



Health Insurance Claim Denials: A Harsh Reality of Doing Business

An Examination of Self-Service Patient Billing Solutions, Are They Really the Answer to Maximizing Revenue?

Does The Revenue Cycle Ever End? What Can We Measure?

How to Thrive in an Economic Continuum of Care
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When Payers Say No, A Medicare Advantage Case Study

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The Challenge

The patient portion of medical fees has grown from 5% of provider revenue just 20 years ago to over 35%, according to Forbes. The patient's financial burden is projected to continue growing due to the impact of high-deductible health plans and the rising cost of care. As a result, many patients struggle to afford care, and providers are suffering from the challenges associated with collecting from financially stressed patients.¹

Healthcare providers are only collecting a portion of what patients owe, with estimates ranging from 20% to 55%, according to a recent report from PitchBook. For hospitals, collecting these fees can be expensive.²

Providers collecting only 20% – 55% of what patients owe

Self-service Collections: Red Hot or Red Herring

A number of startup companies have entered the healthcare revenue cycle management (RCM) space to help providers collect from patients using only self-service tools, and they are making big claims about results. They state they are driving up to 30% increase in cash from accounts at half the cost of traditional Early Out solutions through patient texting, website access and online apps.

While these self-service tools are less cost-

ly than full-service collection solutions, are self-service options driving true increased revenues to providers? The answer points to a delicate balance between the convenience of self-service and human contact with the patient.

Analysis of Self-service vs. Full-service

A recent report by Meduit revenue cycle self-service and full-service experts analyzed results driven by self-service-only technologies compared with a blend of self-service and human-based customer service/call center collections. A case study at a multiple-hospital health system revealed that after one year of self-service technology deployment, total patient cash increased by 13%. A self-service-only vendor would attribute this 13% increase to the implementation of their self-service technology. However, upon further analysis, the data also identified a parallel 13% year-over-year increase in patient volume, so the real net impact on collections from self-service patient payment solutions was zero.³

Zero financial impact from total reliance on self-service patient payment solutions

The report also reported that human contact with patients is central to increasing collections, and here is where self-service really misses the mark when not integrated with person-to-person contact.

- 50% of patients prefer to speak to someone regarding paying their bill
- 60% of patients who began to use self-service technologies ultimately gave up and called in

for assistance in either completing their payment arrangements or wanting additional information before paying

Best Practice for Collections

A comprehensive solution that combines self-service options with human contact delivers the best results. Anything less works against providers, causing decreased patient engagement and satisfaction without any cash benefit.

The only organizations seeing a significant total cash lift after implementing self-service were those that were previously doing minimal collection efforts and not functioning at a best practice level. This would indicate that while self-service can help improve patient satisfaction, the findings in the report showed that it was not the driver of cash that self-service companies were claiming.

Conclusion

By combining the convenience of self-service patient payment options with full-service solutions delivered by patient-centric, compassionate people, healthcare providers can hit the sweet spot that maximizes efficiency and collections while keeping costs low, the patient experience positive and patient satisfaction high.



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¹ <https://www.forbes.com/sites/allbusiness/2017/06/28/what-we-can-all-do-about-rising-healthcare-costs/?sh=6ab3e54b2f37>. Accessed 6.03.21.

² <https://pitchbook.com/news/articles/fintech-takes-aim-at-a-400b-healthcare-puzzle>. Accessed 6.03.21

³ Analysis of the efficacy of self-service patient payment solutions vs. full-service conducted in 2021 by Meduit.