

Patient Financial Engagement in a Post-COVID-19 World:

7

*Head-on
Initiatives that*

**HELP PATIENTS
PAY**

*AND FEEL GOOD
ABOUT IT*

As we move into a post-COVID-19 world framed by high unemployment, loss of insurance coverage, and shrinking family budgets, practices are even harder pressed to collect reimbursement for the services they provide.

Historically, payment of medical bills has never ranked high on the priority list of most patients. Depleted savings and mounting debt left in the wake of the pandemic has only intensified this mindset.

Add to that the advice from pundits and experts doled out during the height of the crisis, and you vastly complicate the job of getting paid any time soon. Consumer advisory groups, legal advice non-profits and financial planning experts alike advise those who are facing financial challenges to place payment of medical bills in their lowest priority category.^{1,2} Not a comforting thought, since this group of patients will likely be one of the fastest growing as you begin to ramp the practice back up.

EMBRACE THE PAIN

Practices navigating these tricky waters quickly come to an important crossroad: no change in financial policy, which risks being totally out of touch with the present reality; or, drastic, restrictive new measures which risks burning bridges and bank accounts.

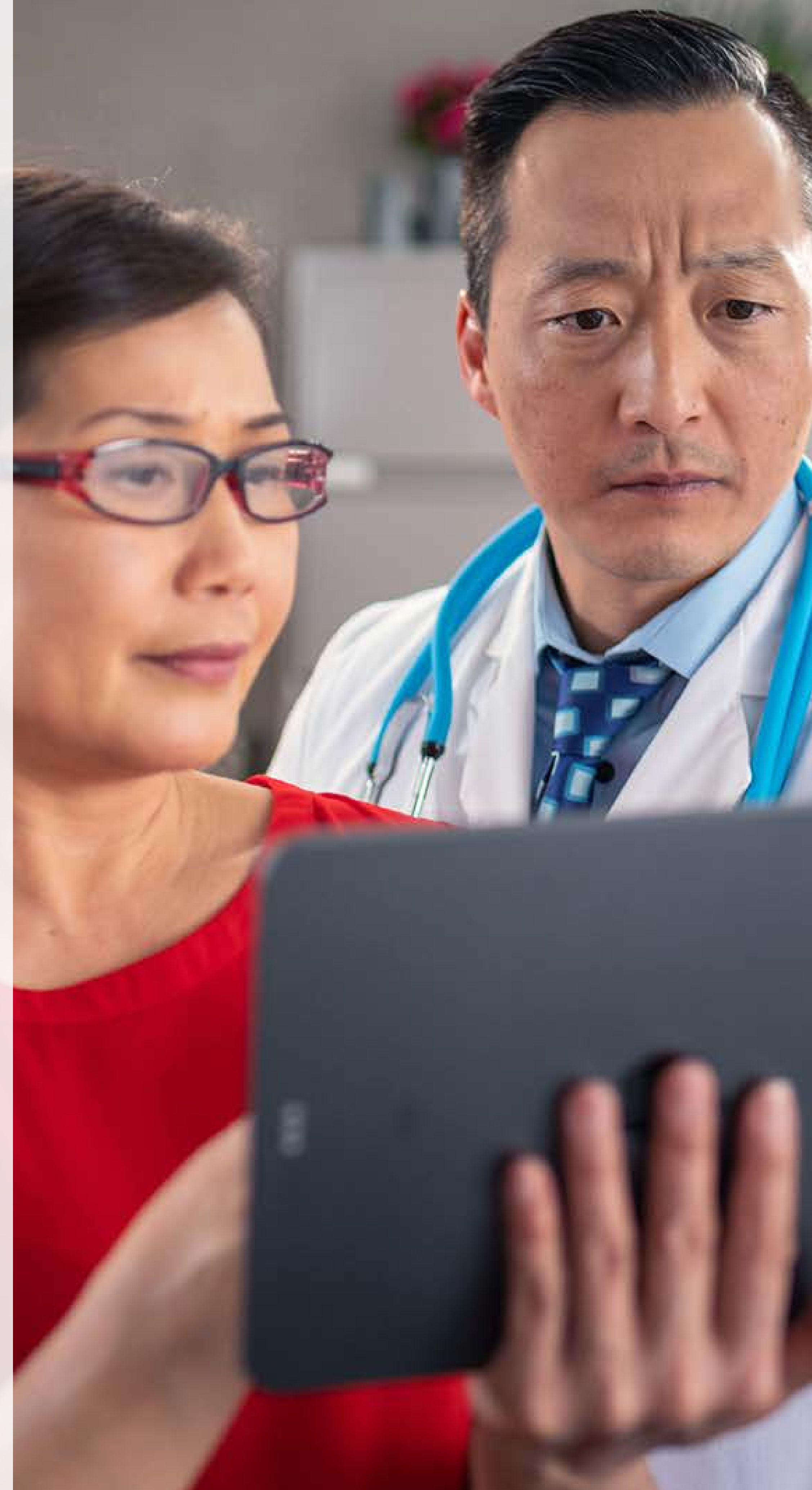
The middle road – possibly the most hopeful, yet evasive – centers on significant improvement in patient financial engagement: attempting to work better with the patient toward payment.

