

Patient Engagement and the New Face of Revenue Cycle Management

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The enactment of the Affordable Care Act (ACA) has gradually led to new models of healthcare reimbursement that have changed how much health systems, hospitals, and providers get paid and by whom. Patients have become, either by choice or by force, financially responsible for a larger portion of their healthcare costs. During the first nine months of 2015, approximately 36 percent of insured Americans were covered by high-deductible or consumer-directed health plans (CDHPs) that meant they had to make larger out-of-pocket payments¹. The good news is, as a result of the ACA, more Americans than ever before have health insurance. The bad news is, as indicated by a 2014 Kaiser Family Foundation report, approximately one-third of insured Americans struggle to pay their medical bills².

When patients don't pay, healthcare organizations do. Cash flow lags, bad debt goes up, and revenues go down. The onus now upon health systems and hospitals is to continue to provide high-quality care in the face of non-paying consumers and shrinking reimbursements without alienating patients or bankrupting themselves. It's a conundrum that keeps CFOs and directors of revenue cycle management (RCM) departments awake at night.

A top-of-mind RCM business objective for healthcare organizations is to improve cash flow and reduce collection costs, while enhancing patient satisfaction. Forward thinking health systems and hospitals are beginning to acknowledge the value of leveraging innovative RCM technology to accelerate revenues. In response, vendors have turned their focus on the development of an end-to-end technology solution that integrates mission-critical RCM functions with active patient engagement tools.

What is Active Patient Engagement?

Rather than passively waiting for a certain action to be taken by the patient, an active patient engagement approach involves proactive, personalized interaction with the healthcare consumer. At the end of the (RCM) day, active patient engagement has the overarching objective of getting patients to exhibit a new financial behavior or modify an existing one. The desired behavior change is accomplished by increasing the patient's ability or desire to respond and engage. And because no behavior happens

without a trigger, it is necessary for healthcare organizations to create a path that leads to the optimal financial outcome and then—most importantly—to guide their patients onto that path.

Take a Proactive Approach to Patient Engagement

In today's high-tech, high-touch healthcare environment, the traditional approach to RCM, which generally focuses more on the collection of patient service dollars and less on patient engagement, is not enough to ensure patient accounts will be reconciled. Healthcare consumerism is the new normal, and patients know they have a choice when it comes to services. Because of their greater financial responsibility for healthcare costs, patients rightly expect not just to have their clinical needs satisfactorily met, but also their communication needs. In short, patients want to be engaged when they want (timing) and how they want (e.g. snail mail, email, or text).

Regardless of their size, it has become a business imperative for health systems and hospitals to identify and deploy proven RCM technology that integrates communications, payment, and analytics into a single, end-to-end solution which can be implemented seamlessly and painlessly. To lower bad debt and push revenues higher, healthcare organizations should look for opportunities to engage patients in ways that facilitate timely payment for services rendered. From scheduling to check-in to follow-up, patient touchpoints across the billing cycle can and should be optimized by healthcare organizations to create a competitive edge. Clear and effective communication is the linchpin for successful patient engagement across the RCM continuum.

For example, the delivery of billing statements represents an opportunity for patient engagement, as do online portals with payment options which make it convenient to pay. An effective patient engagement strategy will result in a favorable financial outcome for healthcare organizations. It's a win-win situation: Patients are empowered with the information and tools they need to settle their accounts in a way they feel good about, and the healthcare organization avoids sending another account to collections or, worse, to the bad debt pile. It's all about active patient engagement, which helps organizations to survive in a crowded marketplace. If healthcare organizations are to meet the demands of an empowered and technologically savvy healthcare consumer, an active patient engagement component must be part of a revamped RCM strategy.

Deploy Technology That Drives a Winning Patient Engagement Program

The deployment of an end-to-end RCM solution that combines the benefits of predictive intelligence and workflow automation to enhance the patient experience and improve

financial performance is an important first step for health facilities seeking to reduce bad debt. A successful active patient engagement strategy centers on a satisfying user experience that is optimized, persuasive, patient-centered, and functional. The end goal is to change the face of traditional RCM through an automated solution that supports an enhanced patient experience and enables an optimal financial outcome for the healthcare organization.

An organizational active patient engagement mindset has the best chance of success when it is coupled with an integrated technology platform that leverages data to predict and influence behavior and to deliver targeted communications at each patient touchpoint. That platform should feature automated, personalized engagement workflows based on data, predictive modeling, and business rules. A best-of-breed integrated RCM patient engagement solution seamlessly delivers the right message to the right patient at the right time using the right channel in order to achieve the right response.

