



Building a Comprehensive Patient Financial Engagement Strategy to Increase Patient Payments and Satisfaction



by Jeff Nieman, Meduit CEO

Across the country, we're seeing a trend in the number of hospitals that are realizing the comprehensive strategic value in improving the patient financial experience. This article provides a playbook for developing a broad patient financial engagement strategy that drives the end-to-end revenue cycle and motivates full and timely patient payments.

THE BIG PICTURE

The rising cost of healthcare and prescription drugs, along with increasing health insurance deductibles, have put growing pressure on patients. Almost a third of working Americans have some kind of medical debt, with approximately 25% of those with outstanding balances owing \$10,000 or more on their bills, according to a recent report by CNBC.¹

A staggering 81% of patients say they experience frustration related to their medical bills. Patients are less inclined to pay their bills when they don't understand them. These patients also tend to give lower scores on patient satisfaction surveys.²

For providers, patients have become the new payers, and they are struggling. Having a robust patient financial engagement strategy in place can help patients understand their medical bills and pay them in a convenient, efficient manner that supports a positive patient financial experience.

THE PATIENT/PROVIDER DISCONNECT

Let's take a look at some of the factors causing a disconnect between patients and their healthcare providers.

Consumers

86% of consumers want to make all their healthcare payments in one place

71% of consumers are confused by explanation of benefits (EOBs)

72% of consumers want e-statements for health plan and premium bills, yet 42% cannot receive e-statements from their health plan



Healthcare Providers

90% of providers fall back on paper and manual processes for collections

77% of providers say it takes more than one month to collect any payment

Consumers are increasingly using their smartphones and tablets to pay for purchases and are looking to healthcare providers to offer convenient mobile options to access and pay their medical bills.³

COMPONENTS OF COMPREHENSIVE PATIENT ENGAGEMENT

How do you provide patients with an integrated and seamless financial experience that incentivizes timely payments? Consider these elements of a best practice solution model:

- **Providing patients with digital statements**, texts and live representatives allows patients seamless communication regarding their bill and the option to make payments online 24/7
- **Offering a complete patient call center with live representatives** who can talk with patients, review their bill, answer questions and take payments delivers the support that patients need

Best practices dictate having a blended solution with the best of the above options. In our

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internal analysis, the Meduit team has found that 45% of patients prefer self-service and online payment options. However, 55% request a live person to answer their questions.⁴

GOING DEEPER, HERE ARE STEPS YOUR ORGANIZATION CAN TAKE TO DRIVE POSITIVE PATIENT FINANCIAL ENGAGEMENT:

- **Standardize billing statements** in one holistic, easy-to-understand bill that empowers patient communication across the health system. Include ways to pay and where and when to call along with where to access financial assistance guidance. Combine a summary of each service, date of service, cost of service, insurance adjustments and patient payment responsibility in the statement.
- **Structure digital communications to be available 24/7** without the necessity of talking to anyone. Include multiple payment options that are simple and easy to set up. Note, digital communications must include patient consent language in order for text, email, etc. to be deployed.

- **Determine who will handle incoming patient calls.** Many of the new digital vendors do not provide a call center to address patients with questions with a real human being, throwing the responsibility back to the healthcare system, which often increases the cost of the overall RCM service.
- **Offer patient financing options** that allow patients to set a monthly payment that fits their budget. Best practices dictate allowing patients to qualify with no credit check, no fees and no prepayment penalties. The lender should pay the healthcare provider what the patient owes upfront at no cost to the provider.

CONCLUSION

Digital solutions have already swept consumer practices across multiple industries. By adapting to these new technologies, healthcare providers can positively impact the patient financial experience to increase collections, shorten the time to collect and improve overall patient satisfaction.

¹ <https://www.cnn.com/2020/02/13/one-third-of-american-workers-have-medical-debt-and-most-default.html>. Accessed 12.17.21.

² Meduit RCM data, 2021.

³ <https://www.digitalcommerce360.com/2019/05/06/consumers-want-more-online-payment-options-for-healthcare/>. Accessed 12.17.21.

⁴ Meduit internal analysis of patient behavior for self-service vs. access to a human, 2021.



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