While patient engagement in general has proven to impact practices positively on a number of fronts, direct engagement on financial matters is something that many

practices are either ill-equipped to undertake or shy away from for fear of getting cross-wise with an increasingly fickle patient population.

With these challenges in mind, we've compiled 7 best practice-based initiatives that confront the key issues head-on, with practical approaches proven to help patients see their way through to getting you paid, and feeling good about it.

Some of these approaches may be uncomfortable up front. That is acknowledged and expected. But if clearly and consistently implemented, despite the initial pain, the long-term impact on positive patient engagement can be enormous.



1 INSURANCE ELIGIBILITY VERIFICATION – GRADUATE LEVEL

Insurance eligibility is one of the most important, and one of the most overlooked tools for practices to improve patient financial engagement.

Many practices define eligibility verification as performing a manual and/or automated insurance check as the patient checks in. If that's you, congratulations. You've taken the first big step away from flying blind. Now you can significantly up your game to the graduate level by adding a few simple processes.

ELIGIBILITY BEST PRACTICE

Best practice for eligibility verification is to run an automated check on every patient twice – before and after every visit.

First Check. Run at least 24 hours before the patient visit. This leaves time for resolving rejections, and avoids awkward, potentially embarrassing interactions at the front desk within earshot of a waiting room full of people.

Follow up on rejections in one of two ways:

1. Phone Call. Contact the patient directly, explain the situation and work toward resolution.
2. Automated response. Many practice management systems have built-in messaging technology that sends templated, automated messages via email and/ or text message. An automated message might say something like:

“Dear >patient name<, In preparation for your upcoming visit with Dr. XXX, we were unable to verify your current health insurance coverage. This will need to be resolved prior to your scheduled appointment. Please contact our office as soon as possible so we can work this through with you. If your insurance status has changed, we can explore options to ensure you get the healthcare you require.

“If we are unable to resolve this situation prior to 8am on the day of your scheduled visit, your appointment will be canceled and you will need to reschedule for a later date.”

Note that if the patient is unable or unwilling to resolve the situation, the appointment is canceled and the slot is opened up to waiting list patients who have been verified.

Second Check. Run in billing, just prior to submission of the claim to their insurance. With the current employment situation, jobs and coverage can change overnight. If coverage has changed or terminated, sending the claim in will result in a rejection. However, this may take 30-60 days, during which time the patient may have actually moved or slid into a more difficult financial situation.

Handle issues in a timely, proactive manner, either by phone or automated response.

Belt & Suspenders Bonus.

Phone appointment conversations with patients should also include a question regarding insurance status. Negative responses or no insurance coverage should trigger additional discussion to resolve the situation prior to scheduling the appointment.

In all cases, consider a broader approach to eligibility that is more in keeping with the challenging times patients are experiencing. Offer to work through options available to ensure the bill can be paid (see #3. Offer Options).



2 UP-FRONT COMMUNICATION

Many financial-related issues arise further into the revenue cycle because patients haven't been engaged early on in clear, open financial discussions. Things get much more complex and emotional further into the process, especially if patients start out with expectations that are misaligned with current realities.

Updated Financial Policies

An important starting point is updating financial policies to reflect the new reality. Make them clear, simple and patient-friendly, rather than a sheet of intimidating legalese. Post them on the portal and make them easily accessible as part of the intake process.

Also, customize them to fit your specific practice and specialty. For example, given the current economic climate, a surgery practice may choose to include an option for uninsured patients to pay one-half up front, and the remainder upon completion of the procedure, or a flexible repayment plan.

Most importantly, implement a no-exceptions rule that every patient MUST agree to the policy before service is rendered. Period. This is done via signing a consent form, preferably sent to patients at-home, online. This allows the practice to proactively manage financial outcomes and patient engagement.

