A riveting ebook by **rivet**

Modernizing
Patient Billing
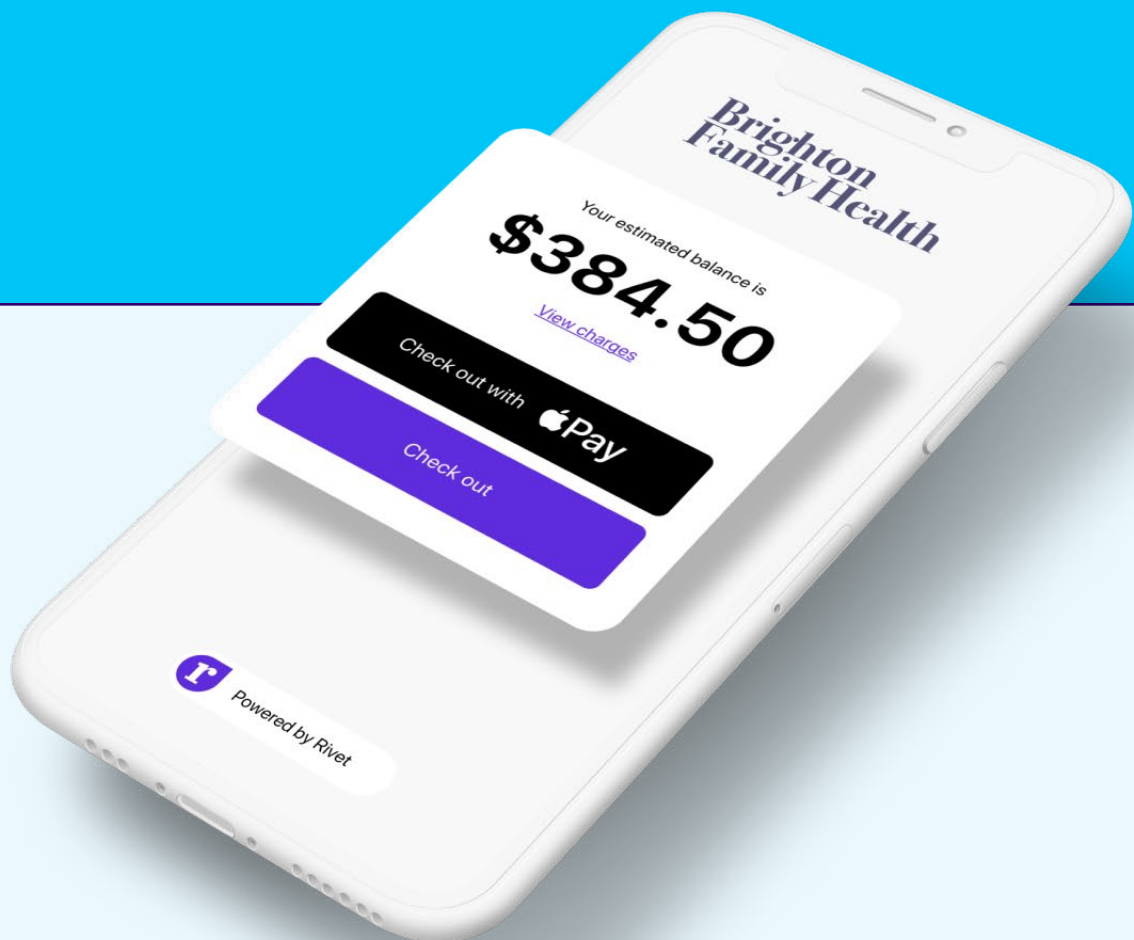
Brighton
Family Health

Your estimated balance is

$384.50

View charges

Check out with Pay

Check out

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Introduction

When considering the systems of most healthcare practices, much of the innovation in healthcare has been on the medical or business side, not focused on patients as consumers. However, as the patient landscape continues to change and patient financial responsibility grows, practices must work to develop a strategy for modernizing patient billing systems in order to be competitive and retain patient satisfaction.

In this ebook, we'll show you the ways modernizing your current billing systems can fortify your practice to succeed in a more transparent market while increasing patient collections.

