Gaining Competitive Advantage for Self-Pay Collections:

Why a Centralized Customer Contact Center Is Key

With 70% of healthcare leaders expecting a rise in self-pay balances, a hospital's ability to successfully engage patients in their financial responsibility for care will be key to an organization's financial health. Yet more than half of consumers aren't satisfied with the customer experience offered by hospital contact centers—and it's hurting self-pay collections.

Recent market data shows:

- 60% of patients expect continuity in billing processes, communications and tools—but 55% are less than satisfied with their hospital's offerings.

- [Two in three organizations](#) across industries say connectivity issues are a top concern as customer contact agents work in distributed environments.
- Only [38% of U.S. consumers](#) believe customer service representatives understand their needs.

Isolated contact centers are no longer enough to engage self-pay patients in their out-of-pocket balances. Instead, a centralized contact center that supports a tightly integrated approach across patient financial services and channels is crucial. By investing in a seamless customer experience at every point of contact, hospitals can more effectively anticipate consumers' needs, enhance collaboration, reduce time spent on hold and decrease collection costs.

The Business Case for a Centralized Approach

Today, [two-thirds of hospital leaders](#) are deploying tools to improve self-pay collections. It's a sign that the traditional methods of self-pay collections are outdated, keeping hospitals from reaching their financial goals.

In 2020, as [90% of hospital revenue cycle staff](#) largely transitioned to a remote work environment, [work-from-home challenges](#) for customer service representatives proliferated—resulting in highly disparate approaches to customer service. The danger for hospitals: Siloed customer service processes very quickly lead to a lack of trust and accounts that cannot be financially cleared prior to service. The [Bridging the Gap](#) market study found that while 66% of patients give revenue cycle staff high ratings for professionalism and friendliness, one-in-three aren't satisfied with the clarity of the information they receive—including out-of-pocket costs. Nearly half don't believe they are given enough information about their out-of-pocket expenses before receiving care.

As hospital revenue cycle departments experience a rise in customers seeking [digital-first communications](#) and contactless payment, [60% of consumers](#) are less

than satisfied with their hospital's ability to customize the way in which hospital bills are delivered. When this happens, patients take longer to pay their healthcare bills. The longer it takes for a patient to pay, the less likely hospitals are to receive payment. Cost to collect increases, and the ability to reach self-pay financial goals is diminished.

Perhaps it's no surprise, then, that 85% of healthcare executives believe the increase in consumer self-pay will have a moderate to severe impact on their organization's finances.

In 2021 and beyond, hospital revenue cycle departments' typical approach to customer service—hiring people to react to inbound patient inquiries—will not provide the seamless experience that consumers crave. Instead, hospitals must develop a highly coordinated, data-driven, omnichannel approach to patient financial communications. Such an approach:

- Builds online chat, texting and phone support into all billing access points to provide assistance whenever and wherever it's needed
- Anticipates customers' needs by making billing and payment information easier to access and understand, with self-service options and suggested payment plans
- Provides patient notifications by text or email to keep patients informed about their account following service to avoid the black hole between service and the bill
- Empowers patient representatives to respond to complex financial situations
- Quickly identifies customer service scenarios at significant risk for escalation and helps staff respond to and resolve concerns in real time
- Identifies the right financial approach for each patient, every time

It's one reason why 80% of organizations plan to invest in an omnichannel approach, up from 20% in 2019, according to a 2020 PwC report.

How a Centralized Customer Contact Approach Helps Hospitals Reach Self–Pay Goals

1. Engages patients in their financial responsibility early, sharing accurate out-of-pocket costs and options for payment.

2. Anticipates customers' needs, seeking to answer patients' questions from the moment a bill is received so they never need to call for assistance.

3. Delivers patient financial communications in the channels customers prefer—from text to email to payment portals.

text   Online Payment Portal   Chat   Text Payment Notifications   E-Statements

4. Incorporates speech analytics during customer service calls to detect emotion and redirect patient conversations.

5. Uses artificial intelligence and data analytics to determine the approach that is most likely to drive engagement.
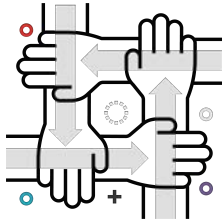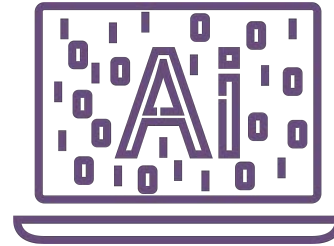
6. Emphasizes high levels of collaboration between revenue cycle specialists and partners to drive performance improvement and build trust.