Staff Training

Update intake and patient-facing front office workflows to include financial related content, and make sure staff are trained in clearly communicating financial policies, answering questions, and exploring options with patients in special circumstances (See #3 Offer Options).

Additionally, scrutinize the critical checkout process and staffing. Financial interactions and conversations at this crucial juncture have an enormous impact on financial outcomes as well as patient experience and loyalty.

3 OFFER OPTIONS

For better or worse, patients are moving swiftly toward a consumer-driven mindset in their healthcare delivery selections, and the industry has a lot of ground to make up to stay ahead of the trend. This includes the financial front, where options that consumers have come to expect in the majority of their purchases are either confusing or totally lacking in their healthcare experience.

For example, a recent survey found that while 42 percent of patients would like to be offered a payment plan, only one quarter said they received such an offer to resolve their bill.

One Huge, Simple Step

Offering payment plan options is possibly the single most simple, powerful change you can make to boost patient financial engagement and satisfaction. This is particularly true with so many more people financially stressed or out of work. Providing payment options up front eliminates a rash of problems down the road spawned by inflexible, one-size-fits-all payment policies that are unresponsive to current patient financial realities.

These options can take a number of different forms:

Payment plan. Split a bill into equal no-interest monthly payments over 4 or 6 months. NOTE: a best practice for this arrangement is to include an auto-draft credit card feature: Use a technology that retains the patient's credit card or account on file and execute an auto-payment monthly in the agreed-upon amount.

No-interest loan. Larger bills or unpaid balances can be consolidated into a formal no-interest loan structured to accommodate the patient's ability to pay.

Explore other options. A patient who now has limited or no insurance may qualify for COBRA, federal, state, or other programs. Train appropriate staff to engage in exploratory options, or partner with outside experts.

Charity options. Patients in the most challenging circumstances may qualify for various charity programs available locally or nationally. Research and network with colleagues on programs that may be the best fit for your patient population. scheduled during the shutdown period.

Good Old-fashioned Fee-for-service

Patients who are now without insurance may be open to a straight fee-for-service arrangement with an incentive for cash payment. For example, utilizing practice management analytics reporting, a provider can accurately estimate costs of providing their top ten services. If an annual physical costs out at \$189 through the normal insurance reimbursement route, this service could be offered at \$125 on a cash-only fee for service basis.

Again, proactively addressing financial stress up front, and offering creative options will serve both patient and practice much better in the long run.

4 ACCURATE COST ESTIMATES

Estimating costs of potential treatments and services has been a top frustration for both patient and providers for many years. Patients increasingly expect to know what their visit will cost, and practices struggle with hard-to-extract cost information, patient-to-patient variability and constantly changing insurance reimbursement information.

But at the end of the day, a more clear and accurate picture of the expected cost of treatment can boost patient engagement and confidence in a practice. Start with your highest volume procedures, and utilize the practice management reporting and data analytics capabilities to generate the most accurate cost information available.

If exact costing can't be generated, create estimated/anticipated cost ranges, and clearly communicate that it is an estimate that will vary with the final outcome. Be prepared to answer questions as accurately and honestly as possible.

The rule of thumb is more communication is better than less, and transparency regarding where the unknowns are goes a long way toward setting realistic expectations and building trust and open communications throughout the treatment process.



5 FIRMLY FRIENDLY

Challenging economic and financial circumstances merit a healthy dose of understanding and flexibility when working with patient money issues, to be sure. By the same token, your practice is under financial stress as well, and patients must appreciate the cost of you keeping the clinic doors open to serve them.