We will cover:

- ⊘ The Changing Landscape
- ⊘ Adding Financial Transparency to the Equation
- ⊘ Structuring Financial Touchpoints
- ⊘ Going Digital
- ⊘ Harnessing the Power of the Smartphone
- ⊘ Accepting Patient Friendly Payments

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01

The
Changing
Landscape

Section 01:

The Changing Landscape

Studies show that 92% of patients want to know their out-of-pocket responsibility upfront, revealing a huge gap between what the market wants and what is being provided by healthcare providers. And while it might not seem like a modern policy to let the consumer know upfront what they can expect to pay, in the healthcare industry it is just that.

For many patients, receiving healthcare services can be very stressful. Patients have to deal with scheduling, travel logistics, missed work, recovery concerns and more, and that's before even considering the financial component. However, this sense of anxiety around healthcare also includes being unhappy with their medical billing experience, with 72% of consumers reporting that they are confused by their explanation of benefits (EOBs) and 70% confused by medical bills.

Patient Medical Billing Experience
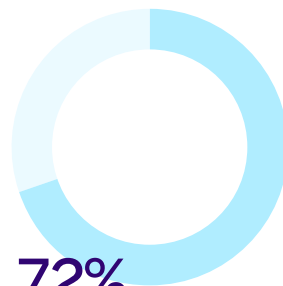
72%
Patients confused by explanation of benefits
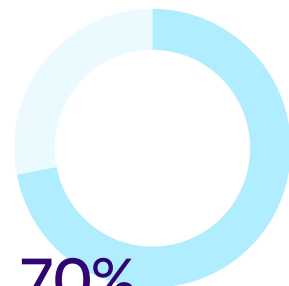
70%
Patients confused by medical bills

Source: InstaMed. *InstaMed Releases Trends in Healthcare Payments Eighth Annual Report.* InstaMed, 2018
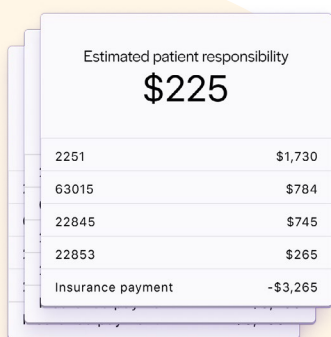
These statistics are a result of a lack of price transparency upfront and payment solutions that are not patient friendly, creating a burden on patients as they attempt to navigate and pay for care. As a result, in order to maintain patient satisfaction, providers must create modern billing systems with the goal of financial transparency and empowered patients in mind.

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02 Adding Financial Transparency to the Equation

Section 02:

Adding Financial Transparency to the Equation

Estimated patient responsibility

$225

2251	$1,730
63015	$784
22845	$745
22853	$265
Insurance payment	-$3,265

Shameless Rivet Plug

"With Rivet, practices can automate eligibility checks and produce patient cost estimates that are accurate dollar for dollar, based on historical claims data, billing rules, and contract details."

See it in action

A major component in the shift to financial transparency is the growth of patient responsibility. In 2010, roughly a quarter of patients had high deductible health plans. Today, about half of patients have high deductible health plans, and that number, and the deductible rate associated with them, are growing. Along with this change comes an increased difficulty for patients to pay their bills as more and more of the cost of procedures comes back as their responsibility. Not surprisingly, because of this evolution, 62% of patients have said that knowing their out of pocket expenses in advance of service impacts their likelihood of pursuing care.

In order to maintain patient satisfaction in a landscape where patients are shifting to consumers, providers must work to create policies that will help the patient feel supported and informed when confronted with their bill.

Tips for Becoming for Financially Transparent

1. Financially Clear All Patients
Run insurance verification on every patient, every time. Where possible, make use of practice management systems to confirm benefits, ensuring that the patient is still active, and confirm their out of pocket liability.

2. Estimate Costs
This can be accomplished by using CPT codes or historical claims as a best-guess to help patients understand what they might owe. Once this information is attained, communicate cost expectations with the patient. Clearly communicating expectations may help to accelerate their financial mentality several cycles further into the revenue cycle, making them more likely to settle their account in a timely manner.

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Tips for Becoming for Financially Transparent, continued

3. Sit Down with Patients

During this conversation, set expectations based on the information gathered regarding their insurance and services. Create a game plan with the patient for collecting payment. Ask the patient how they plan to pay and discuss what is due up-front.

