



The Patient Experience:

Engaging Today's New Healthcare Consumers

WHITEPAPER

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The Evolution of Healthcare and Shifting Financial Responsibility

Many providers now aptly view patients as “consumers,” given patients’ growing involvement in high-deductible healthcare plans (HDHPs), access to mobile health, and transparency in price and quality. The trend having a very significant impact on healthcare payments today is undoubtedly the shift of financial responsibility to healthcare’s new patient consumers, with self-pay now being recognized as the third largest payer behind Medicare and Medicaid.⁽¹⁾ As a result, there is an increase in bad debt and patient liability from HDHP patients with self-pay balances after insurance. Providers are changing the way they do business and becoming increasingly aware that

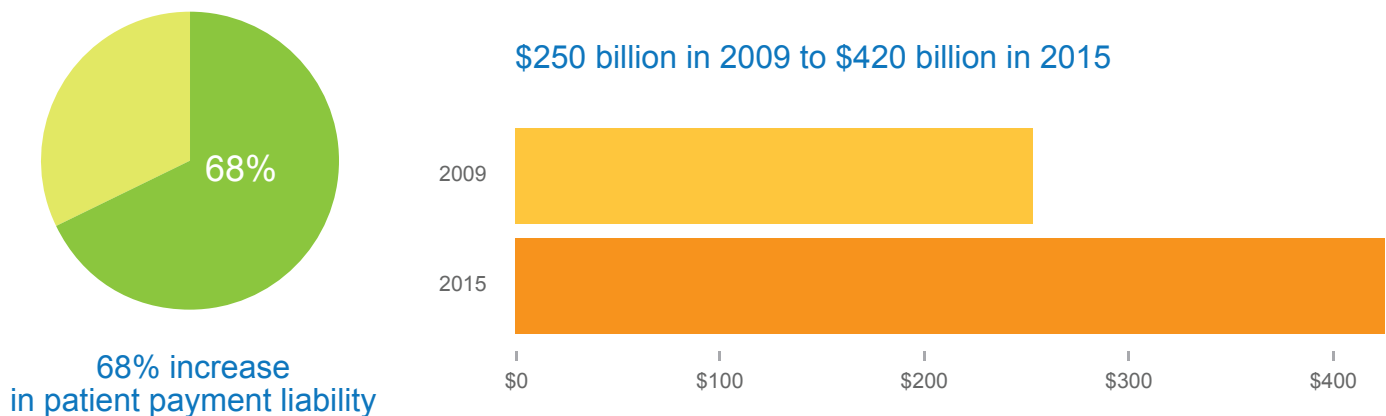
today’s patients have more control over how they obtain care and pay for it.

This paper will explore all these facets of evolving patient interaction requirements, and analyze ways providers can better reach consumers where they are. Readers will walk away with the ability to better meet the demands of today’s patient consumer, as they glean insights regarding, 1) The business- to-consumer shift; 2) Customer service techniques; 3) Patient experience best practices and technologies; 4) New responsibilities in revenue cycle management; and, 5) Data security and patient privacy.



Executive Summary

Within the last decade, healthcare has seen a steady increase in consumerism among patients, who are faced with a gamut of choices and decisions when it comes to the quality and price of their medical care. This trend is largely a product of new patient consumers “picking up the tab” with hefty out-of-pocket deductibles brought about by the Patient Protection and Affordable Care Act. Recent statistics listed in a McKinsey Quarterly article confirm this, stating there has been a ten-fold increase in HDHP plans in the past seven years to more than 11.4 million people, and steadily growing. HDHPs are a driving contributor of the 68% increase in patient payment liability from \$250 billion in 2009 to \$420 billion in 2015.⁽¹⁾

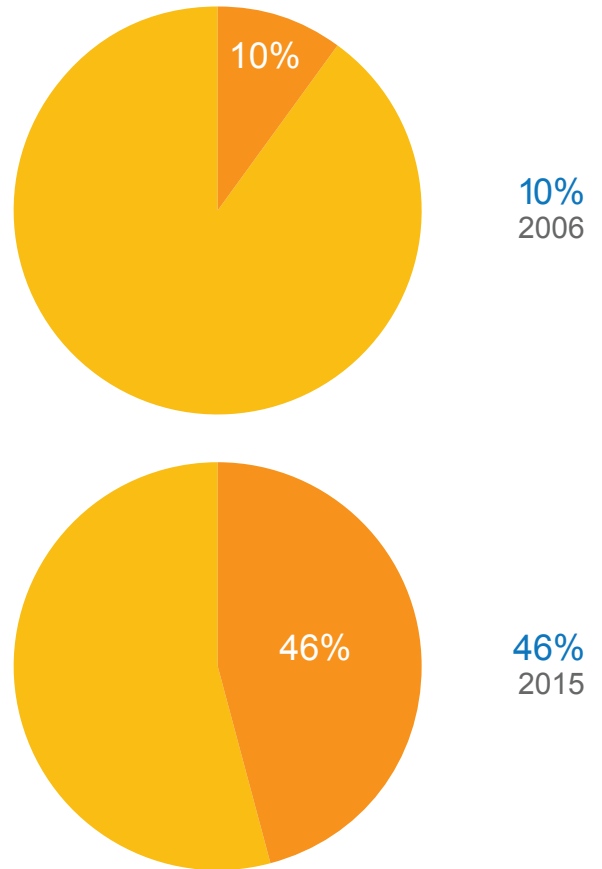


This is an increasingly prevalent occurrence, especially as insurance carriers are enrolling more consumers in HDHPs, in which they are responsible for a significantly greater share of their healthcare costs. Since the advent of the health savings account in 2003, deductibles have increased as employers resist escalating premiums. According to the Kaiser Family Foundation, the percentage of covered workers with deductibles of \$1,000 or more rose from 10 percent in 2006 to 46 percent in 2015 — a 360 percent jump. Among covered workers with a general annual deductible, the average deductible for single coverage in 2015 was \$1,318, up from \$917 in 2010.⁽²⁾