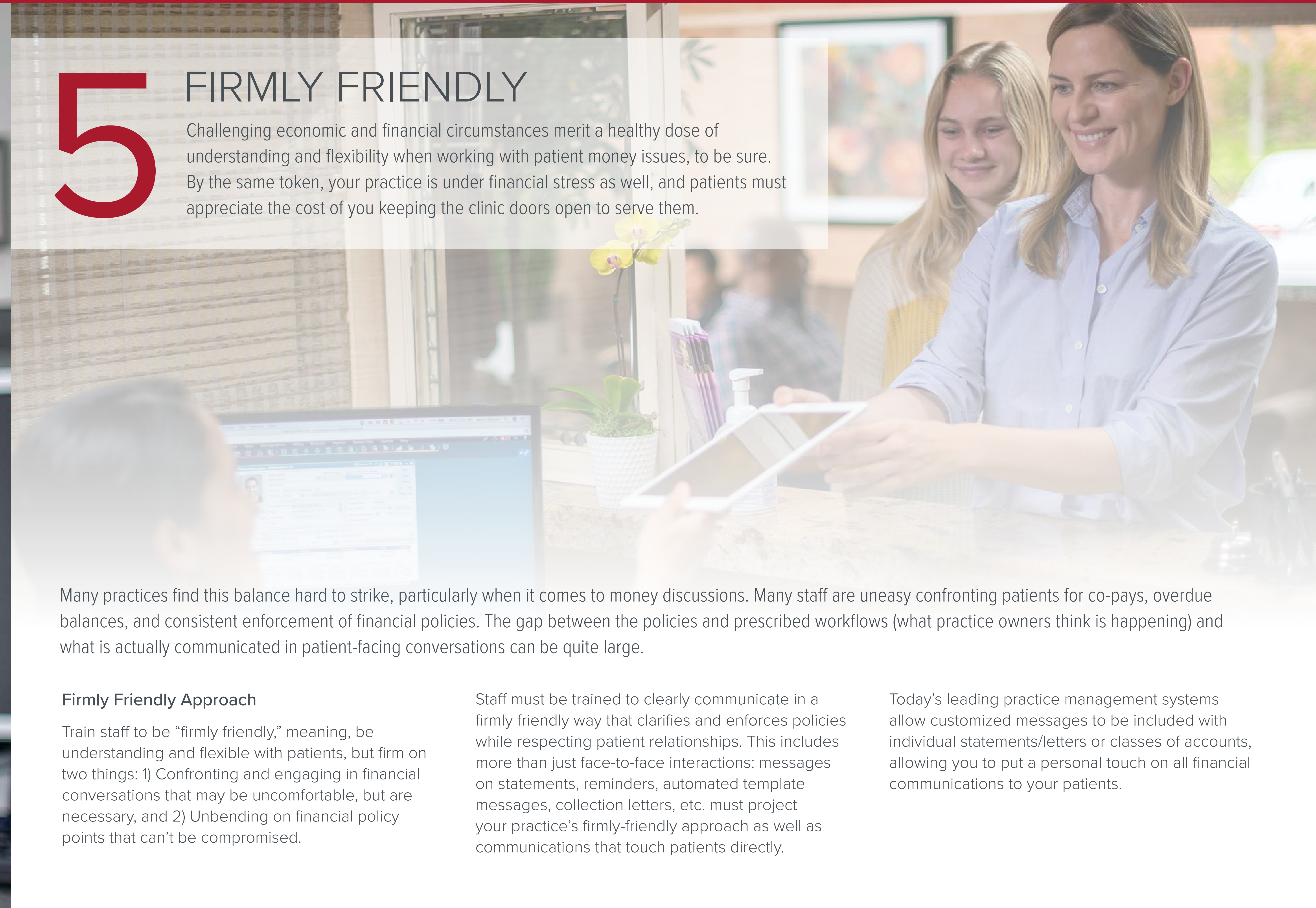
Many practices find this balance hard to strike, particularly when it comes to money discussions. Many staff are uneasy confronting patients for co-pays, overdue balances, and consistent enforcement of financial policies. The gap between the policies and prescribed workflows (what practice owners think is happening) and what is actually communicated in patient-facing conversations can be quite large.

Firmly Friendly Approach

Train staff to be "firmly friendly," meaning, be understanding and flexible with patients, but firm on two things: 1) Confronting and engaging in financial conversations that may be uncomfortable, but are necessary, and 2) Unbending on financial policy points that can't be compromised.

Staff must be trained to clearly communicate in a firmly friendly way that clarifies and enforces policies while respecting patient relationships. This includes more than just face-to-face interactions: messages on statements, reminders, automated template messages, collection letters, etc. must project your practice's firmly-friendly approach as well as communications that touch patients directly.

Today's leading practice management systems allow customized messages to be included with individual statements/letters or classes of accounts, allowing you to put a personal touch on all financial communications to your patients.



6 ENGAGE WITH PATIENTS (NO, REALLY)

These days patients are much more mobile, more digital, and less loyal than ever before. However, these trends don't necessarily translate into higher engagement in healthcare financial communications. In a recent study of consumers regarding their financial interactions with healthcare institutions, 67% said they have not, and do not plan to discuss their final bill with the provider. Mere access to financial information and provider interaction doesn't automatically translate to patient compliance (sound familiar to clinical frustrations?).

That said, the starting point is to ensure that patients have every opportunity to interact with you regarding financial information, issues and concerns. A robust patient portal is a must, including online statements, balances, and bill pay (more on this in #7 Make It Easy).

