



Rising Patient Financial Responsibility Impacts Provider Revenue Cycle

Healthcare consumers should understand that making payment before leaving the office is just the same as making an online purchase. Online retailers don't send purchases without payment and providers who discuss payment processes and offer multiple payment options set themselves up for success and help to ensure they get paid at the time of service. Without the right technologies in place, unfortunately, getting paid immediately is increasingly difficult as high-deductible health plans (HDHP) and out-of-pocket healthcare costs bear down on patients.

Financial Burden

Co-pays, premiums and deductibles continue to skyrocket, putting the squeeze on employee finances as participation in HDHP continues to grow. Patients are feeling the pain as their finances are crushed under the weight of the growing deductibles.

The percentage of adults in HDHPs increased from 26 percent in 2011 to nearly 40 percent in 2016.¹ HDHPs are making healthcare consumers re-think medical treatments. Patients in HDHPs are twice as likely as those with traditional health insurance to delay or not get healthcare, probably because of the all-around increases in healthcare costs.

Patients feel this burden every time they visit a doctor's office. Being open and honest regarding your charges is the best move to make. Price transparency helps your patients understand their obligation and how it differs from their responsibility to a health plan.

Price transparency also helps cost-conscious patients make informed decisions, especially when they're already considering receiving fewer treatments or limiting appointments. Unlike most on- or off-line consumer situations, patients often have no idea how much they need to pay following an appointment.

Four-step Checklist

First, confirm all the details available about your patient to lessen the chances of denials or bad debt, both of which impede receiving payment. This checklist can help:

1. Verify address to decrease the chance of sending statements to the wrong location.
2. Validate insurance, which may have changed since the last visit.
3. Collect email address for future communication and e-statements.

Provider checklist:

Verify patient address
Validate insurance carrier
Collect email address
Run eligibility check

Mark 2 New Ways to Get Paid:

Cash

Credit

Health savings account

Online payment

Mobile

Payment plan

4. Run an eligibility check to verify active coverage.

Checking information in advance or at the time of the appointment may help increase your ability to collect payment at the time of service. At the very least, it ensures you have the most up-to-date information about your patients and provides a natural bridge to payment discussions.

Setting Expectations, Improving Understanding

Consumers expect to know how much they owe at check out. Whether it's purchasing items online or receiving an estimate for car repairs, consumers are attuned to and expect to receive prices for goods or services. As healthcare consumers, their expectations are no different. There shouldn't be any question about the amount of money a patient owes. In addition, patients should understand their financial responsibility before receiving treatment through a cost estimate. If that's not possible, address the treatment cost and payment options before they leave the office. Both help set expectations: The patient receives care and pays for the care.

The Gold Standard is collecting payment at the time of service: As time goes by, providers are less likely to get the money they're owed. Collecting the day of or within 30 days of treatment comes with a 90 percent collection rate.² The potential collection rate drops precipitously for each month the collection goes beyond 30 days.

To stay on the right side of this number, you should have several point-of-service payment options ready and waiting:

- Cash;
- Credit;
- Health savings account;
- Online;
- Mobile; and a
- Payment plan.

When necessary, explore each option with the patient to understand which works best for individual circumstances.

New Technologies Help Providers

Collecting payment after a patient leaves the office is difficult and gets increasingly hard as time goes by. Add to that the regular growth in all healthcare costs and the expanding cost-shift to patients, and it's clear these forces are creating a difficult, but not disastrous situation for your payment process.

By making subtle, mindful changes to patient communications strategies, offering new payment options and incorporating new front- and back-end technologies, you can increase on-the-spot payments and lessen chance patients will leave the office without paying.

“Whether it’s purchasing items online or receiving an estimate for car repairs, consumers are attuned to and expect to receive prices for goods or services. As healthcare consumers, their expectations are no different.”

Advantages of Using TriZetto Provider Solutions

We take on the complex clearinghouse process for our customers so they can do what they do best: provide care.

At TriZetto Provider Solutions, we help providers get paid quickly and accurately through solutions that offer business-critical information:

- Patient Access
- Claims Management
- Denials Management
- Contract Management
- Patient Financial

End notes

1. Robin A. Cohen, Ph.D., et al, "High-deductible Health Plans and Financial Barriers to Medical Care: Early Release of Estimates from the National Health Interview Survey, 2016," National Center for Health Statistics.
2. "Patients are today's new payers. How are you handling this change?", 2016, TransUnion.

For more information on how TriZetto Provider Solutions can help you,
call **1-800-969-3666** or visit **www.trizettoprovider.com**



3300 Rider Trail South
Earth City, Missouri 63045
(800) 969-3666
TriZettoProvider.com