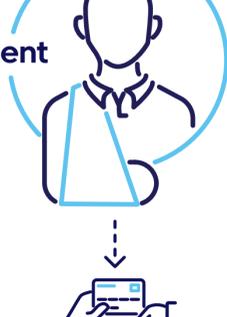


# The Patient Financial Journey

How comprehensive Patient Liability Management supports both the patient and the hospital

## The Patient



Presents insurance card



Wants to know what the total out-of-pocket cost will be, prior to care

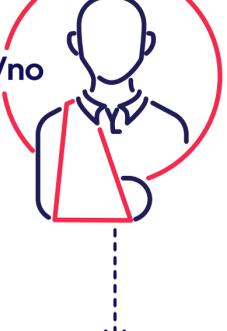
### Gaps and Pitfalls of the current system

- Coverage might be outdated or invalid, resulting in a denied claim
  - Hospital struggles to obtain reimbursement
  - Patient might receive bill for full amount
  - Patient satisfaction plummets
  - Risk of bad debt rises
- If the hospital can't generate an out-of-pocket cost estimate, staff can't request upfront payment
- Chance of collecting patient financial responsibility after discharge is 30%<sup>1</sup>
  - Patient is left in the dark on cost
  - Patient satisfaction plummets
  - Risk of bad debt rises

### How gaps and pitfalls are eliminated with Patient Liability Management

- Accesses real-time eligibility and obtains pre-authorization prior to service
  - Hospital submits clean claim to obtain fast, full reimbursement
  - Patient receives bill for balance owed per health coverage
  - Risk of bad debt is reduced
- Uses healthcare IT to generate an accurate, upfront out-of-pocket cost estimate, increasing patient satisfaction and enabling staff to ask for payment prior to care
- Drives pre-service collections; chance of collecting patient financial responsibility prior to care is 70%<sup>2</sup>
  - Increases patient satisfaction
  - Risk of bad debt is reduced

### Or, a patient might present as self-pay/no insurance



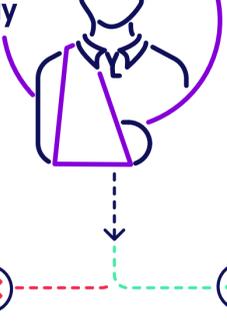
### Gaps and Pitfalls of the current system

- Often, hospitals can't identify existing reimbursement resources, which exist for 40% of patients who present as uninsured<sup>3</sup>
  - The patient is classified as self-pay and is responsible for the full bill, reducing satisfaction
  - Risk of bad debt rises
- If the hospital doesn't screen patients for eligibility with Medicare, Medicaid, MVA, Workers Comp, etc., and assist with enrollment, patient is responsible for full bill
- Patient satisfaction plummets
  - Risk of bad debt rises

### How gaps and pitfalls are eliminated with Patient Liability Management

- Healthcare IT helps detect undisclosed, existing insurance coverage, reducing self-pay volume 3%-15%<sup>4</sup> (can equate to millions of dollars in revenue)
  - Drives reimbursement and collections
  - Supports the patient financially
  - Increases patient satisfaction
- Screens patient for eligibility and assists with enrollment
- Drives reimbursement and collections
  - Supports the patient financially
  - Increases patient satisfaction

### OR, the patient is verified as self-pay



### Gaps and Pitfalls of the current system

- If the hospital doesn't have staff trained in handling sensitive financial conversations, educating patient on billing, and assisting with a payment plan
- The patient is surprised when the bill arrives
- Patient satisfaction plummets
- Risk of bad debt rises

### How gaps and pitfalls are eliminated with Patient Liability Management

- Staff are trained to expertly engage, educate, and support patients and create payment plans
- Drives collections
- Supports the patient financially
- Increases patient satisfaction



Receives billing statement

### Gaps and Pitfalls of the current system

- One-size-fits-all approach fails to address unique needs of each demographic in understanding billing statements (what is owed, when, why, and how to pay). Failing to deliver statements via patients' preferred channels (mail, electronic, text notifications) can preclude engagement
  - Poor payment response
  - Patient satisfaction plummets
  - Risk of bad debt rises
- If the hospital doesn't have specially trained, dedicated representatives to offer timely customer service and who are skilled at assisting patients and asking for payments
- Patient satisfaction plummets
  - Risk of bad debt rises

