Trends in Healthcare Payments: Giving Patients the Experiences They Want

08/30/16
Barbara Martin
Vice President, Healthcare Business Development Officer
Elavon

Barbara Martin is a Vice President, Business Development Officer for Elavon Healthcare Payment solutions. She is responsible for developing new business for the bank’s comprehensive suite of healthcare focused products which drive revenue cycle improvements for hospitals and health systems. Prior to joining Elavon in 2006, Barbara directed sales and business consulting efforts for banks, insurance companies and brokerage firms for Fiserv and Open Solutions, Inc. Her emphasis was on evolving financial applications such as Health Savings Accounts, corporate financial applications and de novo bank development. She was responsible for treasury management sales at JP Morgan Chase (FKA Bank One) including healthcare, insurance and retailing.

She received her B.A. degree in Marketing from the University of Wisconsin-Milwaukee and is also a Certified Cash Manager.
Featured Speakers

Jeff Lin
Senior Vice President, Product Management
InstaMed

As head of Product Management, Jeff leads the ongoing product innovation of InstaMed’s healthcare payment solutions. This includes the exploration, evolution and execution of InstaMed products that further simplify the healthcare payments process.

Before joining InstaMed, Jeff was an executive at Accenture, where he led multiple enterprise projects for multiple Fortune 100 companies. Jeff’s experience and expertise include a deep focus in the areas of product management, product strategy, product marketing and developing strategic partnerships.
Chad Bloomberg
Senior Director, Healthcare Product Management
Elavon

Chad Bloomberg is a Senior Director for Elavon Healthcare Product Management focused on Payment Navigator. He joined the Elavon team earlier this year after six years at Minnesota’s largest healthcare provider, Allina Health. At Allina, Chad was an Information Services Application Manager who supported 20+ System/Business Analysts skilled in developing and maintaining multiple Epic applications including Eligibility, Cadence, Referrals and Resolute. In addition, all cash management applications were supported by his team including Payment Navigator. Allina implemented Payment Navigator, both ComAgent Epic integration and direct login to over 2000 end-users and 1000 devices across 250 locations.

Chad holds a BA in Marketing Management and has been an application technical support user of Epic since 1997, presented at Epic UGM multiple times on various cash application opportunities along with serving as the MN Epic User Group Revenue Cycle Chairperson.
Trends in Healthcare Payments Report

• Sixth Annual Report
• Look at Trends Across All Healthcare Payments
• Providers, Payers and Consumers
• Quantitative and Qualitative Data
What Can We Learn From the Data?

Recognize the importance of **CONSUMER ENGAGEMENT**

Evaluate **BEST PRACTICES** for improving the consumer payment experience and achieving financial stability

Identify **SECURITY RISKS** associated with the expansion of payment channels
Consumer Payment Responsibility is Growing

More Americans Have Access to Healthcare than Ever Before

• As of January 2015, 19.7 million consumers are enrolled in HDHPs, representing a 22% increase for each of the last two years*

• **12.7 MILLION** consumers enrolled in a health plan through public and private exchanges during Open Enrollment 2016**

Sources:
Centers for Medicare & Medicaid Services: America’s Health Insurance Plans 2015
High Deductible Health Plans Are Only Part of the Story

All Consumers Are Impacted

- The average deductible for all covered workers has risen **255%** since 2006
- The average health insurance premium for family coverage has increased by **83%** since 2005

Source: Kaiser Family Foundation
Consumerism Is Changing the Way Patients Pay

Hospital payments going electronic
Consumers will use computers or phones to settle accounts

Source: Aite Group; Percentage of hospital bill payment volume by channel
Expand Consumer Engagement with Text Messages and IVR

Text Messaging

• **COMMUNICATE** with your patients the way they want
• **DELIVER** relevant information to your patients about their payments
• **OFFER** more flexibility in communicating to increase patient satisfaction

Integrated IVR Payments

• Automated past-due balance notifications (PBN) with payment
• Automated inbound pay-by-phone

Source: Forrester Research
Enhancing the Consumer Experience with IVR

Decrease repeat calls and collect more
- Courtesy calls and/or texts regarding overdue balances, payment confirmations, appointment reminders

Increase Self-Service
- Automated inbound response for account information, pay-by-phone, insurance verification

Measure Patient Satisfaction
- Post-response surveys to determine satisfaction with call experience
- Outbound survey campaigns to measure overall satisfaction

Reduce PCI Scope
- Remove card data from payment environment by routing to automated system
Consumer Engagement with Payment Navigator

Sign up for a New Account

First Name
JANE

Last Name
SMITH

Email
PAYNAV@ELAVON.COM

Password

Confirm Password

Save VISA ****1111 on File - Add Nickname

Cancel  Sign Up

Make Payments Faster. Create an account.

Managing your healthcare payments has never been easier. Create an account, view payment history, and payment information for future payments from all of your devices, including your iPad or iPhone.