4. Attempt to Collect Deductibles/Co-insurance Up-front

This may feel foreign as the standard has been only to collect copays, however, moving toward creating a policy based on your good-faith estimate for deductibles, especially for high-dollar services, can aid in the acceleration of cash-timing and reduce the cost to collect. Collecting this sum up-front may also result in a reduction of the amount of write-offs and bad debt.

5. Help Patients Understand Multiple Bills

When a patient receives a bill from multiple providers for one service it can be confusing and frustrating. And while you cannot quote the costs of other providers, you can help them to understand the financial landscape. Empowering patients with knowledge beforehand, such as who they should anticipate receiving a bill from, will help your practice be more transparent and will improve the patient's overall satisfaction.

6. Explain Non-Covered/Elective Procedures

Patients may be surprised when a particular procedure is not covered by insurance. As a result, it is the provider's responsibility to clearly communicate with the patient when a cost will not be covered and explain the reason it is not covered (not medically necessary, non-covered elective procedure, etc.).

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03 Structuring Financial Touchpoints

Section 03:
Structuring Financial Touchpoints

Improved collections will come as a result of better, not more, financial touchpoints. When thinking about modernizing current financial touchpoints (bills sent, collection calls made) a shift in mentality might be helpful. 58% of providers report that paper statements are the primary method of collecting from patients, and yet 41% of providers have not changed their patient statement in over five years. Remaining loyal to paper statements alone is ineffective, does not incentivize payment, and fails to meet the goal of helping patients understand their liability.

Additionally, bombarding patients with bills and calls can backfire as it may not be the preferred form of communication for every patient and could make the patient apathetic to payment. Instead, work to be an advocate for patients, and incentivize them to pay with a positive experience at your practice.

Make Financial Touchpoints More Meaningful

+ Review the current statements being sent. Are they confusing? Is the balance clear and easy to understand?

+ Ask patients how they would prefer to be contacted and what method they would like to use to pay in order to cater to their needs and improve payment performance.

+ Employ modern platforms (text, email, etc.) to be more effective in connecting with patients.

+ Work to develop a formal cadence for all communication. When is a statement, call, letter, email, text, being sent? Be consistent.

+ Consider employing an automated data-driven patient engagement platform to improve touchpoints and revenue.

"...work to be an **advocate for patients,** and incentivize them to pay with a positive experience at your practice."

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04 Going
Digital

Section 04:
Going Digital

Paper statements not only cost practices in the form of staff labor and supplies, they are not effective and can confuse the patient. In fact, 72% of patients have reported being confused by their medical statements. When the average patient receives a paper bill full of complicated medical jargon, codes, and a dollar amount owed, they are not inclined to pay them right away because they cannot interpret them and perhaps, do not trust the amount they are being asked to pay.

How would patients prefer to pay healthcare bills?
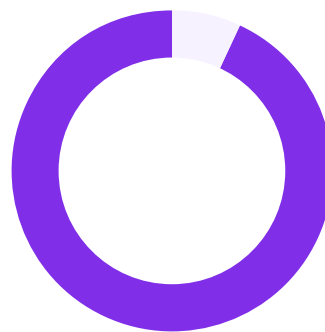
93%
Provider's website, if given the option.

7%
In person, even with provider's website option.

Watson, Brian. *4 Big Patient Payment Trends Shaping Healthcare Revenue Collection*. Elite Services, 2015.

The time is overdue to adopt technology which provides personalization, expands the options for patients to pay their bills, and permanently lowers the costs of billing. Nearly 62% of all bills are now paid online and 93% of consumers would pay online on a provider's or health plan's website if given the option. Plus, creating platforms for online estimation, payment plan administration, and on-demand instructions and FAQs support more cost transparency. Not to mention that they make collecting and posting payment faster, more efficient, and help to reduce processing errors.

Leaning into digitizing billing systems also becomes more important as the demographics of payers starts to change.

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According to a study by Aite Group, 61% of millennials were already paying for their medical expenses via their phone vs just 40% by seniors. These trends illustrate the ways that each new generation looks for an easier and less time-consuming approach to fulfilling their obligations.

Online and mobile billing tools are simply better suited to today's increasingly retail healthcare payment environment. Patients expect to be able to pay quickly – anytime, from anywhere.