This trend isn't expected to cease either, with average annual growth of out-of-pocket healthcare expenditures projected to rise to 5.5 percent by 2023 from 3.2 percent in 2013.⁽¹⁾

Because healthcare reform has increased patient responsibility for payment, providers are seeking the best ways to directly engage patients and understand their behaviors in order to collect money owed. Their goal, to provide consumers with multiple payment options, either during the point of service, or afterwards, utilizing website portals, mobile capabilities, payment plans, auto-deduction from health savings accounts, and sophisticated interactive voice technologies, to name a few.

Percentage of covered workers with deductibles of \$1,000+



The industry is also abuzz over predictive analytics that give providers the optimal ability to collect payment from the new patient-consumer population. This approach involves the ability to accurately forecast propensity to pay for patients covered by HDHPs—all based on geographic, demographic, and historical payment data, and all of which deviate from seeking out a traditional credit score.

Google Search

I'm Feeling Lucky

In this same vein, healthcare is currently undergoing the “*Google effect*,” or the idea that people are no longer ever at a loss for answers because of powerful search engines. Data essentially eliminates gut reactions and personal bias from business decisions because it provides answers in black and white. Many providers have not been up to speed when it comes to putting a focus on how the patient experience fits into their revenue cycle. The management of clinical applications such as EHRs, plus administrative functions related to scheduling and admissions, all tie into the patient experience side of the equation, which has a direct and very relevant impact on physician revenue.

The Big “Business-to-Consumer” Shift

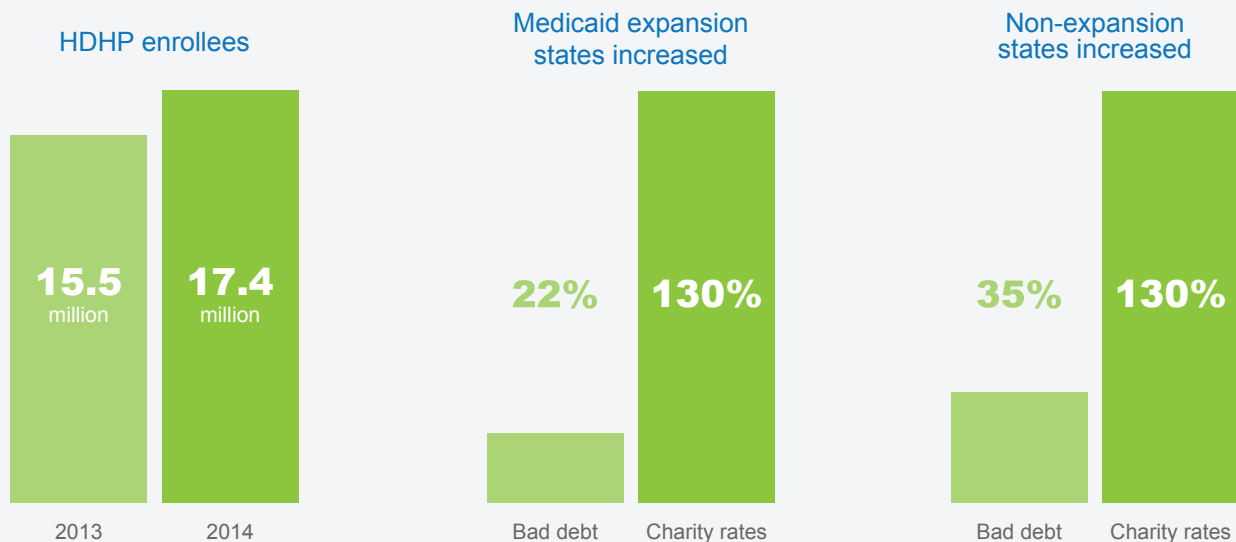
Physician groups have traditionally operated in a business-to-business model where patients’ bills were paid largely by various government and private insurance payers. Physicians previously knew who to bill and what to expect in the way of payment from payers, but today’s payer landscape has been transformed as well. As patients have been encouraged to take responsibility for the value of their healthcare purchasing decisions, so too have insurance companies used the notion of “**consumer-managed healthcare**” to shift the responsibility for payment to the patient by implementing high-deductible plans and health savings accounts. **Currently, healthcare providers find themselves increasingly working in this new business-to-consumer model, and they need to transform themselves and excel in their ability to connect, bill, and collect from thousands of individual payers rather than scores of corporate payers.**



