

## A Message from the Executive Director

February 28, 2025

(Replaces December 5, 2024 Original Letter)

At the Bateman Horne Center (BHC), we have always been committed to providing the highest quality of care and ensuring that your unique healthcare needs are met in a trusted, competent, and compassionate manner. I am writing to inform you of an important change in our clinic's financial model and billing policy that will take place over the next several months.

## The 2024 Case for Additional Change

BHC operates as a unique 501(c)3 nonprofit clinic with complementary research and provider education programs. We remain focused on and dedicated to ending the marginalization of patients with ME/CFS, long COVID, and other Infection Associated Chronic Conditions (IACCs).

BHC operates today in an environment of dwindling insurance reimbursement rates combined with increased costs, system inefficiencies, and collection challenges. In 2019, BHC changed to a model that combined an annual membership fee with private insurance. While that model helped improve BHC's financial viability, additional changes are required to ensure BHC remains a source of patient care.

After careful consideration and extensive evaluation by our staff, our Board of Directors, and expert consultants, we have made the decision to transition to an all-cash model for our medical practice and <u>will no longer accept insurance for our services</u>. The transition to the all-cash model will occur over the next few months. This decision was not made lightly but is one that must be considered for BHC to remain available to provide high-quality care. We would like to explain the reasons behind this change and some details on the transition:

1. **Reduced Administrative Burden**: The administrative burden of working with insurance companies has become increasingly complex and time-intensive. This costs BHC over \$150,000 per year. By eliminating the need to process insurance claims, we can streamline our operations and reduce overhead costs. *This enables us to allocate more resources towards patient care and services*.

- Insurance Costs: Insurance companies deny claims, reduce payments, require prior authorizations, and make it difficult for new providers to be contracted. Mandated contract discounts and denied claims cost BHC over \$250,000 per year. BHC remains steadfast in putting the patient and their care needs first, which often includes extensive patient visits that insurance routinely denies.
- 3. Lost Revenue for BHC: BHC acknowledges the financial struggles of living with these challenging diseases and has never referred unpaid patient accounts to a debt collector. When payments are not received from the patient or the insurance companies, BHC must write off the uncollected amounts.
- 4. **Transparent Pricing for Services**: <u>Annual renewal fees will be eliminated</u>. BHC recognizes the impact of this model change. We believe in full transparency, and patients will know the cost of services to be provided in advance.
- 5. **Financial Support Where Needed**: Pricing for services is based on a portion of the resources required to maintain a sustainable practice of providing the care you deserve. We actively work to raise funds to supplement clinic costs and to be able to offer financial assistance to those in most need.

We recognize that this change may raise questions and concerns. We want you to know that we are here to support you throughout this transition. Our team members and resources are available to help you navigate through the details of how this will impact your situation. Our commitment remains resolute in providing you with the same high level of care and attention you have come to expect from BHC.

## What's Next

There are several steps that we will assist you with over the next several weeks and will ask you to consider your options and decide what is best for you and your future. The new all-cash model applies to <u>all</u> BHC clinic patients. The following steps may include.

- 1. <u>Annual renewal fees will be eliminated for all patients</u>.
- 2. BHC patients who are <u>currently cash-pay</u> will transition to the new fee schedule effective January 1, 2025 (see Schedule "Clinical Visit Charges and Payment Policies").
- Insurance company contracts with BHC will be terminated beginning December 31, 2024, through May 31, 2025 (see Schedule "A" – Carrier Chart). The schedule

will be updated as we finalize termination dates over the next few weeks. If you choose to remain a patient at BHC, the following will happen:

- a. <u>Effective immediately, the annual renewal participation fees are</u> <u>eliminated</u>. Fees that were paid during 2024 will receive a prorated credit based on their anniversary date.
- b. Patients with past due accounts must contact the billing office as soon as possible to resolve their account.
- c. Continuing established patients will be required to review and sign an updated Terms of Engagement (TOE).
- 4. Future fees will be paid in advance per visit (see Schedule "Clinical Visit Charges and Payment Policies").
- 5. Upon request, patients may receive a superbill that they can submit to their private insurance or apply for reimbursement through a Health Savings Account or Flexible Spending Account (HSA/FSA).
- 6. <u>Patients who are experiencing financial hardship may receive special</u> <u>consideration based on individual financial circumstances</u>. These will be evaluated on a case-by-case basis upon request to the billing office.
- 7. If your questions and concerns are not answered in the scheduled materials distributed or the FAQ document, we ask that you please reach out to the billing office for more information.
- 8. If you feel you cannot continue to be a patient at BHC, please reach out to us. We want to make sure you and your provider can create a transition plan for you to receive care elsewhere.

We appreciate your understanding and continued trust in our practice. We look forward to continuing to serve you.

Thank you for your consideration,

Rose Eem

Rob Ence Executive Director Bateman Horne Center