

White Paper

Moving Patients from “No-pay” to “I’ll-pay”

Open up revenue
opportunities with
omni-channel payments



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When it comes to medical services, today's busy consumers prefer to rely on digital and self-serve channels – such as online, mobile, IVR and kiosk – to submit payments. Just consider how mobile phones are changing the way consumers make payments. Twenty-four percent of mobile phone owners reported making a mobile payment in 2015, versus 17% in 2013.¹ Healthcare providers need to capture as much of consumer dollars as possible in order to continue to thrive – but to achieve this you need to meet consumers where they are. That means giving them options that support where, when, and how they prefer to pay.

CONSUMERS LIKE SELF SERVICE

Our ability to self-serve impacts our daily lives, from grocery store check-out to bank transactions to airport check-in and even lunch orders online. And now paying for healthcare services.

Across all demographics, channel usage rates are quickly changing with Forrester Research reporting that in 2015, web and mobile self-service interactions exceeded live-assist channels, which are now the path to solving harder problems for most customers.²

There are several reasons why some consumers prefer self-service including:³

- Efficiency of the interaction
- Fewer mistakes related to human error
- Satisfaction of being in control
- Ability to “time shift” the service experience to fit the customer’s schedule, not the provider’s

Yet, despite the proven demand in other industries, many healthcare providers have still not invested in the technologies and systems required to expand self-serve payment options to their patients.

Consumers that made a Mobile Payment ¹



What's Keeping Providers from Meeting Evolving Consumer Expectations

Healthcare still lags other industries and continues to rely heavily on the U.S Postal Service for bill collection and other communications. Sixty percent of providers indicated they consistently mail more than one statement to collect a consumer payment.⁵ This leads to waste and inefficiency. In fact, 30% of dollars are wasted in health care according to Consumers Union research.⁴ That is a significant number when you consider healthcare accounts for roughly a \$3 trillion industry.⁶ Those dollars are considered wasted due to inefficient, disjointed payment processes – much of it related to healthcare's heavy reliance on paper-driven workflows.

Competing priorities, expensive technology investment and inertia are some of the reasons why providers may choose to delay payment and billing automation. But there are costs associated with a lack of process automation, and payments administration suffers as a result.

Paper-based and manual billing processes can draw time and investment away from patient care, and slow down patient flow.

- Inefficient paper management and tracking can result in patient payment data being lost or stolen
- Paper usage can contribute to environmental waste and undermine 'green' initiatives
- Billing code errors can result in unpaid revenue and put providers at risk of violating liability or compliance rules.

Using online, mobile, IVR and kiosk solutions, more payments can be received electronically and automatically posted to appropriate systems – saving time, increasing security, and speeding cash flow.



Inefficient, disjointed payment processes can be costly for healthcare providers

How to Capture More Patient Dollars

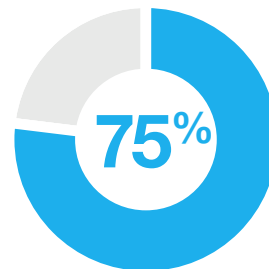
You've probably heard the age old axiom "Location, Location, Location." In the world of payments, it's "Options, Options, Options." Enabling patients to decide how, and through which channel, to pay is part of engaging patients in a meaningful manner that can ultimately lead to increased patient receivables

Nearly 20% of consumers have unpaid healthcare bills due to the unfamiliar and confusing healthcare payment process.⁴ Seventy-five percent of bad debt is associated with patients who are willing to pay but have questions about how much they owe or how to pay.⁴

Clear, consistent communication is key to successful payment collection. By using technology effectively, healthcare providers can improve patient understanding of their financial obligations, increasing their willingness to pay. Offering patient access to user-friendly billing statements, email and text billing reminders, payment confirmations and payment policies through self-serve interfaces, can help improve patient financial engagement



Healthcare consumers who have unpaid healthcare bills due to unfamiliar and confusing payment processes.³



Bad debt associated with patients who are willing to pay but are unsure about how much they owe or how to pay.³

Tips to Spur Adoption of New Technologies and Payment Options



Point of Service: Educate staff to clearly and compassionately explain financial obligations to patients early in the process. Reduce the chances of billing “surprises” by explaining potential costs and payment options upfront. Arm staff with scripts to help them become comfortable discussing payments with patients. Engage staff to contribute ideas and suggestions for improving the patient payment experience.

Online Portal: Train front desk personnel to collect email addresses for each new patient, and help them register on the portal. Promote the portal across a variety of patient touch points – websites, statement inserts, email confirmations, social media, and signage. Distribute pamphlets at every facility to explain portal capabilities and how to get started.

Tablet: Add payment capabilities to patient check-in tablets; prompt patients to submit payments by entering a credit, debit or HSA/FSA card at the same time they’re completing clinical paperwork.

Kiosks: Place large signage above kiosks and distribute pamphlets in relevant offices to indicate where kiosks are located and how to use them to make payment.

Phone: Add IVR options to your customer support telephone system to automate payment acceptance by phone 24/7. Promote pay by phone options along with your online portal to increase visibility for both channels.

CONCLUSION

Moving consumers from “No-pay” to “I’ll Pay” doesn’t have to involve a colossal effort, nor include heavy-handed collection activities we’ve seen in other industries. By meeting consumers where they are, with flexible, convenient payment options, healthcare providers can increase collections and improve consumer satisfaction.

RevSpring partners with Elavon, a leader in payment technologies offering specialized solutions and strategies designed for healthcare.

Our dedicated healthcare team can provide expertise and products to help your organization improve revenue cycle management and payment processes.

1 Boards of Governors of the Federal Reserve System “Consumers and Mobile Financial Services” 2016

2 Forrester “Top Trends for Customer Service in 2016” January 6, 2016

3 Harvard Business Review, “Why Your Customers Don’t Want to Talk to You” July 28, 2010

4 InstaMed “Trends in Healthcare Payments” Annual Report 2014

5 Source: InstaMed Trends in Healthcare Payments Annual Report 2016

6 U.S. Centers for Medicare & Medicaid, National Health Expenditures Database, 2014