How Many People in the US Use Mobile Payments

20.2%
of the US population in 2018

61.6M

55.0M

48.1M

2017   2018   2019
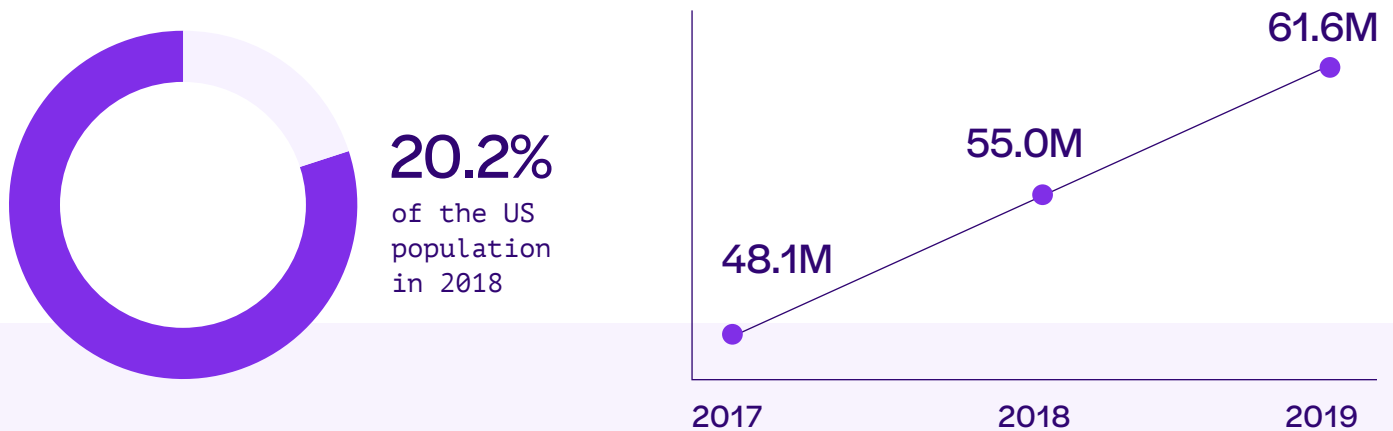
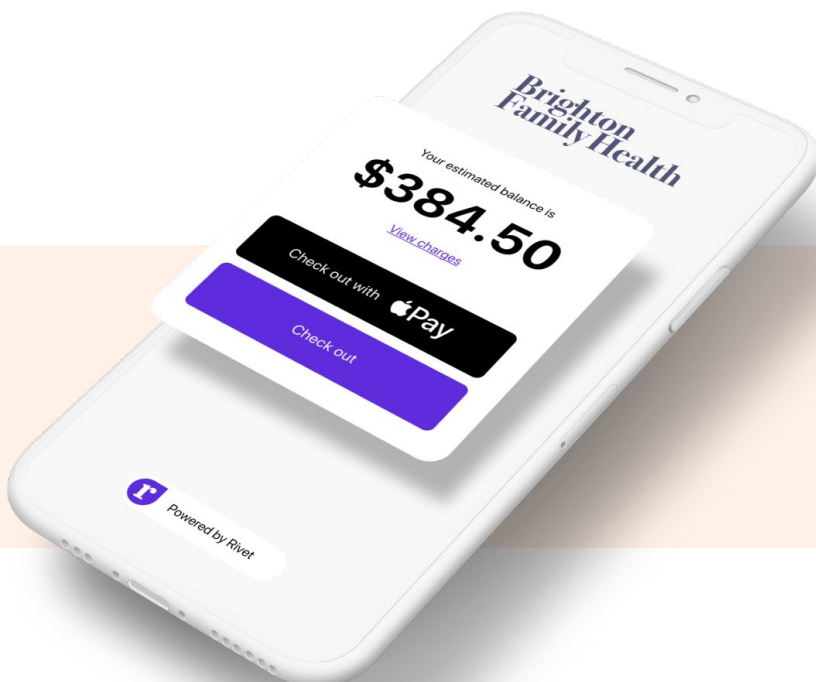Kats, Rimma. *The Mobile Payments Series: US*. eMarketer.com, 2015.