Consumer-managed Healthcare

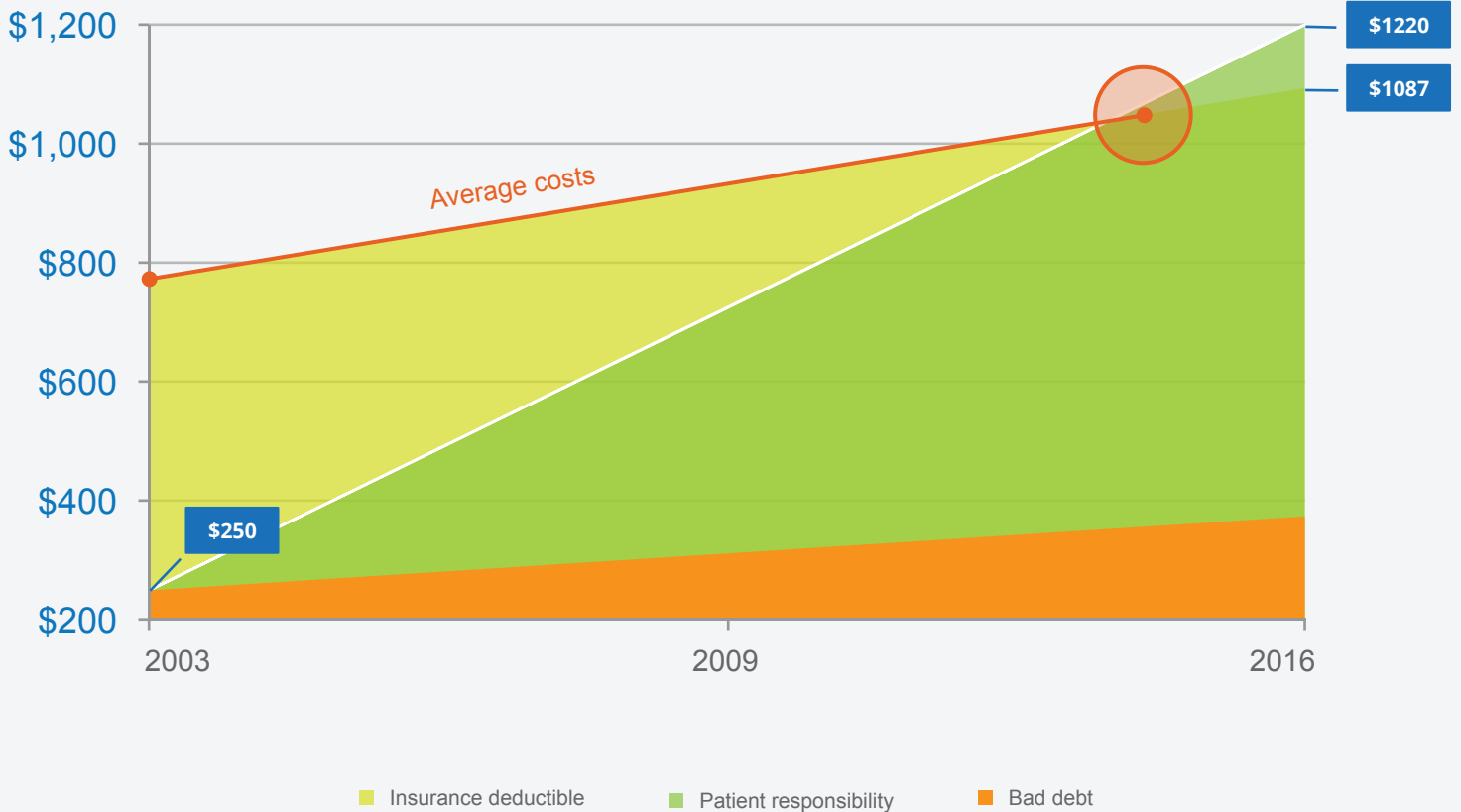
Responsibility for payment is shifted to the patient versus insurance companies

Bad debt among the self-pay after insurance patient population is rising, according to public accounting and consulting firm Crowe Horwath's first quarter 2015 edition of its hospital benchmarking data.⁽³⁾



The Crowe RCA Benchmarking Analysis, which evaluated 420 hospitals, showed as the number of HDHP enrollees increased from 15.5 million in 2013 to 17.4 million in 2014, insured patients’ share of total uncompensated care increased dramatically, with bad debt up 22 percent and charity rates up 130 percent in Medicaid expansion states. In non-expansion states, bad debt and charity rates rose 35 percent and 130 percent, respectively. (3)

Contracting with carriers



As shown above, the average health plan deductible in 2016 was \$1220, with the average healthcare cost per enrollee at \$1087. Trends also show that the bad debt among providers has risen since 2003 and continues to rise. However, it should also be noted that Medicaid expansion has reduced unpaid bills and the need for hospital financial assistance overall. Recently cited by *Modern Healthcare*, the bad debt reported by 52 of the nation's largest hospitals and health systems declined overall by 5.6 percent. However, hospitals now write off growing losses on Medicaid patients as well, and the rising number of people enrolled in plans with high deductibles is prompting new strategies that include loans and more attempts to collect bills before or as patients enter the hospital.⁽⁴⁾

These trends underscore the need for hospitals and physician practices to implement solutions that can enhance the patient/consumer collections process and safeguard the revenue cycle by making the experience easier and less painful for patients.

This rapid shift to out-of-pocket healthcare expenditures is worrisome for hospital-based physician groups because the payment methodologies and systems used by many hospitals are outdated and inconvenient when it comes to payment transactions among the self-pay after insurance patient population. Hospitals and physician practices must quickly get up to speed as they meet the demands of the new patient-consumer.



Confusing medical bills and frustrating collection processes can derail satisfactory clinical experiences in the hospital or at a physician's practice.

