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AccessOne Survey Report

Providing the Patient Financial Experience
Consumers Crave

Providing the Patient Financial Experience Consumers Crave: 3 Key Insights

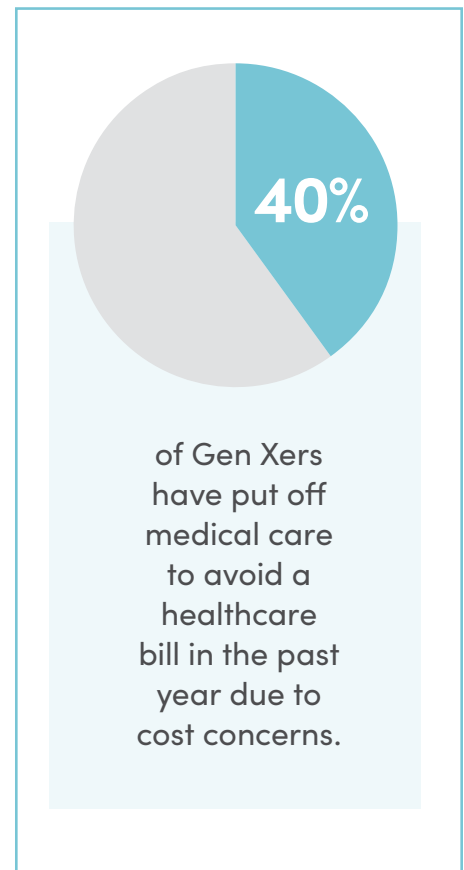
When it comes to paying for their healthcare costs, consumers want three things: affordable monthly payment options (60%), clear communication (58%), and transparency around out-of-pocket costs (55%), a new AccessOne survey shows. But are consumers getting what they want? If they aren't: Are there negative implications for health systems when they don't deliver on consumers' needs?

Survey results reveal that as COVID-19 tightens income levels—and as the Delta variant intensifies concerns regarding personal finances—consumers want more from the patient financial experience:

- 41% are confused about the portion of the bill that their insurance will cover.
- 39% are only somewhat satisfied or not at all satisfied with the quality of communications around how to pay for healthcare costs.
- 40% are only somewhat satisfied or not at all satisfied with affordable options for payment—and one out of three say communication regarding available payment plans for their bill could be improved.

When patients don't get the information or payment options they need, this has a direct impact on whether they seek care, the survey found. And, with medical bills ranking low on consumers' list of payment priorities during the pandemic, AccessOne research suggests that without clear communication around out-of-pocket costs and options for payment prior to service, patients are likely to delay healthcare payment. It's a scenario that can strangle cash flow for healthcare organizations even as organizations work to protect their balance sheets.

Now is the time for healthcare organizations to tighten financial communications and provide greater flexibility around payment to improve collection rates, reduce days in accounts receivable and strengthen patient volumes and retention. AccessOne survey results uncover key insight into providing the patient financial experience consumers crave in a COVID-19 environment—and practical strategies for getting there.



INSIGHT NO. 1:

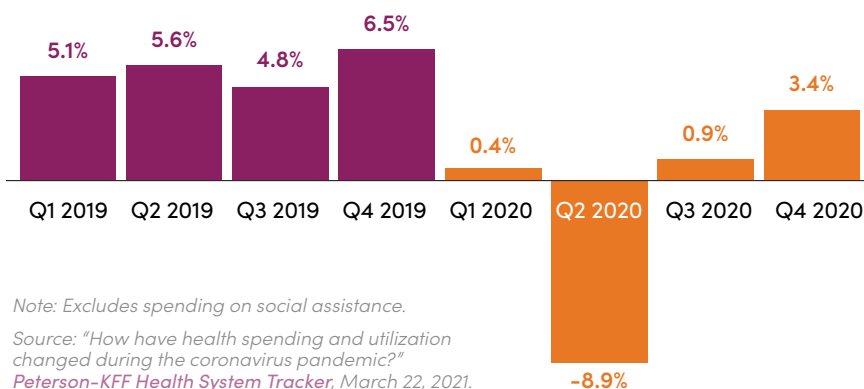
One-in-three consumers delayed care during the pandemic.