Your portal should also include easy-to-use messaging and/or chat with secure access to billing staff who can directly address patient questions. Make sure processes are in place to monitor and respond to questions and requests. Nothing will kill a solid portal communication system faster than unanswered patient messages languishing in staff or provider inboxes.

Proactive Approach

The next step is to proactively engage patients by heading off potential financial problems they may be reticent to discuss. Implement weekly reporting to identify overdue and missed payments, set a threshold, and proactively reach out to those patients with personal phone calls or automated personalized communications to get the financial conversations started.

Showing interest and compassion, and offering options (see #3 Offer Options) can go a long way toward keeping patients financially engaged and on track. Most importantly, patients will feel heard and understood, boosting loyalty and positive referrals.

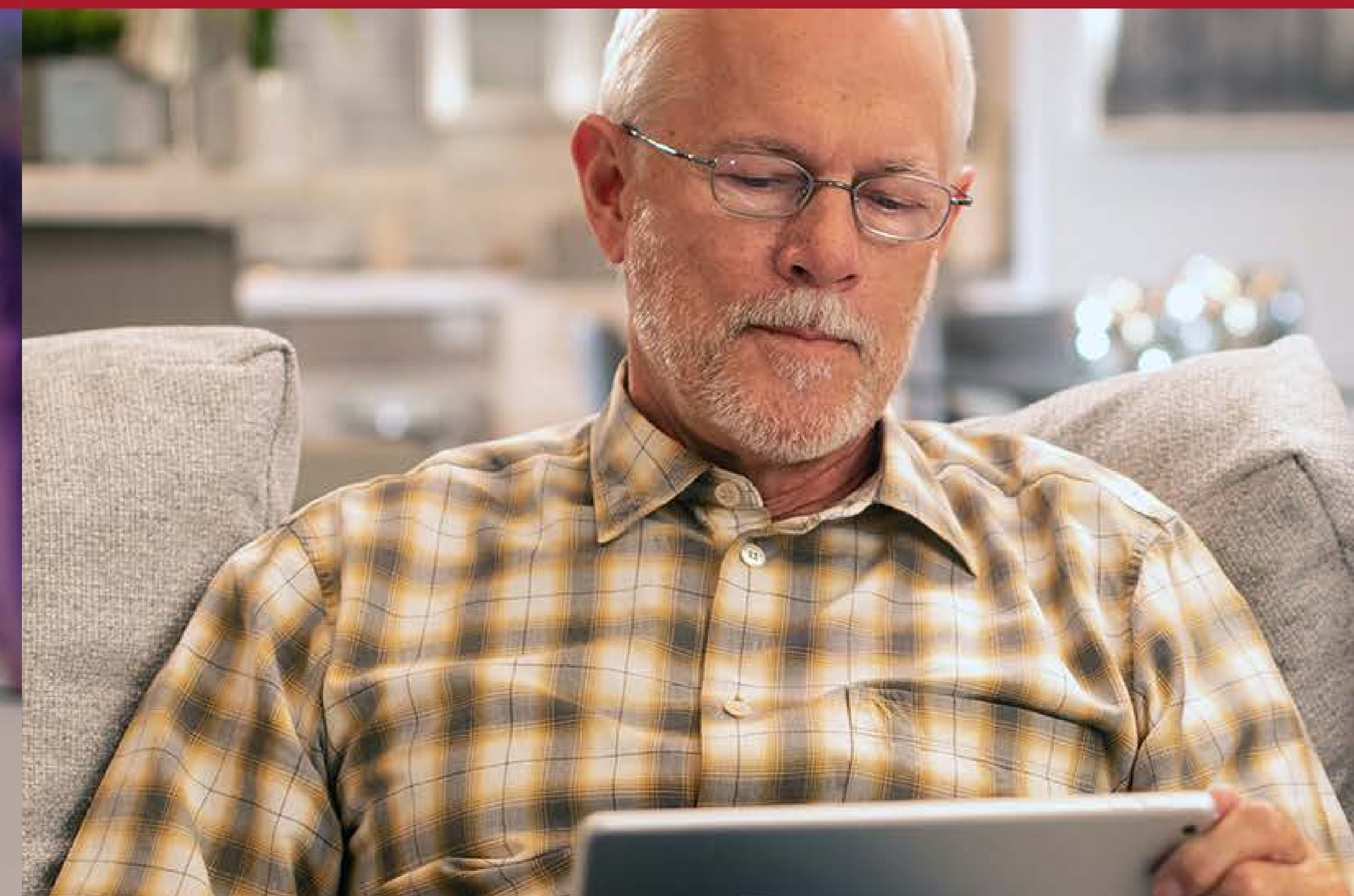
Online Reputation

In today's digital world, with consumer decisions highly influenced by online reviews, proactive management

of your online reputation is a crucial component of patient financial engagement. This includes a two-prong approach:

1. Proactively solicit reviews from your happiest patients following their encounter with your practice. This might include asking for specific feedback regarding interaction with your scheduling, billing and clinical processes, as well as overall experience with your personnel.
2. Proactively respond to negative reviews. Many disagreements can be resolved and relationships mended with a personal contact.