New Focus on Consumer Service

Billing and payment for medical procedures are often overlooked aspects of the patient experience...and may be the reason that many physicians are seeing increases in patient complaints and their bad debt year over year. Confusing medical bills and frustrating collection processes can derail satisfactory clinical experiences in the hospital or at a physician's practice. Disgruntled patients unsettled by complex bills — then collection letters and poor interactive voice technology phone calls — are less likely to understand their financial responsibilities, and subsequently, less likely to pay on time or at all.

Therefore, the new post-reform environment has healthcare providers taking on a more customer service-centric approach as they face mounting pressures to provide revenue cycle processes that are more “retail” in design. Real-time adjudication and point-of-service collections with tangible and effective follow-up strategies are an absolute must for healthcare provider to interact with today's savvy patient-consumer, because as the role of the healthcare provider continues to evolve, so too will the way they handle payments.

In essentially all industries outside of healthcare, companies ceaselessly strive to provide the best possible customer service. Healthcare lags substantially in that sense because before now, third party payers paid the bills. At the same time, healthcare consumers have grown accustomed to exceptional customer service in other industries and expect the same consumer-centric treatment in their healthcare.

One great example is Amazon, one of the most highly esteemed companies in terms of customer service. On Amazon, you get prime service and your package is delivered right to your house — fast. Consumers are expecting that kind of interaction with healthcare billing. If a provider can't give that experience, it reflects negatively on the overall experience. When an Amazon customer reports a problem, a customer service professional responds in a rapid manner, illustrating an emphasis on fulfilling consumers' demands for immediate help, and highlighting Amazon's commitment to customer service. Unfortunately, that kind of timeliness is not common in healthcare. ***When it comes to medical bills, which patients will likely have questions about, a lack of timely response can damage the patient's overall experience.***



amazon ★★★★★

Negative patient experiences can translate to reduced patient satisfaction scores in the HCAHPS surveys, which ultimately impact reimbursement. Bad experiences can also lead to patients not understanding or even avoiding paying their bills.

Another relevant statistic from McKinsey cites that, "...of the \$2.7 trillion the country spends annually on healthcare, \$400 billion goes to claims processing, payments, billing, revenue cycle management (RCM), and bad debt—in part, because half of all payer-provider transactions involve outdated manual methods, such as phone calls and mailings."⁽⁵⁾ ***Because of this, providers must be more diligent as they take on the patient-consumer population, creating new and better ways to make patient bills more understandable, with easier and more accessible payment options.*** Zotec, for example, touches the patient multiple times, and through multiple channels in order to follow up for payment.

Patient input becomes increasingly important to physician providers, who must understand their (increasingly consumeristic) behaviors and offer options that benefit them. Physicians have to view the patient experience beyond clinical care, especially given the revenue cycle is analogous to a retailer's check-out process in that it can either increase or decrease the likelihood of future encounters, even more so given these relationships are more emotionally driven than say, buying groceries or taking a ride with Uber. The new "***patient-consumer***" requires a more integrated approach in their interactions with hospitals and physicians, therefore, the patient experience can and should be akin to the customer relationship management strategies that many retail and service-driven businesses employ. For patients, the clinical and financial experiences are one and the same, which is why providers have to be diligent on the back end as well as the front end.

Patient Payments Tie Into Patient Satisfaction

Healthcare institutions rely on billing and collections to remain financially stable, but they may not be aware of the large impact that billing and collections have on their patient satisfaction scores as well. In fact, when the Department of Health and Human Services decided to base 30 percent of hospitals' Medicare reimbursement on patient satisfaction survey scores, they did not factor in the methods that were being used to collect payments from patients, nor the vast cultural and demographic differences that each hospital sees, and must contend with, in order to keep patients happy. A billing process can greatly increase a patient's frustration with the hospital, which we then tie into a patient's propensity to complain.

Further supporting these issues, research suggests that 74 percent of satisfied patients paid their medical bills in full, compared to 33 percent of their lesser satisfied counterparts, thus proving that patient dissatisfaction with financial processes can negatively impact satisfaction scores...and an institution's bottom line.⁽⁷⁾



Patient Satisfaction

- Very Satisfied
- Somewhat Satisfied
- Neutral
- Somewhat Dissatisfied
- Very Dissatisfied

Educate Patients, Improve the Experience

Hospitals and physician practices must adopt a "help me help you" mentality when it comes to billing and collections. Whether they seek an external partner who specializes in securing patient payments or acquire the resources to enhance their own billing and collections department, interactions with patients should always be consumer-centric. In addition to providing the portals and tools for actually making payments, ***the key is to provide patients with all of the information necessary to understand what they owe and when payments are due.***

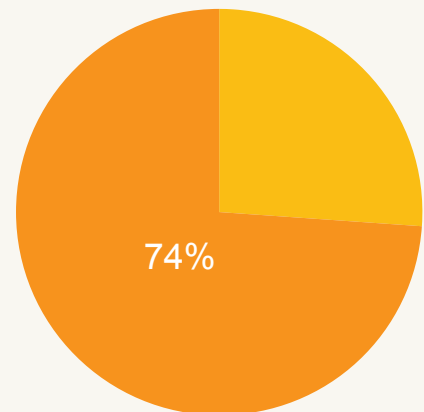
The first thing physicians must do is introduce the process to the patient at the time of service. Clearly explaining the series of steps involved in the billing and collections process to patients upfront remedies any worries they might have regarding the payment process. It also helps patients feel more in control of their healthcare experience because they will know what to expect when they receive their bills

That is why broader follow-up methods, such as claim-tracking status, patient portals, interactive voice response technology and text messaging, are more effective. These are all consumer-driven events that many providers are ill-equipped to handle without procuring outside support. While not representative of the majority of the patient population, some patients are inclined to avoid paying their bills, and the increasing rate of HDHPs will exacerbate this problem. Therefore, it is imperative to be as vigilant in collections and follow-up efforts as possible. These ***"consumer-driven"*** modes of communication also help expedite possible discounts that can be awarded to patients, in turn helping speed up receipt of payment.