Maximize Underutilized Patient Touchpoints

To get the most value from an RCM patient engagement strategy, health facilities should begin with a baseline metric for the patient financial behaviors that they want to change. Data doesn't lie, and big healthcare data is being used to better understand and even predict patient behaviors. During this stage, it is also important to identify underutilized touchpoints, such as the statement, that can be leveraged to engage patients during the billing process by delivering targeted messaging.

For example, many billing statements are a convoluted mishmash of codes, medical terms, and abbreviations that most patients cannot decipher⁴. A Mad*Pow research report indicated that patients want and need to understand what they owe and why they owe it. According to a survey conducted and published by Mad*Pow in May 2016, 60.5 percent of respondents described their medical bills as confusing or very confusing. More than 49 percent of the 355 respondents indicated that they were "not sure if the total owed was correct." Another 48.8 percent stated "the amount owed was a surprise."⁵

A simple change in layout can make a statement easier for patients to understand and pay. Point of service and CSR service scripting improvements can also be made to streamline and simplify the collection process. An existing IVR system can be reprogrammed to support collections and lessen the burden on live CSR collection efforts. These are just a few areas where active patient engagement can be aligned with current RCM initiatives. It isn't necessary to reinvent the wheel. When augmented with a robust and patient-centric RCM solution, a few small adjustments can yield big returns for an organization's bottom line.

Identify a Robust RCM Patient Engagement Solution

To ensure their future financial viability and deliver patients excellent experiences, health systems and hospitals must be proactive about leveraging innovative technology to continually engage patients throughout the billing lifecycle. By incorporating technology that supports engagement workflow design and the development of applications and communications that improve the patient's ability to take action, healthcare organizations can lower bad debt and increase revenues.

A robust RCM patient engagement solution empowers healthcare organizations to take advantage of data and real-world experiences to create patient scenarios encountered during the revenue cycle. Health systems and hospitals can then craft messages based on the created scenarios, as well as the known reasons for why patients don't pay, to influence their patients to voluntarily take the desired action. Once patients respond favorably to the messaging, it is more likely they will meet their financial obligations. Healthcare organizations should carefully vet vendors in order to identify and deploy a proven RCM active patient engagement solution designed to elicit the appropriate response. The best solution will allow health systems and hospitals to develop targeted, more effective engagement workflows, maximize collection efficiency through the adoption of self-service payment technology, and deliver a personalized service experience.

Healthcare organizations need to partner with an experienced RCM vendor to build a custom and powerful patient engagement solution that drives operational efficiencies, improves the patient experience, and elevates financial outcomes. The ideal partner will be a trusted healthcare technology services provider that delivers an RCM technology powered by integrated data, analytics, and automated workflow decisions that focus on patient-centric interactions. The vendor should be a mature company with deep experience in patient financial communications and healthcare revenue cycle management best practices. In addition, the vendor should have a proven track record of deploying a seasoned team with a portfolio of successful RCM patient engagement implementations.

Get to Know RevSpring

Health systems and hospitals can no longer rely on outdated modes of revenue cycle processes and expect to improve their financial performance. It's important to recognize that patients come from different social and economic backgrounds. Because they are responsible for paying more dollars to healthcare organizations, patients must become the focal point of an effective RCM strategy. A best-in-class RCM solution provider will be able to lead this process and help a healthcare organization deploy technology with a patient-centric feature set that meets its unique business objectives.

At RevSpring, we have developed a superior RCM platform powered by integrated data, analytics, and automated workflow decisions. The platform leverages patient engagement interactions in tandem with communication, billing, and payment

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functions to drive optimal financial and operational responses throughout the lifecycle of each individual healthcare encounter. From segmenting financial risk to estimating patient balances to accepting payments to automating payment arrangements, RevSpring clients accelerate revenues by deploying technology that expedites patient action and delivers a personalized healthcare experience across all patient touchpoints.

Visit revspringinc.com/healthcare to learn how our innovative, end-to-end RCM patient engagement platform is helping health systems and hospitals achieve their revenue performance goals.

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RevSpring is a leader in patient communication and payment systems that tailor engagement touch points to maximize revenue opportunities in acute and ambulatory settings. Since 1981, RevSpring has built the industry's most comprehensive and impactful suite of patient engagement, communications and payment pathways backed by behavior analysis, propensity-to-pay scoring, intelligent design and user experience best practices.

RevSpring leverages "Best in KLAS" software and services to deliver over 1 billion smart medical communications each year that drive increased patient engagement and payment rates.

www.revspringinc.com • (248) 567-7300 • learnmore@revspringinc.com