Payees

ABC Clinic
123 Main Street, Minneapolis, MN 55402

ABC Hospital
P.O. Box 12345, Anytown, CA 99999

Recent Activity

JANE SMITH (ID: 12345-6)
5/27/2016 - Payment of $117.00 to ABC Hospital
5/27/2016 - Payment of $77.00 to ABC Clinic
5/27/2016 - Payment of $15.00 to ABC Clinic
Providers Want Convenience Too: InstaMed GO

**Trend:** 90% of healthcare providers are utilizing mobile devices to engage patients in their healthcare.

**Simplify the Provider Experience**

- **EXPAND** places to engage with patients about payments
- **INTRODUCE** payments into staff discussions with patients
- **INTEGRATE** into the existing workflows that are leveraging mobile technology and devices

Source: 2015 HIMSS Mobile Technology Survey
Consumers Want to Know What They Owe

Pushing Back Against the “Mystery” of Medical Bills

• 91% of consumers think it’s important to understand what they will owe before a provider visit

• For consumers, it’s not just about knowing WHAT they owe but HOW to pay

Data Source: InstaMed Sixth Annual Trends in Healthcare Payments Report
Consumers Want to Know What They Owe

Staff need to be able to engage effectively with patients early on about financial obligations

- Eligibility
- Cost estimation
- Patient profile summary
Consumers Want Easy to Understand Bills

Demanding Transparency

• 76% of consumers said that they were confused by their healthcare bills*

Bigger Spend Results in Higher Expectations

• 47% of consumers will switch providers for the ability to understand cost upon scheduling and to easily understand and pay a bill using a preferred payment method**

Data Sources:
Consumer Friendly eStatements

Reduce customer service inquiries

- Clearly indicate date, itemed costs, service details and total amount due
- Avoid medical jargon
- Concisely explain how to make payment
- Deliver as quickly as possible after adjudication

Drive more electronic payments

- Direct consumers to IVR to make payment and inquiries
- Embed a portal URL to make payment now
- Eliminate tear & mail stubs
- Encourage consumers to receive eStatements in lieu of printed statements
Consumers Have Expectations Set for Convenient Payment Experiences

Leaders changing the consumer experience and consumer perception
Consumers Have a Stronger Voice

Demand for more **CONVENIENCE** in healthcare payments is growing, and consumers have a stronger voice.

Business **SUCCESS** will depend on **POSITIVE PATIENT ENGAGEMENT**.

A **POOR** consumer experience will result in eventual **REVENUE LOSS**.
The New Consumer Experience: Auto Payment Collect

Trend: 70% of providers said it took one month or more to collect from a patient.

Get paid without perpetuating multiple bills

- **Securely** save patient payment information on file
- **Automatically** collect patient balance after claim adjudication
- Print statements automatically **suppressed**
- Automatic payment **posting**
The Convenient Consumer Experience: Member Payments

Trend: 71% of consumers prefer paying healthcare bills all in one place

**MEMBER PAYMENTS** enables consumers to:

- Make online payments to all of their medical providers through their health plan’s website
- Manage and pay their healthcare expenses in one place

**MEMBER PAYMENTS** enables all providers to:

- Collect patient payments faster
- Get paid without any staff effort

Data Source: InstaMed Sixth Annual Trends in Healthcare Payments Report
Consumers Use a Variety of Payment Methods

Percentage of U.S. Medical Bill Payments Volume by Payment Method, 2015 to e2019

Data Source: Aite Group
Tracking All Those Payments

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The Most Secure Healthcare Payments Experience

Trend: **81%** of providers rank payment security as high importance when collecting patient payments

8 of the 10 largest hacks into any type of healthcare organization happened in **2015**

**1 in 3** Americans have been victim of a healthcare data breach

Security Is Top of Mind - PCI

Financial Regulations Are Evolving Quickly

Updates to the PCI Standards

- PCI version 3.0+ went into effect in January 2014
- Contains 20 evolving requirements from the previous version, including regarding penetration testing and vendor relationships
- PCI Level 1 Compliance application = Payment Navigator
- Coal Fire Report is available on request
What is P2PE?

Point-to-Point Encryption

- Encrypt payment information from a device to a secure destination
- Applies to swiped, tapped, inserted and keyed transactions
Securing the Patient Portal

Two methods to manage online payments under PCI V.3.0

MyChart integration via Epic credit card framework: **Fully Integrated user experience.**

MyChart with embedded InstaMed Patient Portal: **Greatest reduction in scope under PCI v.3.0.**
Risk Mitigation is Top of Mind for EMV

Payment expectations are changing

BUSINESSES ARE LIABLE for any fraudulent transaction using an EMV card at the point of sale that wasn’t authenticated by a chip reader.

PROTECTING YOUR PATIENTS’ DATA AT EVERY POINT

EMV fraud liability shift occurred on October 1, 2015
Wrap Up and Questions

Contact Us!
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Download a free copy of The InstaMed Sixth Annual Trends in Healthcare Payments Report!

www.instamed.com/trends