Build a Foundation Grounded in Best Practices

A critical question posed by healthcare providers recently is, where does the self-pay after insurance payment responsibility now lie...with the patient, or with the physician provider? Recent studies suggest part of the problem could lie in the physician provider approach, noting that 74 percent of insured consumers indicated they are both able and willing to pay their out-of-pocket medical expenses up to \$1000 per year.⁽⁶⁾ So then, the next question would be, ***"how easy is it for the patient-consumer to make the payment?"***

Pay out-of-pocket medical expenses up to \$1000



74% of insured consumers indicated they are both able and willing to pay their out-of-pocket medical expenses up to \$1000 per year.

Patient Outreach

Follow-up protocols to patients are essential to collecting payment, and following up with the patient-consumer should go far beyond traditional methods, which typically only include a statement, pre-collection letter and collection write-off. Patient outreach tools have the capability to generate improved patient revenues for physician groups.

The patient outreach methods used by Zotec include a dedicated patient portal, patient phone calls woven into the traditional billing cycle of bills and statements, and multiple ways for patients to pay for their bills – including a new option for patients to receive a bill, view and update their account, and make payment directly from their smartphones. Giving physician groups the ability to connect with consumers – especially younger generations that conduct business from their personal devices – is revolutionary for the healthcare market.

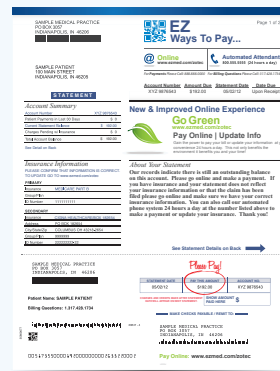
Patient Outreach Methods



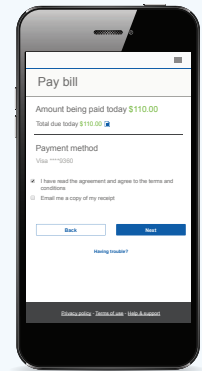
Dedicated patient portal



Patient phone calls



Traditional billing cycle



Mobile pay

Managing Expectations and Empowering Patients

To prevent the billing process from tarnishing patients' experiences, healthcare providers must focus on two principal strategies: managing patients' expectations upfront and empowering them to be more accountable for fulfilling their financial responsibilities.

Central to managing patients' expectations is presenting the hospital or physician practice's billing department as professional, friendly and dedicated to providing the most worry-free collections process. It is concerning when physicians must oversee billing and collections duties on top of caring for their patients. These added responsibilities can have a negative impact on the overall quality of care and may also contribute to a diminished view of the practice overall, as well as result in poor interactions between patients and staff.

Practices and hospitals should be investing in training their people, and there should be staff who are there solely for collecting money and insurance information, as opposed to clinicians juggling these responsibilities on top of their clinical ones. However, in reality, many physician practices and hospitals do not have the resource capacity to designate or hire employees to work exclusively on billing and collections. In these cases, providers might outsource these responsibilities

to revenue cycle solutions companies that can implement effective billing and follow-up methods to ensure patients pay their bills.

Zotec's solutions enhance revenue cycle interactions to help instill positive patient perceptions of the healthcare experience and secure reimbursement and future service revenues for providers. By employing a patient experience methodology, patients are empowered to make payments through several tools that are easy and convenient to use.

Zotec's advanced interactive voice response technology includes a simple authentication process, an understandable format with minimal menu options so it is easy for patients to navigate, convenient text-back features, quick payment options, and immediate live operator assistance. Zotec operates a call center led by a customer service expert trained in optimizing the patient experience. It also offers a secure and user-friendly patient portal that can be used on a desktop computer or mobile device. Using the portal, patients can pay their bills, view their account history, request statements and update insurance information.

As in other industries, the key to securing a positive experience and safeguarding payments from consumers is simplicity and ease of use. With solutions like those offered by Zotec, patients have access to several convenient and straightforward tools to pay their bills. However, it is important to vet revenue cycle companies carefully as they are not all created equally — many still use outdated follow-up collections methods that emerged years ago.

With companies that specialize in billing and collections and help safeguard positive patient experiences, there is no need to overburden the clinical staff to manage these responsibilities, which can be challenging for people who are not trained to handle them. It's important to remember that physicians are seasoned professionals in caring for their patients and diagnosing the issue based on their training and education, and not just on what patients say, therefore it's important to apply that same science to billing.