### How gaps and pitfalls are eliminated with Patient Liability Management

- Statements are designed and delivered based on consumer behavioral research, reflecting the unique needs and preferences of various demographics
  - Facilitates patient engagement
  - Drives collections
  - Increases patient satisfaction
- Staff is trained to assist patients and facilitate payments
- Facilitates patient engagement
  - Drives collections
  - Increases patient satisfaction



Has questions about the bill



Wants to pay bill

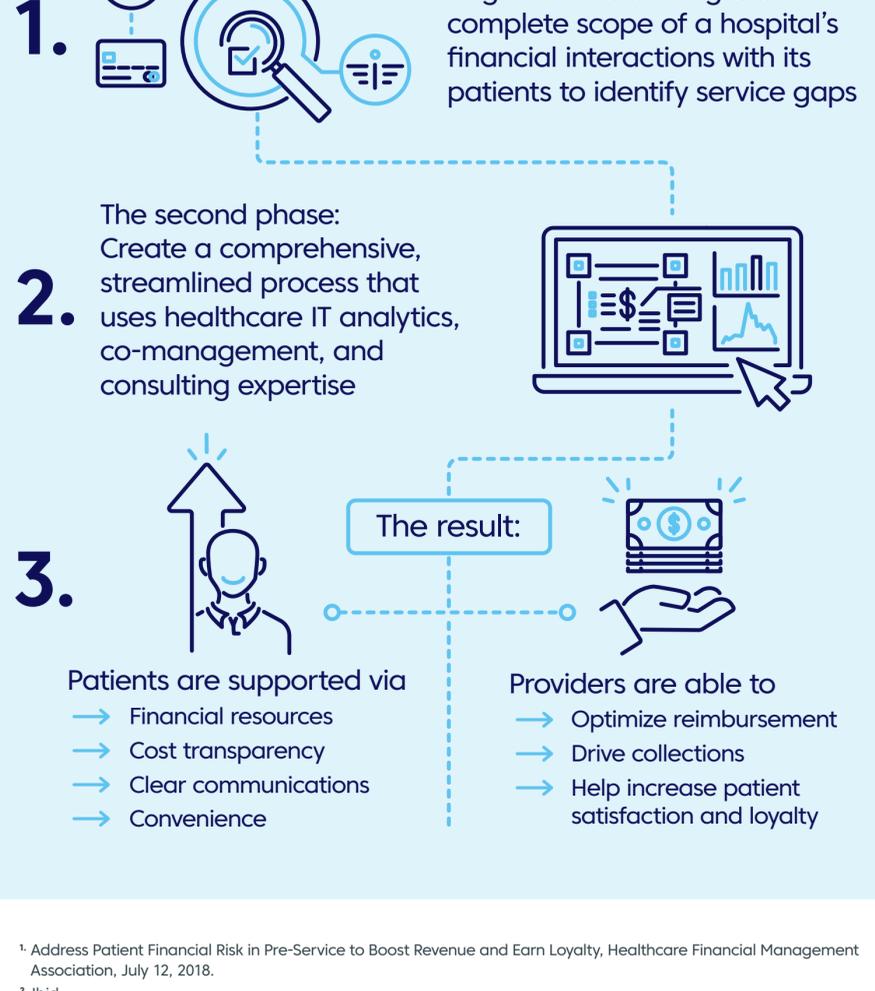
### Gaps and Pitfalls of the current system

- If the hospital doesn't offer modern payment options and convenience
- Patient satisfaction plummets
- Poor payment response
- Risk of bad debt rises

### How gaps and pitfalls are eliminated with Patient Liability Management

- Patients have a choice of modern and traditional payment options for their convenience, including credit, debit, check and echeck submitted via mail, electronically, over-the-phone, or via IVR
- Facilitates patient engagement
- Drives collections
- Increases patient satisfaction

## Patient Liability Management is as easy as 1, 2, 3 ...



<sup>1</sup> Address Patient Financial Risk in Pre-Service to Boost Revenue and Earn Loyalty, Healthcare Financial Management Association, July 12, 2018.  
<sup>2</sup> Ibid.  
<sup>3</sup> Change Healthcare internal statistics  
<sup>4</sup> Ibid.