The COVID-19 recession was the first recession in which healthcare spending decreased. Although health services spending in 2020 rebounded as in-person care and laboratory services became more widely available, total expenditures still fell 1% year over year, according to a **Kaiser Family Foundation analysis**.

HEALTH SERVICES SPENDING DECREASES 1% IN 2020

In 2020, health services revenue fell by 1% compared to 2019

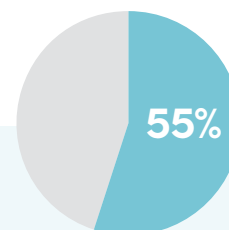
Year-over-year growth in health services spending, Q1 2019 – Q4 2020



The AccessOne survey, conducted in August 2021 with 1,000 consumers nationwide, indicates the extent to which the pandemic continues to affect consumer decision-making around healthcare spending. **More than half of consumers (58%) have delayed medical care to avoid a healthcare bill—and one-in-three have done so in the past year.**

Notably, the percentage of adults who put off care to avoid the expense includes **40% of Gen Xers**, part of the "Sandwich Generation," the increasing number of adults who are caring for their children as well as their aging parents. Gen Xers in family caregiving roles typically do not receive payment or federal assistance for the care they provide. More than half also saw caregiving expenses increase during COVID-19, limiting their potential to absorb unplanned expenses.

QUANTIFYING COVID-19'S IMPACT ON CONSUMER COST CONCERNS

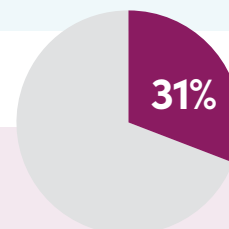


say COVID-19 has affected their income "a lot" or "somewhat."

This includes:

69% OF FAMILIES WITH CHILDREN

62% OF THOSE WITH HOUSEHOLD INCOME <\$50K



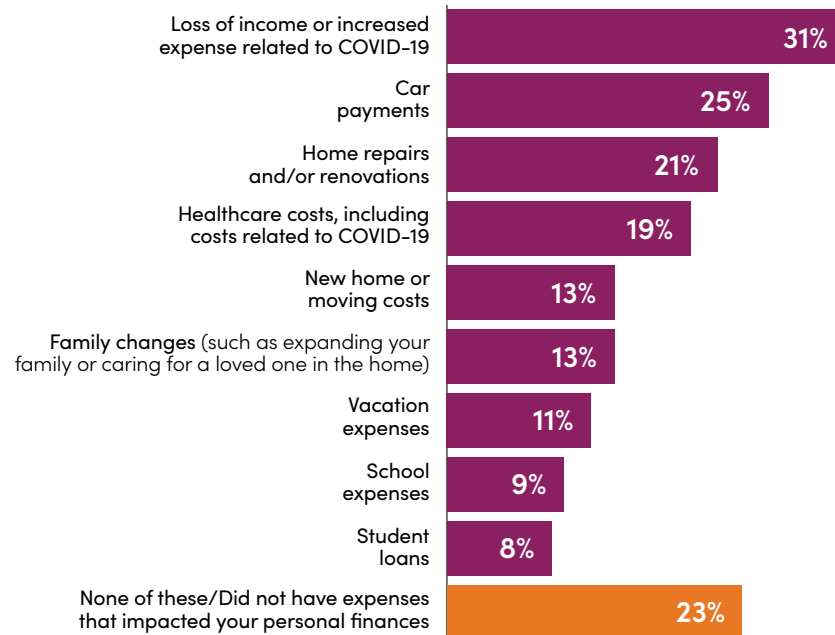
say loss of income or increased expense related to COVID-19 is **the expense that has most affected their finances** in the past year. That's especially true for:

39% GEN XERS

41% FAMILIES WITH CHILDREN

NEARLY 20% OF CONSUMERS SAY HEALTHCARE BILLS NEGATIVELY AFFECTED FINANCES IN PAST YEAR

Q. In the past year, which of the following expenses have most impacted your personal finances?



The pandemic also prompted consumers to delay paying their **medical bills**. Half of consumers remain concerned about their ability to pay medical costs over the next 12 months, including 57% of families with children. While these numbers reflect increased optimism compared with the start of the pandemic, when **two out of three consumers** feared they would be unable to pay for care, financial uncertainty impacts decisions around healthcare payment—to the detriment of healthcare organizations’ financial health: **One out of three families with children have put off paying a healthcare bill during the pandemic**. Meanwhile, medical bills rank low on the list of individuals’ payment priorities. Topping the list: mortgage or rent payments.

Consumers also continue to shop around for care to get the **most value for their healthcare dollar**. Survey results show 71% of respondents would shop around for care, and 36% already have.

WHEN IT COMES TO PAYMENT PRIORITIES, MEDICAL BILLS RANK LOW

When asked to rank the following types of bills in order of payment priority, consumers overwhelmingly ranked mortgage or rent highest. Medical bills ranked sixth in importance, just above cable bills.

- 1 Mortgage or rent
- 2 Utility bills (water/heating/gas)
- 3 Credit card bills
- 4 Phone bills
- 5 Internet bills
- 6 Medical bills
- 7 Cable bills
- 8 Student loan payments

1 OUT OF 3 FAMILIES PUT OFF PAYING A MEDICAL BILL DURING THE PANDEMIC

AccessOne survey results show that 22% of consumers put off paying a medical bill during the pandemic, including:



INSIGHT NO. 2:

Patients want to proactively manage their healthcare costs, but they need help from healthcare organizations in doing so.

The AccessOne survey indicates that the majority of consumers want to discuss payment plan or financing options prior to a procedure. But while most are happy about the level of transparency they receive from healthcare organizations, they still need assistance in navigating their bill and exploring options for affordable long-term payment plans.

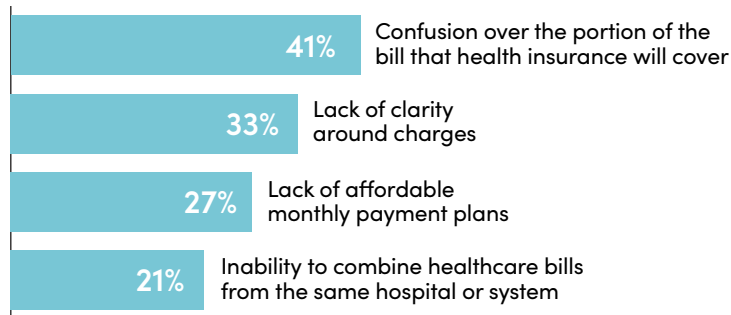
Consumers' top needs fall into the following categories:

- **CLARITY.** Lack of clarity around charges and confusion regarding the portion of their healthcare bill that insurance will cover are among the top frustrations consumers have regarding their healthcare bills. Enhanced communication on the front end also can help avoid instances of surprise costs, a frustration for nearly half of consumers.
- **INCREASED OPTIONS FOR AFFORDABLE PAYMENT.** Consumers are increasingly seeking affordable options for payment, especially women—who are often responsible for managing their household's healthcare expenses—and millennials. Consumers also point to a desire for long-term financing solutions that would ease their ability manage monthly payments.
- **ABILITY TO COMBINE BILLS.** For one in five consumers, inability to combine healthcare bills from within the same hospital or system is a dissatisfier when it comes to the patient financial experience.

Given that the majority of consumers are concerned about their ability to pay a medical bill of \$1,000 or less, exploring opportunities to help patients proactively manage their healthcare costs makes financial sense for hospitals. It also results in more positive patient experiences at the end of their healthcare journey—critical to patients' overall impression of their provider.