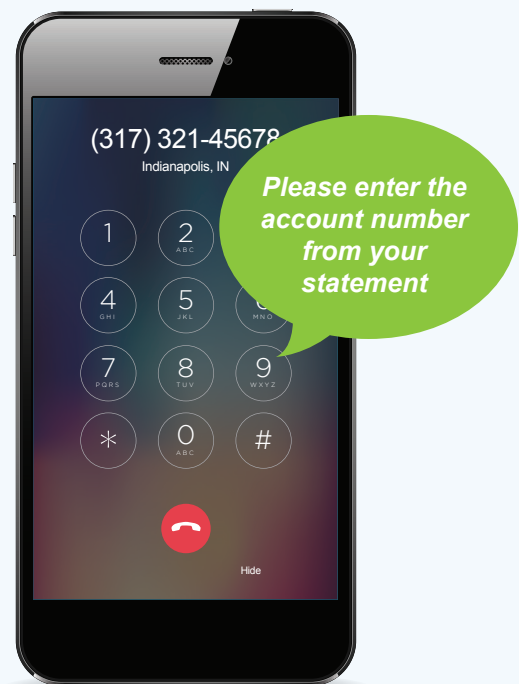
The Technology Factor – A Necessary Component

Achieving payment would not be possible without tools and technologies that give physicians a way to more closely leverage the opportunity to enhance the patient billing experience, including Interactive Voice Response (IVR), mobile text messaging and patient portals, for instance. ***Technology is a key factor in creating patient experience methods, such as follow-up texting campaigns, that will impact collections from HDHP patients. In fact, technology is evolving at a rapid pace, and today's savvy patient-consumer is accustomed to having easy access to mobile tools to manage information anywhere, at any time.***

Automated Calls Still Effective

IVR is automated phone technology that is used by virtually every industry to provide enhanced and more efficient customer service. Companies that use IVR technology create a convenient and efficient avenue for customers to perform important, albeit simple, transactions and obtain necessary information from virtually anywhere, at any time. As the decades have passed and automated phone technology has become more streamlined, IVR technology has emerged as a highly efficient and effective way for smaller and mid-sized businesses to provide more self-service options for their customers. The consumer's expectation for instant access to account information and bill pay from virtually any location at any time is now a reality that leading health care providers can accommodate with IVR usage.

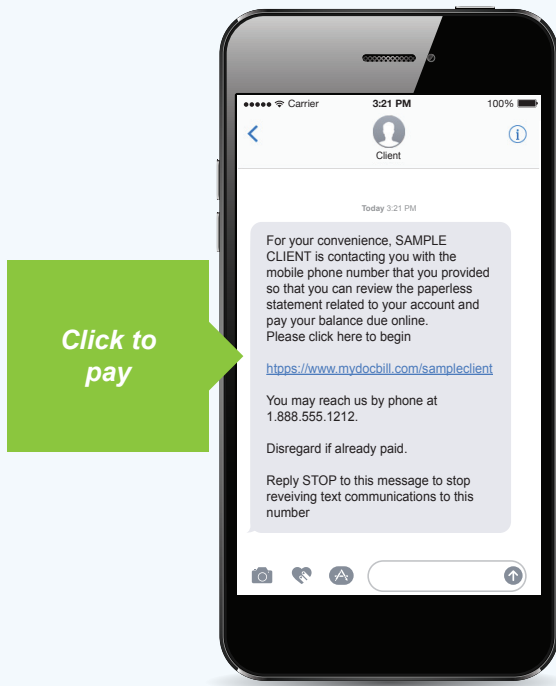
The proof is in the pudding, so to speak. With the addition of auto-generated outbound phone calls to patients, Zotec's clients experienced significant improvements in self-pay collections.



The Movement to Mobile

It is also no secret that mobile usage has risen in recent years. From a medical billing standpoint, physicians should take advantage of this prime opportunity to directly reach their patients. Mobile technology gives physicians an ideal opportunity to engage patients in a platform that is most frequently used in near real-time. Recent statistics cite that Americans used mobile devices more than PCs to access the internet,⁽⁷⁾ and the percentage of bills paid using mobile devices grew by 69 percent in 2014.⁽⁷⁾

According to a 2014 Pew study, over two-thirds of cell phone owners check their phones for calls, alerts, and emails – even when they haven't noticed it ringing or vibrating.⁽⁸⁾ These statistics drive home the point that physicians should be taking advantage of a critical component to bill paying strategies. This confirms that notices and alerts can be very useful throughout the entire patient experience, as patients can be reminded of their financial accountability during various points of a medical encounter, with access to electronic statements for payment throughout.



In fact, Zotec is doing for health care payments what Google Wallet and Starbucks are doing for some consumers, creating a huge convenience factor by turning patients' mobile phones into a payment source. ***With mobile payment and text capabilities, patients are not only empowered and accountable to self-manage their balances, make payments or create payment plans, but they are also reminded of payment due dates.*** It is ultimately important to make the payment process convenient, easy-to-understand and secure for the patient while also increasing collections for the providers, who now have an incredible opportunity to fully engage patients to make payments through multiple channels, especially given today's evolving technology and data mining capabilities.