Leading practice management systems include automated reputation management functionality that removes the burden of managing all the details and follow-up required to be highly effective.



7 MAKE IT EASY

Consumer attitudes toward healthcare are largely molded by comparable experiences in acquiring other goods and services. The ease of quickly finding and one-click-paying for goods on Amazon or booking and paying for an Uber ride with a few clicks sets expectations as to how all goods and services should be delivered.

While healthcare delivery may never reach Amazon-like levels, a few simple foundational principles can accelerate your progress in that direction: make it easy to access, easy to understand and easy to pay.

Easy to Access

Consumers expect simple, virtually round-the-clock access to the information they need for decision-making. Statements with payment history and balances should be accessible 24/7 on the portal and via mailed statement, if desired. Automated text updates are also an option for a growing number of patients.

Easy to Understand

As outlined earlier, a fundamental challenge for patients with paying for healthcare is not understanding exactly how much they are on the hook for. Complex explanations into the inner workings of EOBs, coordination of benefits, multiple providers and ancillaries merely add to the confusion and frustration. More than anything, patients want to know what costs they will be facing, when, and how it gets paid for.

This is where technology can be your greatest ally. Design your statements – both printed and online – to be simple,

straightforward and easy to understand. At a glance the patient should be able to see exactly what they owe and by when. This includes balances and amounts due on payment plans or other payment arrangements made with each individual patient.

Then, let the system do all the detail work behind the scenes of creating automated statements and real-time updates that patients can access. Clarity and automation will reduce patient confusion, eliminating time-consuming explanations and improving the probability that the bill gets paid on time.

Easy to Pay

Full-featured online payment options are central to raising the bar on ease of payment for your patients. The same patient survey cited earlier found that 37 percent of patients prefer to pay online, while only 6 percent prefer to pay by phone.

Best-in-class systems include these key features:

Online payment system accessed from the patient portal statement.

Credit card on file. Keeping preferred payment method on file simplifies payment and increases completion of the payment process.

Simple payment interaction. Model the top consumer sites: Here's your total amount. Use the card ending in XXXX? Pay full amount? or, Designate other amount. Click to approve payment.

Responsible-party splits. Incorporate features that allow payment splitting across accounts by a responsible party. Figure it out once, keep it in the system, and make it simple each time payment is being made in the future.

Auto-posting. Make sure your system can auto-post all payment updates directly into the patient account. Manual posting of these items chews up a tremendous amount of staff time that could be better spent on directly improving patient relationships.

SPECIAL BONUS:

TAKE IT TO THE NEXT LEVEL

If you've got all these features humming and you're itching for more, here are a few ideas to help you take it to the next level.

Your Practice as an Enterprise

View your practice through a business enterprise lens to identify opportunities for growing the top line (revenues) versus collecting more on the backend.

With advanced practice management systems you can segment your patient population in a number of creative ways in order to identify targeted valuable offers that will improve their satisfaction and help drive more patients through your doors. For example:

Patients who haven't had an annual physical in a while. Invite them to come in, offer a special incentive.

Patients who have dealt with weight loss, but currently not making progress. Offer a "restart" checkup and/or special program or regimen.

Patients who would benefit from a smoking cessation program or restart.

Patients who may be interested in Botox treatments based on age, gender and geographic (neighborhood) location.

Segmentation strategies can also identify your highest value procedures and match them to patient populations most likely to benefit, through clinical information or by analyzing geographic or demographic trends and zeroing in on growth, neighborhood or cultural trends.

Referral Management

Use reporting from system analytics to match your highest referring colleagues with overall revenue, as well as payment and profitability outcomes in patients they refer. This intelligence can then guide you to referral relationships that deserve greater focus, attention and nurturing, and those that are costing you time, money and emotional energy.