05

Harnessing the Power of the Smartphone

Section 05:

Harnessing the Power of the Smartphone

According to Pew Research, 81% of Americans have smartphones and a vast majority are ages 18-64 with a slight drop off for 65 and above. Studies show that the average person checks their phone on average 150 times per day and 98% of text messages are read. With this constant connection to our phones, there is no quicker form of communication, and no easier way to communicate directly with patients.

In a market where Amazon is king, creating billing systems with less friction by employing the use of smartphones to send and pay bills is a no-brainer. Over one-half of the patients surveyed by HIMSS Analytics said that they prefer electronic medical billing and patient collections. Patients also said they were more likely to pay their medical bills if they had the option to do so online. This is especially true of the millennial population, where 63% would prefer a text over a call and 19% do not check voicemails.

Brighton Family Health

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06 Patient Friendly Payments

Section 06:
Patient Friendly Payments

Facilitating ease of payment for patients is a major factor in successful collections. To achieve this, many practices have adopted the use of an online patient portal where patients have access to medical records, charts, labs, clinical components as well as outstanding balances. Online patient portals can be very effective, however, they are not always easily accessible. As a result, ease of registration and simple, easy access are crucial when considering the use of a patient portal.

The acceptance of credit card payments is also essential when working to make payments more patient friendly. If your practice is not set up to accept credit cards in multiple ways (point of service, kiosks, calling in), consider making accommodations to do so. Forty percent of patients state that a credit card is their number one method of payment, making the facilitating of credit card payments necessary for effective patient collections.

It should also be a priority to offer patient-friendly financing options – such as structured, interest-free payment plans – to help consumers avoid unexpected expenses and smooth liabilities over an extended period of time.

Lastly, consider adopting modern payment platforms such as Apple Pay. These platforms increase the checkout speed, decrease the amount of time the patient spends thinking about the transaction and allows balances to be paid with ease.

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What Does Adding Patient-Friendly Digital Billing Options Look Like?

+ Sending text reminders for payment due.

+ Offering a faster turnaround for patients to receive their actual bills. This will also aid in the acceleration of cash-timing.

+ Offering online bill pay.

+ Enabling Auto-Pay. Patients can set up their account so charges below a certain amount will be automatically paid via a credit card, HSA or e-Check.

+ Automating Payment Plans. Allow patients to handle large, out of pocket expenses without the uncomfortable feeling of calling your practice.

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How Rivet Can Help

Buying healthcare should be as simple as buying anything else. With Rivet, you can confidently quote costs and collect upfront with ease—improving the patient experience and lowering patient AR in the process.

Schedule a demo

Patient	Eligibility
Perkins, Anne	
Ludgate, April	
Dwyer, Andy	
Traeger, Chris	
Haverford, Tom	
Swanson, Ron	
Wyatt, Ben	
Knope, Leslie	
Gergich, Larry	Ineligible

Anne Perkins   Eligible

Deductible
$3,142/$5,000

Out-of-pocket max
$3,142/$10,000

Check eligibility

High deductible health plans have made patients payers, too. Understand patient responsibility instantly with automatic eligibility and benefit verification checks.

Create estimates

Transparent pricing isn't just better care. It's better business. Rivet's wicked-smart machine learning system reviews the accuracy of each estimate and adjusts over time so you get hyper-accurate estimates based on your own practice data, billing rules, and contract details.

Estimated patient responsibility
$225

2251	$1,730
63015	$784
22845	$745
22853	$265
Insurance payment	-$3,265

Anne Perkins

Hey Anne, your estimate for Dr. Jamm is ready to review here: rivethealth.com/estimate123

Does that include the additional procedure we discussed?

It does!

Okay great!

Make contact

In 2020, it's easier than ever to communicate. Bring that simplicity to your patient communication. Send estimates via secure text, email, or paper with the click of a button.
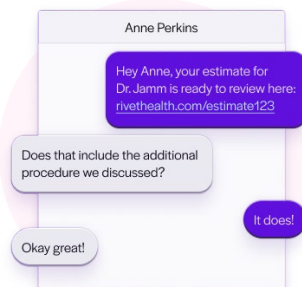
Collect upfront

Patients are consumers, too. Make healthcare payments as easy as any other transaction. Join the one-touch, mobile pay revolution and collect more than ever with upfront payments.

Estimated total
$225

View estimate

Check out

Check out with Pay