One thing is clear, mobile phones are replacing the credit card in today's patient consumer interactions, and paying bills has never been easier. According to a recent study at Harvard University, the mobile phone is a strong contender as a key transforming agent in the future of health and health care, additionally citing there are now more than 5.3 billion cell phone users around the globe, with 90 percent of the world's population covered by a commercial wireless signal. In other words, there are now channels to contact people who could not be contacted before, and certainly to provide health care services to them outside of traditional facilities. The study goes on to say that, by providing patients and practitioners with the information they need, where they're at, they are able to make informed decisions regarding a gamut of health issues.⁽⁹⁾



There are now more than 5.3 billion cell phone users around the globe

Customize the Channels

Interestingly, research from Fiserv suggests that a single technology is not efficient in patient follow-up, noting that the average U.S. household uses three different bill payment methods each month, and that users' preferences for paying the same bill aren't always consistent on a month-to-month basis. For example, 42 percent of consumers will use a different payment channel than they did last month to pay the same bill, which makes providers' understanding of patient behaviors even more critical as they seek to obtain payment for services rendered.⁽¹⁰⁾

This goes to show that the latest interactive voice technologies, mobile methods and patient portals are critical platforms that should be intuitive for patients as well, but ultimately, providers must take a multiple approach in patient engagement and employ a variety of tools that will suit all their consumer's preferences. Because no patient is the same, the way providers engage them should not be **"cookie cutter"** either.

New Responsibilities in RCM

A cautionary suggestion for providers: no amount of payment technologies will be valuable if providers do not analyze their current and projected patient mix, and gain a distinct understanding of patient behaviors. If the upfront effort isn't there, then providers may see little to no improvement, especially if it's determined that mobile payments are not the most viable or desired payment option.

Patients are becoming increasingly frustrated when navigating confusing healthcare payments, and therefore it makes sense to offer solutions within the revenue cycle. For providers to expect payment from a healthcare encounter, they must give patients the same experiences they're getting when they make everyday consumer purchases. Adding to that, providers also have the ability to implement this process into their revenue cycle and gauge a patient's propensity to pay a bill or on the flip side, complain about a bill and refuse payment. On the patient side of the equation, Zotec has developed online and mobile billing tools that are better suited to today's increasingly retail-oriented healthcare payment environment, but on the physician side, the company is also able to use predictive analytics to determine patient tendencies ahead of time, in order to obtain a firm understanding of who they are and what they like, or if they have a preference for mobile use, for instance.

The Institute of Healthcare Consumerism (IHC) shares this notion, stating, **"There is a greater expectation for personalized experience in healthcare, and healthcare technologies that seek to know each patient, remember preferences and engage with them effectively, and via the communication channels they are used to in daily life will be at the forefront of taking patient care to its next inevitable level."** The IHC also suggests that these patient experience technologies can ultimately lead to higher patient volumes, revenue, profitability and an overall standard of care.⁽¹¹⁾

Patient's Gauge



Ready to pay



Confused



Will complain



Refuse payment

Providers should not, however, invest a lot of time and effort on collecting from patients that are predicted to pay, on the contrary they need to know they are putting their efforts on the right patients, based on what is reflected in each patients' expected collection amount and his/her risk or propensity to complain. By giving patients the capacity to immediately pay their bills anytime and from anywhere, we ultimately give providers the ability to collect and post payments faster and more efficiently, without manual processing errors.



Demographics and Big Data

Healthcare providers are certainly aware of the complexities they face, including what and when to bill patients throughout the revenue cycle, and especially calculating a patient's propensity to pay. By using data to calculate a patient's propensity to pay, health providers can determine which collections strategy will most likely get the maximum return in revenue. There are millions of data elements generated in a year, including social data, demographic information, social patterns, clinical data, and buying patterns, including when patients like to pay their bill.

As the healthcare industry becomes more focused on meeting the demands of consumer behaviors, understanding patients' tendencies toward payment is increasingly central to revenue cycle management and collections. This is especially true in an era when high-deductible health plans are more popular and patients carry more responsibility for their coverage. ***What used to be a physician-to-carrier relationship, has now been transformed into a physician-to-patient relationship.*** Consumers are now forced to do in healthcare what they do in other consumer-driven business exchanges, wanting their healthcare exchanges to match the experiences they get with Amazon, Uber, and Google, from the convenience and fast automation, to the cashless transaction.

As patients continue to rely more on their time-tested consumer behaviors and tendencies in their healthcare interactions, hospitals must now oblige them where they are. This is where big data can come into play. Providers need to be more mindful of who they are dealing with on a patient-by-patient block in order to customize the patient experience and get the best results. Direct, clear communication with patients is also key in these interactions, so it is important for patient responsibility determination to occur after a provider ascertains a patient's eligibility status, co-pay amount owed, deductible balance and other miscellaneous information related to fees.

Patient "Personas" Before Propensities

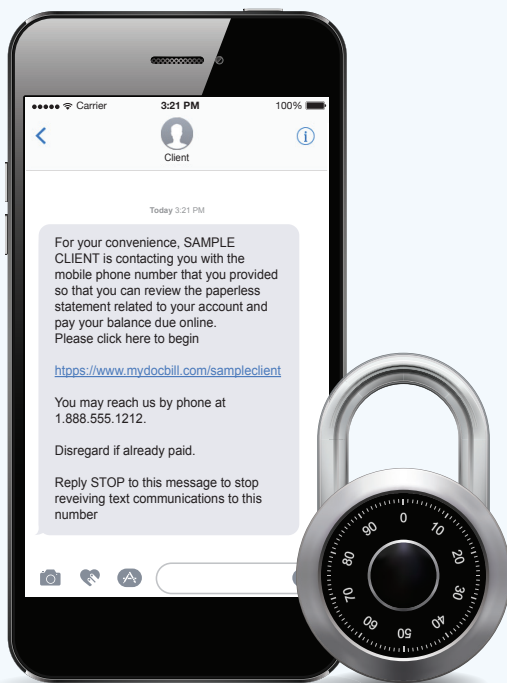
Merriam-Webster defines a persona as "the aspect of someone's character that is presented to or perceived by others." Zotec uses a platform that draws from troves of data to similarly create "personas" of individuals and payers in order to optimize the revenue cycle. The company has discovered that by analyzing individual's personas, providers can determine an individual's propensity to pay, or the propensity for friction. Knowing these tendencies ahead of time allows providers to tailor billing interactions and collection techniques to individuals to minimize friction in making payments, and to maximize collections.

