient navigation program, which reduced psychosocial distress, secured \$1.35 million in direct financial assistance to patients that would otherwise not have been available, and reduced institutional bad debt. At the cancer center a two-person team: a resource counselor (an oncology social worker) and a reimbursement specialist work

together to meet the psychosocial and financial needs of its cancer patients. The reimbursement specialist conducts a benefits investigation for all new patients prior to the start of treatment; all patients also complete the National Comprehensive Cancer Network (NCCN) Distress Thermometer. The resource counselor uses these data to conduct a brief psychosocial assessment—also prior to initial therapy. For patients with more complex needs, the resource counselor completes a comprehensive psychosocial assessment. Patients are assigned a case-complexity rating to help with monitoring and ongoing follow-up. The resource counselor closes the loop by providing immediate and long-term intervention(s) or making the appropriate referrals to address identified needs.

IMPLEMENTING A FINANCIAL NAVIGATOR POSITION

Once you’ve made the decision to hire a financial navigator, be sure to provide this new FTE with the tools and resources to succeed. A good first step is to take the ACCC Financial Advocacy Boot Camp modules, a dynamic online curriculum that financial navigators can take at their own pace to acquire key knowledge and skills in areas like enhancing communication with patients and other members of the clinical team; improving insurance coverage; and maximizing external assistance (accc-cancer.org/FANBootcamp). The Bootcamp teaches a shared decision-making approach that takes into account the risks, benefits, and alternatives to the available treatments or procedures and seeks to balance the physical (e.g., transportation to visits, length of time spent at clinics), financial (patient out-of-pocket costs), and physiological (side effects) burdens associated with cancer treatment.

As stated previously, responsibilities of the financial navigator are two-fold: 1) helping uninsured and underinsured patients access available resources and 2) protecting the cancer program’s revenue.¹⁶ While financial navigator tasks and responsibilities are dependent on the unique needs of the specific patient population and cancer program, key responsibilities could include:^{16,18,21}

- Insurance verification and optimization
- Cost of care estimates, including out-of-pocket costs to patients
- Screening to identify unmet financial needs
- Referral to other services as needed (i.e., social work, psychosocial)
- Enrollment assistance for co-pay, pharmaceutical, and foundation assistance programs
- Prior-authorization screening and tracking

- Verification of pathway compliance
- Compliance check for medical necessity
- Collection of supporting evidence-based literature and inclusion in the medical record
- Coverage denial appeals support
- Off-label use support. ●

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The ACCC Financial Advocacy Network is the leader in providing professional development training, tools, and resources to proactively integrate financial health into the cancer care continuum and improve patient access to care for a better quality of life.

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