Copy Less, Talk More

A very simple, high-return boost to your front office operations is to replace insurance card and driver's license copying with dedicated scanning technology. This inexpensive addition to your front desk system scans these two important pieces of information and places them directly into the patient's chart. Some systems can read the information on the cards and convert it to data using OCR technology. Others create an image of the card and attach it to the chart.

In either case, this simple addition frees front desk staff for more effective personal interaction with the patient, or for other patient relationship tasks such as follow up phone calls and messages.



Conclusion

Ramping up cash flow in a post-pandemic world can be one of your greatest stressors as a practice owner. However, focusing on patient financial engagement, working with the patient toward payment, and following these proven initiatives will significantly reduce the post-COVID hangover for both you and your patients.

**AdvancedMD offers every feature and capability outlined
in this eBook. To learn more, schedule a demo.**

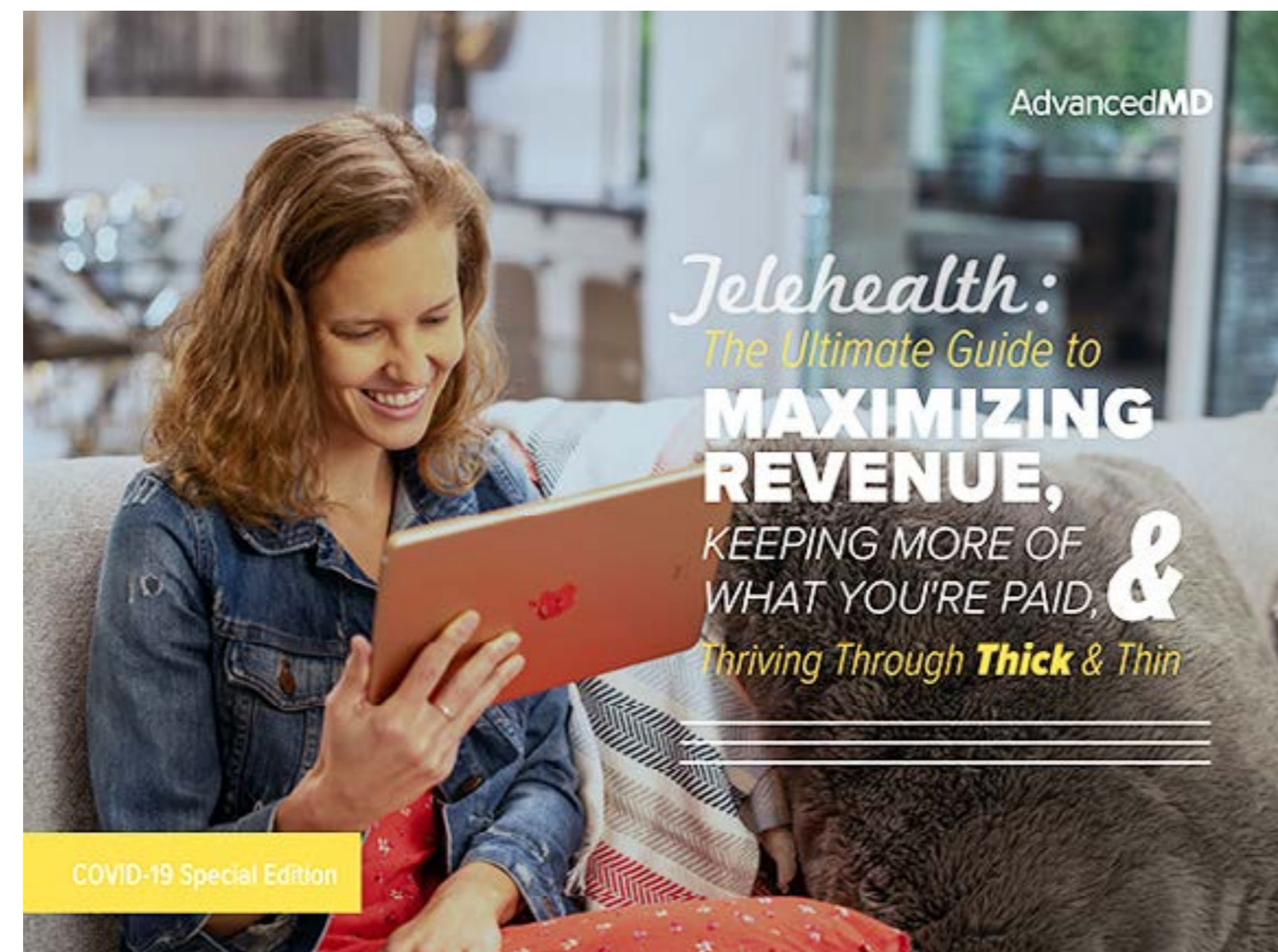
¹ <https://www.cnn.com/2020/04/09/which-debts-bills-you-should-pay-first-during-coronavirus-what-money-experts-say.html>