A patient's demographics can suggest the likelihood that he or she will respond to a text message notification about medical bills versus receiving paper statements in the mail. For example, an elderly patient may not be as technologically savvy as a younger patient, who may prefer to make mobile payments. Therefore, providers must employ payment strategies that are based on payment history as well as demographic data for each patient category. Based on these patient characteristics and tendencies, hospitals can decide how to best interact with individuals and ultimately collect money.

Providers should, however, view their collection efforts as a return on investment, applying their resources on accounts where extra efforts will yield net cash returns, specifically on patients who have a propensity to complain. If a patient's persona reveals a strong propensity to pay, then groups can likely avoid investing collection resources on accounts that would pay anyway, especially given a patient's payment history paired with other elements of the patient persona. Patient personas should reflect both the expected collection amount and risk/propensity for friction, in order for providers to ensure they are putting their efforts on the right patients, and with the right frequency.

Keep Security a First Priority

In a recent Money Magazine article, a large provider of mobile payment services suggests that mobile payments are inherently more secure than using a plastic credit card, because most mobile payments are conducted on phones that have GPS, stating, "with GPS capabilities, payment providers can determine who you are and whether the transaction is a legitimate one, with a lot of data around the transaction that can actually be utilized to protect people, as opposed to what isn't found on a plastic credit card."⁽¹²⁾ This is good news for healthcare as well, but only if companies keep patient security and privacy at the forefront when considering mobile payment options for patients.



Compliance with regulations that protect consumers' privacy is a key component in patient-consumer communications, especially in regards to new mobile consumers and text messages, which are essential in today's communications efforts with patient consumers. Third party billing partners should legally rely on the demographic information patients voluntarily provide to hospitals and providers to ensure the patients' most up-to-date express consent is obtained for text messages. When it comes to patient interaction, it is important that providers strive to ensure phone calls and text messages always comply with the Telephone Consumer Protection Act and the latest Federal Communications Commission regulations. Zotec's follow-up protocols to patients are made on behalf of its physician clients in order to collect payments, and only those patients that have provided prior express content receive texts and phone calls, for example.

Meeting the Demands

We've established the paradigm shift in how patient payment responsibility carries over into a business to consumer reality for healthcare providers, and healthcare reform has forced physician practices to adapt to ongoing changes. The closing question for providers is, ***“how can you meet the demand for a multi-channel approach to patient billing and payment – in addition to the mobile options discussed earlier?”***

When it comes to healthcare, patients expect and demand the same level of customer service they are used to receiving in the retail, dining and travel industries. Billing and collections — though not a clinical aspect of healthcare — is a critical factor in determining patient satisfaction. With the proper systems and

tools, hospitals and physician practices can empower their patients to take greater accountability for their financial responsibility, and providers will see an increase in revenues.

A shared objective among healthcare providers and their revenue cycle management partners is to give the new patient-consumer population options to pay their bills at any step in the revenue cycle process — be it before, during or after a medical encounter and using a variety of methods and technologies. Physician providers must work hard to optimize patient payments in order to build integrity into their revenue cycle, viewing it as a large part of the clinical experience as well, with revenue cycle management partners often serving as trusted advisors.

Conclusion

As the population of patients with HDHPs grows, the need to enhance the billing and collections process has become particularly pertinent. The evidence is plain; data shows a positive correlation between the increasing rate of HDHPs and uncompensated care, as well as patient complaints or requests for discounts. Hospitals and physician practices can implement best practices to mitigate these trends in their billing and collections department, such as managing patients' expectations upfront and empowering them to be more accountable to pay their bills. Alternatively, healthcare providers can seek help from dedicated professionals trained to do it, since all of these changes in healthcare are fueling innovation with companies like Zotec, to develop payment solutions to meet the evolving needs of health care payers, providers, and their patients. Providers wanting to improve their patient satisfaction ratings, decrease bad debt, and gain an edge on the competition should create multiple traditional and non-traditional options to interact with patients, and especially taking into consideration the electronic and mobile demands of today's patient consumers.

Whichever direction providers choose, it is essential to no longer just believe carriers are going to pay for services rendered and ignore the third largest payer...the patient, or they will see the effect in their bottom line. And while traditional payment methods are still necessary among healthcare's varying demographic populations, mobile payment transaction volumes and payment amounts are quickly increasing, and mobile use has skyrocketed. Providers must step up to the plate and begin to offer patient consumers an easy mobile experience, but only if it sparks the patients' propensity to pay. If providers want to see increases in collections from patients who continue to have rising patient responsibility, mobile efforts that are strategically combined with traditional ones will often yield the best results.

In closing, organizations must think through the entire transaction and the impact it will have, and not just for one individual patient. The greatest takeaway in today's new collections strategies is that they must be anything but cookie-cutter. Providers must attempt to balance their revenue cycle management techniques with efforts that reach the patients on a personal level, including getting to know each patient, in order to improve each patient's unique experience while positively impacting cash flow for the hospital or physician group.

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