CONSUMER FRUSTRATION OVER HEALTHCARE BILLING RUNS HIGH

When asked to identify their top frustrations regarding healthcare bills, consumers cited the following as pain points:



INSIGHT NO. 3:

Healthcare revenue cycle departments could make greater headway with patients by tweaking their communications approach.

AccessOne survey results suggest the quality of provider communications around payment plan options could be better. Just 25% of consumers are very satisfied with the quality of communications they receive from healthcare providers regarding:

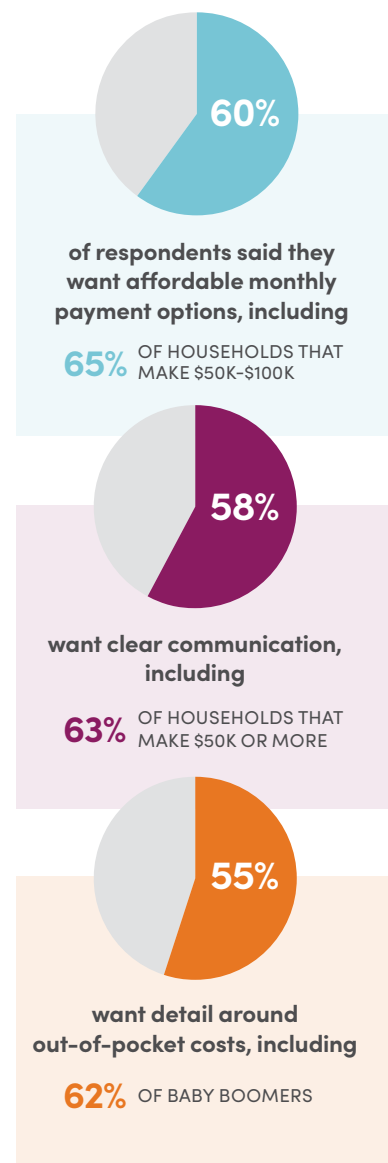
- Availability of payment plans
- How to pay for healthcare costs
- The range of affordable options that hospitals or health systems provide for managing healthcare costs

Further, one-in-three consumers are only somewhat satisfied or not at all satisfied with communication regarding available payment plans, including 41% of millennials surveyed.

Meanwhile, 39% of survey respondents are only somewhat satisfied or not at all satisfied with the information they receive regarding how to pay for their medical expenses.

SURVEY SAYS: FLEXIBILITY AND CLARITY MATTER WHEN IT COMES TO HEALTHCARE PAYMENT

When asked, "Which of the following are important to you when it comes to your experience in paying for healthcare costs?":



What types of communication vehicles make the most sense for healthcare providers? While one-in-four consumers surveyed by AccessOne still want paper-based communications, most prefer to communicate by phone or digitally. Notably, a **Gartner Digital Channel Survey** found the **text message open rates can run as high as 98%**, making it superior to all other omni-channel methods.

Interestingly, AccessOne research shows **healthcare organizations could speed payment times by digitizing their approach** to patient financial communications. Survey results reveal that when patients receive financial communications via digital channels, a significant proportion will pay their bill in less than five minutes. *(See the exhibit below.)*

WANT TO SPEED OUT-OF-POCKET PAYMENT? SEND PAYMENT NOTICES DIGITALLY

An AccessOne survey reveals that when consumers receive payment due notifications through their preferred digital channels:

- About half will pay through that channel in less than one hour, and
- A significant proportion will pay their bill less than five minutes:



32%

SECURE TEXT



26%

EMAIL



30%

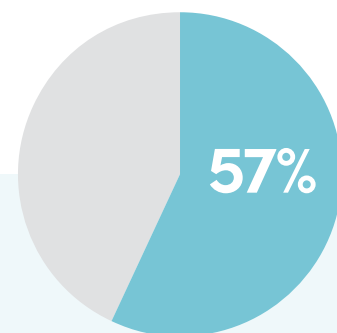
MOBILE APP



25%

PATIENT PORTAL

42%
of households
making less
than \$50K are
only somewhat
satisfied or
not at all
satisfied with
communications
around how
to pay their
healthcare bills.



of consumers
fear they would
be unable to pay
a medical bill of
\$1,000 or Less

Key Takeaways for Healthcare Providers

How can healthcare providers elevate their approach to patient financial engagement and the patient experience? Feedback from the AccessOne consumer surveys points to four strategies.

