

Make Your Patient Statements Work Harder

WHITE PAPER



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Benefits include lower volume, lower costs and higher yield

As patient balances climb, so does the cost to collect. So it's common practice for providers to seek a lower cost solution to print and mail their statements. But focusing on print cost reduction as it relates to statement processing is really not the best answer. Cost reduction generally necessitates the move to a lower performing statement and a net neutral result at best, if not a higher overall cost to collect as multiple billing cycles ensue and third party collection costs mount.

In fact, the best returns actually come by investing in your patient statements to make them a more powerful patient communication tool. By making your statements more strategic, the result is overall reduction in the cost to collect driven by a higher overall yield and the effective use of more cost-efficient electronic channels.

One key strategy is to focus on personalizing and customizing elements of your statements to improve payment results. Designing your statements and tailoring your messaging with patient-payers in mind is key.

Here are 10 tips to help you put your patient statements to work:

1. **DON'T SEND THE SAME STATEMENT TO EVERY PATIENT**

Each patient is unique, with differing preferences, financial situations, technical abilities, and lifestyle. To maximize payment results, consider segmenting patients based on elements such as payment history, balance amount (high vs. low) or personal demographics. You then can tailor statement messaging to each patient group.



Suggestions to consider:

- High balance statements could offer a payment plan
- Small balance statements could highlight easy online and mobile payment options
- Prompt pay discount information could be sent to patients who have a history of late payments
- Identify families who have an active visit history, and/or who have frequent questions and promote your patient portal



2. SEND STATEMENTS WITH FEWER PAGES

Consider the statement's appearance from the patient's perspective. Although some of it might be beneficial to the billing office staff—too much information can be confusing to the patients.

Here are some suggestions:

- Summarize balances carried forward to one line item
- Do not send statements with zero charges and/or balances
- Omit detailed descriptions—they add more confusion and take up more statement real estate

3. ENCOURAGE PATIENTS TO PAY EARLIER

Make sure the first-cycle statement is personalized and designed as efficiently as possible to reduce the need to send second, third and fourth cycle statements. Highlight any prompt pay discounts or payment plan options available so patients are aware and can take advantage of them. This is especially important for patients who owe a substantial amount.

4. OPTIMIZE YOUR ADDRESS CLEANSING AND RETURN MAIL PROCESSES

Address cleansing provides discounted postage rates and ensures efficient first class delivery. A return mail process should be a priority as it can significantly reduce bad debt and the amount sent to collections. Updating previously unknown addresses allows you to connect with patients you haven't been able to reach before; and therefore collect patient payments you haven't been able to collect before.

5. USE MULTIPLE CHANNELS TO ENGAGE WITH PATIENTS

Patient financial messaging should be a cohesive effort that starts at the point of service and carries through after-care billing. Vary your communication methods to help yield a higher response rate.

- Information regarding upcoming charges and payment options at the point of service
- Text message alerts that securely link to a user mobile payment site
- Email notifications that alert patients when their statement is available
- Paper statement messaging that is specific to each patient's payment capabilities and billing history
- Billing messaging through the patient portal

6. MAKE STATEMENT DELIVERY OPTIONS EASY

You can reduce paper costs, increase delivery time and improve patient satisfaction by making it easy to opt in (or out) of electronic delivery.

- Make sure the enrollment process is fast, with limited steps and questions for the patient
- Offer text message reminders as a complimentary service
- Link to pre-populated payment to encourage faster payment with less errors
- Integrate with your patient portal to make eStatements more convenient

7. PROVIDE CONVENIENT NO-LOGIN OPTIONS FOR ONLINE PAYMENTS

Many patients don't want to create another username and password just to make an online payment for a medical visit, especially those who don't need frequent visits. Eliminating logins to make online payments easy and convenient can lead to faster payments and fewer billing cycles. Studies have shown that up to 75% of patients who pay online choose to make a one-time payment without logging in. That finding shows how offering a simple, quick process that appeals to a large quantity of the population can reduce costs by improving performance.

8. PROVIDE ACCESS TO STATEMENTS FROM PATIENT PORTAL

Portals allow patients to more easily and conveniently manage their health records, appointments, and communicate with their providers.

Exact copies of patient statements should also be accessible from the portal, to enhance patient experience and satisfaction. With access to statements, patients can compare the information to their visit history, EOBs and insurance claims from one central location. In addition to improving patient satisfaction, it can increase portal use and reduce support calls.

9. COLLECT PAYMENTS AT THE POINT OF SERVICE

Start the financial conversation at the point of service by giving patients an estimate of charges and information on financial services available to them, along with any prompt pay discounts or payment plan options. Develop internal procedures to encourage upfront payment before patients leave or when they check in at their next scheduled visit. Proactive patient financial engagement provides a more positive billing experience and reduces billing questions (or surprises) as well as the overall number of bills that need to be sent.

10. APPLY ANALYTICS TO MEASURE STATEMENT VOLUME AND PAYMENT PERFORMANCE

Use analytics to stop doing what isn't working and switch to what is. Evaluate your patient statement design, messaging and advertising and set benchmarks to measure your progress. With each change to the statement, measure patient payments collected and the number of support calls to determine its success. Continue to make adjustments until you reach an acceptable level of improvement.

Potential results:

- Reduced statement volume
- Increased online payments
- Reduced support calls
- Improved AR Days Outstanding
- Reduced bad debt
- Increased patient satisfaction

RevSpring leads the market in financial communications and payment solutions that inspire patients to pay. Since 1981, the company has built the industry's most comprehensive and impactful suite of patient engagement, communications and payment solutions backed by behavior analysis, propensity-to-pay scoring, contextual messaging and user experience best practices. Using proprietary data analytics to tailor the engagement workflows to fit individual circumstances and preferences, we improve the financial experience and outcomes for providers and their patients.

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