

Merchant Services: The Missing Link in Robust Patient Financial Engagement

By the time patients sit down to pay for their services, their expectations of the financial experience have already been cemented — mostly by experiences in spaces that have little to do with healthcare. From retail and entertainment to banking, patients have grown accustomed to a flexible, transparent, personalized financial experience, and one that's heavily enabled by efficient use of merchant services.

Any healthcare entity invested in improving cash flows will find that merchant services are a critical component in building a robust patient financial experience.

Merchant Services in the Healthcare Landscape

In most industries, merchant services primarily provide convenience. In healthcare, they go much further, with this category of financial services being perfectly suited to enable patient-centered initiatives.

Patients sit behind Medicare and Medicaid as the third largest payer in healthcare.¹ Payment plan transactions increased 284 percent from 2011 to 2013, and 65 percent of patients say they would pay an electronic bill faster than one delivered on paper.² It has become clear that healthcare providers should be prioritizing transparency and overall efficiency of patient transactions. Merchant services enable a significant step in this direction by:

- Facilitating flexible patient payment options.
- Managing payment-to-billing reconciliation.
- Meshing with patient engagement workflows.
- Integrating into existing financial systems.

As the patient payment conversation shifts more heavily to pre-service and point-of-service touch points (mirroring other industries), merchant services become even more relevant. This focus multiplies the potential impact of merchant services, not only in the complexities of payment reconciliation and billing that

emerge, but also in improving the options patients are given in their new role as a significant payer in the healthcare ecosystem.

Merchant Services and the Patient Financial Experience

The path to an optimal patient financial experience is still developing, but a few areas of clarity have emerged — all of which can be directly addressed by incorporating merchant services into a larger patient financial engagement strategy.

Patients care about convenience, and probably more than many healthcare leaders realize.

According to a 2017 Medical Group Management Associate survey, 34 percent of patients said they would switch practices just for the ability to pay their bills online.³ Another 30 percent said they'd make a change for the opportunity to set up payment plans.³

Financial flexibility in the healthcare experience isn't just tangential to provider selection — it's a driving force. Merchant services simplify the process of offering patients the flexibility they crave while simultaneously encouraging the loyalty that's increasingly difficult to maintain.

Patients want to understand costs.

The Accenture 2014 Global Consumer Pulse Survey revealed that 47 percent of consumers would switch providers if they could understand cost upon scheduling, as well as understand and pay a bill using their preferred method.⁴ Patients want transparency and are willing to adjust their healthcare decisions accordingly.

Merchant services solutions open the door to that transparency. For example, they provide reconciliation controls that facilitate accurate posting to patient accounts, ensuring a reflection of correct balances when patients with outstanding balances return for additional services.

Patients are concerned about security.

Patients are highly aware of the risks to their personal data in the healthcare setting. According to a 2016 Ponemon study, 7 percent of patients would be willing to switch providers after a data breach.⁵ Additionally, because of their experiences outside of healthcare, patients are increasingly aware that yesterday's mag stripe solutions provide an inferior security experience.

Merchant services facilitate a major step toward a holistic data security strategy through the use of Europay, MasterCard, and Visa (EMV) capabilities, point-to-point encryption, and protocols for training hospital staff — tactics that are becoming essential in navigating healthcare's complex security landscape.

The patient financial experience directly impacts care decisions and quality of life.

Still, the potential impact of merchant services runs even deeper. One-third of Americans reported that they or a family member have delayed care because of costs.⁶ Cancer survivors report spending more than 20 percent of their annual income on medical care and are more likely to experience financial toxicity.⁷

Giving patients the ability to split their payments between cards and accounts the way they feel most comfortable has a direct impact on care decisions.

Taking the First Steps Into Merchant Services

While most providers can benefit from a tailored merchant services agreement, it's important to start with an understanding of where an organization can benefit from optimizations. An experienced healthcare merchant services vendor will examine your current reconciliation challenges, reporting inefficiencies, and security risks to close gaps in your payment processes.

Sources

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About RevSpring

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.



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