NO. 1 Invest in a digital-first approach to communications.

The move toward an omnichannel communications strategy in revenue cycle—from secure texts to online chat, patient portals and phone support—creates a customized experience that boosts patient satisfaction and financial engagement. Ask patients for their communication preferences, offering a range of options, and leverage their preferred channels in sending patient estimates, information regarding out-of-pocket costs, payment notifications and links for payment plan enrollment. Leading organizations also are applying advanced personalization analytics to dynamically select the right messaging, language and modality for financial communications.

NO. 2 Rethink patient engagement after financial estimates are delivered.

Some patients may be ill-prepared to cover the cost of more intensive care, a situation that could increase in 2021, given the amount of care that was postponed last year, **including cancer screenings**. In situations like these, a compassionate approach to patient financial communications and payment arrangements is crucial. Make sure staff connect with patients digitally or via phone call or text within 24 hours of providing an estimate and verify that the estimate is an accurate reflection of patients' out-of-pocket responsibility. Then, walk the patient through the range of payment plans available, from no-interest to low-interest plans, and offer to enroll the patient at the point of contact. These steps give patients peace of mind that the hospital will work with them around payment.

NO. 3 Offer flexible and empathic payment plan or financing options.

As the survey results indicate, financial concerns play a big role in consumers' decisions around whether to seek care and whether to delay payment. Further, throughout the pandemic, patients have consistently indicated a desire for payment options that are responsive to their financial needs:

- During the first year of the pandemic, nearly half of consumers surveyed by AccessOne said they preferred healthcare providers that offered financing options or payment plans that are **flexible to their needs**.
- Now, 60% of consumers surveyed say affordable monthly payment options are important to them. For one out of four consumers, lack of affordable monthly payment plans is one of their top frustrations.

This is an instance where healthcare organizations can gain patients' trust and engagement by providing a variety of affordable payment options and communicating them broadly. Offering consumers the ability to adjust payment plans as circumstances change—including through self-service features via the patient portal—also is critical, especially in a COVID-19 environment. At one large academic health system, all patients qualify for low- or no-interest payment plans that they can adjust based on their financial needs. This ensures that financial challenges—including those resulting from the pandemic—do not prevent patients from seeking care.

NO. 4 **Activate the financial behavior you wish to see through communication, education and frictionless payment.**

Dynamically educate and engage consumers on their financial responsibility for care as well as options for payment through embedded bill summaries and e-statements. Look for opportunities during one-on-one communications to augment individuals' information with details regarding ways to most effectively meet their needs, socially and economically.

About AccessOne®

AccessOne, the leading AI-powered patient financing solution, helps over one million patients nationwide afford to pay for out-of-pocket medical costs. With flexible payment terms, no credit reporting, and no one turned away, AccessOne partners with health systems to offer co-branded patient financing that helps providers reach more patients in their communities who need care, while meaningfully lowering the financial barriers to receiving high-quality healthcare. Physician founded AccessOne is designed to empower patients to get the care they need while supporting health systems in staying financially solvent. Reimagining recourse for the way healthcare should be.

Learn more at www.accessonemedcard.com
or connect with us on [LinkedIn](#)

ABOUT THE SURVEYS

The AccessOne Consumer Survey around healthcare billing was fielded to a random consumer sample of adults in the United States. Distributed online by CARAVAN® Omnibus Surveys Aug. 18-20, 2021, 1,004 U.S. adults participated in the survey.

The AccessOne Consumer Survey around patient communication preferences also was fielded to a random consumer sample of adults in the United States. Distributed online by CARAVAN® Omnibus Surveys Aug. 2-4, 2021, 1,004 U.S. adults participated in the survey.