

Upfront Collections viewed as a prescription for success

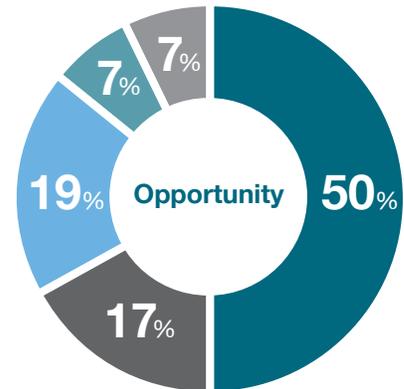


It's no secret that patients are responsible for covering more of their healthcare costs and many of them struggle to pay high balances. This has forced healthcare providers into the role of financial counselor to consumers who are ill-prepared or unwilling to pay. The stakes are high for healthcare providers as they rely increasingly on patients for revenues to sustain care delivery and innovation.

During the 2016 HFMA ANI Conference from June 26-28, we surveyed several attendees to gain insight into the opportunities and challenges related to collecting patient payments. Not surprisingly, the majority of respondents indicated upfront payments continued to be the biggest opportunity to improve patient collections. With McKinsey¹ reporting that providers can only expect to collect 50-70 percent of a patient balance after a visit, the focus on capturing upfront payments is well warranted. Whether in the form of a one-time payment for the full balance or a payment plan over a specified time period, providers need to obtain a commitment to pay before or at the time of service.

Gaining that commitment requires educating patients about what they owe and options for payment. In 2015, 91 percent of consumers reported in InstaMed's Sixth Annual Trends Report² that it was important to know their payment responsibility prior to a provider visit.

What is the single biggest opportunity to improve your patient payment collections?



- Upfront collections
- Billing accuracy
- Eligibility/estimation tools
- Multiple payment channels (online, mobile, kiosk, IVR)
- Payment plans & card on file

As evidenced by our survey results, providers are stepping up efforts to proactively engage patients about financial obligations. Aided by eligibility and estimation tools, providers can have more effective conversations with patients about payment early on and explain payment options to ensure patients can cover the cost of the care they need.

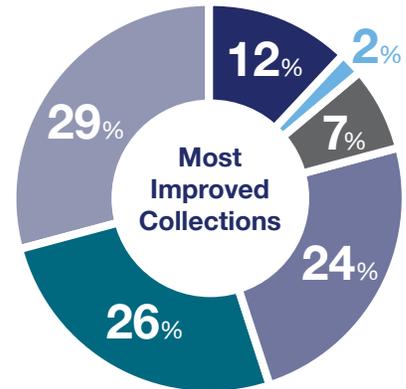
Patient loyalty can depend on providing clear communication about payment. According to the Accenture 2014 Global Consumer Pulse Survey, 47 percent of consumers stated they would switch providers for the ability to understand cost upon scheduling, and to easily understand and pay a bill using a preferred method.³

Underpinning patient loyalty is trust. As a result of several high profile healthcare data breaches, consumers are increasingly concerned about the security of the information they share with providers. Demonstrating a commitment to securing payment data should be part of a holistic data security strategy. Our survey results illustrated providers are working to ensure payment transactions are secured by adopting EMV, P2PE and protocols for training staff – but there are still gaps.

In its June 2016 update, Visa⁴ stated that only 28% of U.S. merchant locations have chip-enabled terminals. Most EMV devices are manufactured to include encryption technology. Payment transactions conducted on older mag stripe devices may not be encrypted at the time of swipe leaving card data exposed to hackers. As more businesses upgrade their security technologies, the organizations that lag will be most vulnerable to attack – this includes healthcare. Letting patients know their card data is safe can help providers strengthen consumer loyalty and trust.

If you would like to learn more about how Elavon can help your organization to increase overall payment collection, improve patient financial engagement and secure transactions, please visit us at www.elavon.com/healthcare or contact us at HCSales@elavon.com.

Which of these has most improved payment collections?



- Online payment portal
- Automated phone system (IVR)
- Pre-payment discounts
- Payment plans
- Eligibility/estimation tools
- Educating patients

Which of these has been implemented to improve card data security?



- EMV Chip devices
- Point-of-transaction encryption
- Staff training on protocols
- Hired data security experts
- All of the Above

1. The McKinsey Quarterly, "Overhauling the U.S. Health Care Payment System", June 2007. 2. InstaMed, "Trends in Healthcare Payments Sixth Annual Report: 2015". 3. Accenture 2014 Global Consumer Pulse Survey 4. Visa U.S. Chip Update, "Steady progress in chip adoption", June 2016.