² <https://www.washingtonlawhelp.org/resource/prioritizing-debt-which-bills-do-i-pay-first>

³ Ibid

⁴ <https://hitconsultant.net/2019/08/07/state-of-the-patient-financial-experience/#.XtGh-pNKhE4>

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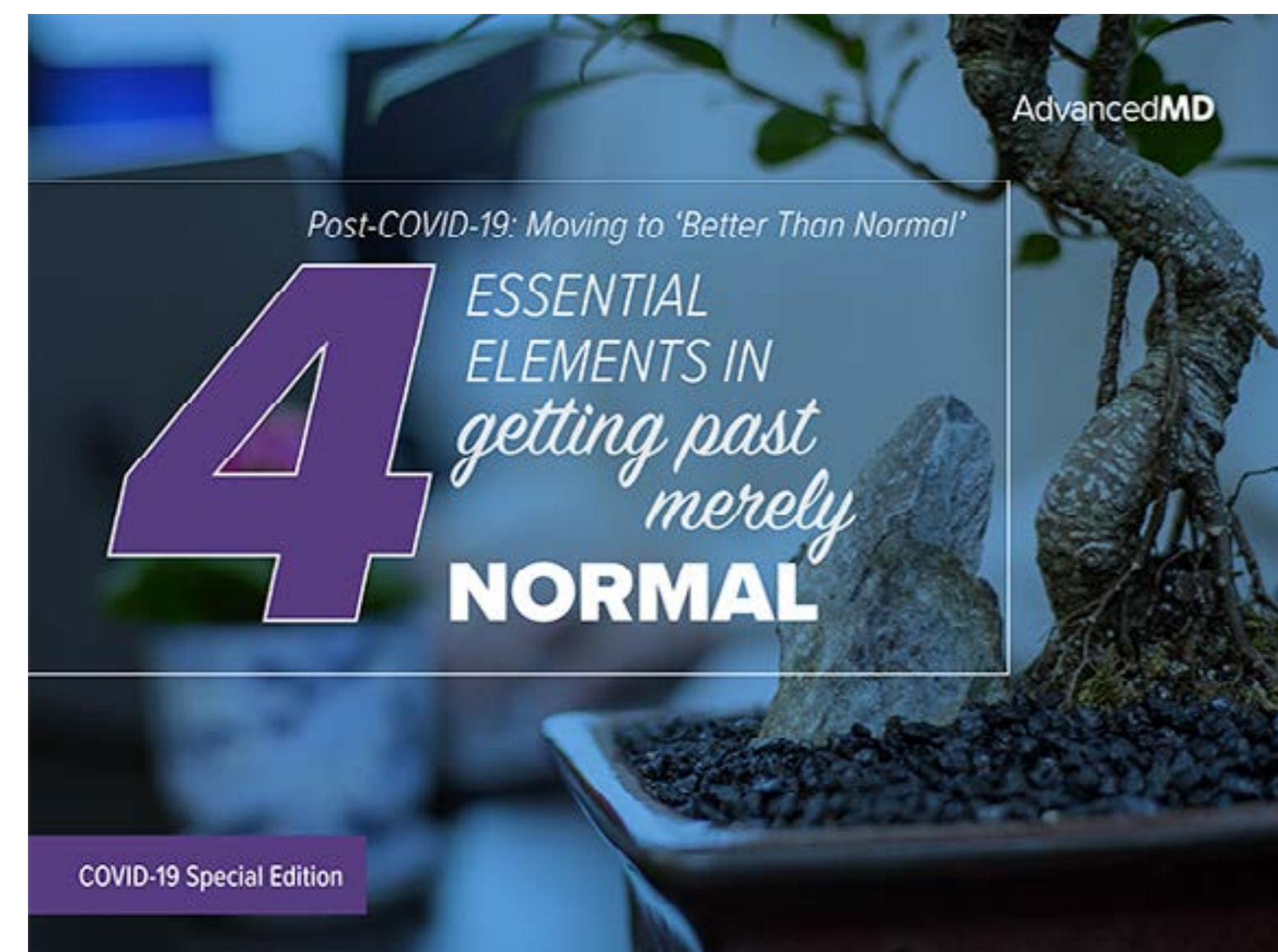
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