7. Leverages technology to modernize the patient financial experience.
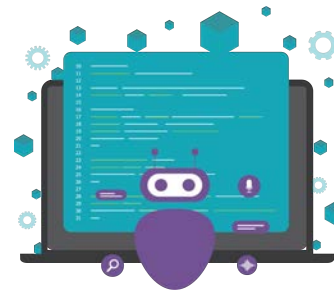
ePFXscore

8. Measures the patient financial experience to identify ways to strengthen engagement and the hospital's value proposition.

4 Ways a Centralized Contact Center Drives Self–Pay Performance

How can a centralized contact center help your hospital achieve its financial objectives and gain a competitive advantage? Four benefits stand out.

Benefit No. 1: Faster service. A recent market study by Customer Contact Weekly shows that just 7% of companies anticipate returning to a "traditional" contact center model in 2021. By making moves to centralize the revenue cycle team's customer service efforts in a dynamic environment—such as by incorporating customer-facing artificial intelligence (AI) and predictive analytics—hospital revenue cycle teams can engage patients more quickly, boosting self-pay performance. Likewise, using speech analytics data across encounters to anticipate consumers' financial questions from the first point of contact eases patients' financial concerns, enabling them to focus on their health. Leading health systems use an augmented reality avatar in the Patient Concierge app to walk patients through their bill from the moment they get their statement.

Benefit No. 2: Customer service that is not only efficient, but effective. Leading organizations "blend effectiveness into efficiency," a PwC analysis shows: They recognize shifts in consumer behavior, reimagine new ways to execute work as customers' needs change, quantify opportunities for transformation, and act upon opportunities to drive greater value. In doing so, they not only achieve higher levels of customer satisfaction, but also protect and increase revenue. When it comes to self-pay collections, providing self-service options for payment presents a great opportunity to improve your patient financial engagement.

Benefit No. 3: The ability to meet patients where they are. One market study shows 85% of organizations believe "increasing the use of digital channels" will become more important in 2021. But while there is increased desire among consumers for digital communications, some customers and certain types of interactions will still

require live support. That's why it's important to communicate with patients regarding their self-pay responsibility in the mode they most prefer, whether by phone, text, email, paper statement or portal. "One of the things we're constantly thinking about on the revenue cycle side is how to meet patients in the medium that they want," one Southwest revenue cycle executive tells Avadyne Health CEO Jayson Yardley in his book *Rev Up! Bold and Disruptive Strategies to Rev Up Your Revenue Cycle Hero's Journey.* "Can they contact you on the phone, get text messages, or find what they need online? Do we provide the correct balance of self service and personally-assisted mediums to meet the broad spectrum of patients and customers who interact with our health system? Can they easily schedule service, receive price estimates, apply for credit, request their patient records, or just easily pay their bills? We want to give patients flexibility and options." (Access a free copy of *Rev Up!*)

For one Midwest health system, an omnichannel approach to patient financial engagement for self-pay patients increased self-pay recoveries by 80 percent, reduced bad debt, and significantly improved patient satisfaction.

Benefit No. 4: The ability to more effectively anticipate consumers' needs and respond appropriately. For example, the Bridging the Gap market study found that 58% of consumers wait for insurance statements—or as long as they can—before paying their hospital bills. That percentage is higher among Baby Boomers (64%). However, when patients have a timely, accurate price estimate they can trust and rely on, their financial behavior changes. The result: Out-of-pocket expenses get paid faster. By making smart use of what revenue cycle staff know from experience are the questions patients most likely will have about their bills, hospitals can answer many patients' questions before they make a phone call to get answers. This saves consumers time and lowers the cost to collect for hospitals.

Speech analytics data also can help hospital revenue cycle teams proactively respond to self-pay patients' financial concerns in a rapidly evolving environment. For example, in mid-2020, use of speech analytics alerted some health systems to a rise in patients who were concerned about their risk of becoming unemployed. This

helped staff provide the right support for a positive financial experience during a time of high stress for some individuals. It also positioned these hospitals as trusted advisors that are concerned about consumers' well-being—clinically and financially.

Transforming Your Approach to Self-Pay Performance

Revamping out-of-date self-pay engagement techniques with a more modern, highly coordinated, seamless approach gives hospitals a competitive advantage by promoting deeper levels of trust with consumers. It also positions organizations to more effectively meet their self-pay financial goals. In 2021 and beyond, establishing a centralized customer contact center will more effectively position hospitals to elevate self-pay performance and protect their organization's financial health over the long term.

Embrace new approaches and technologies to thrive in a fast-changing patient payment landscape with a next-generation contact center

Meduit/Avadyne Health's self-pay program with omnichannel patient engagement provides an integrated and seamless experience across multiple devices and touchpoints. This type of engagement ensures the patient experience remains frictionless across all channels to meet your patients where they want to be met, while improving your hospital's self-pay financial performance. Contact us to learn more.

Meduit/Avadyne Health, rated No. 1 in patient communications and financial satisfaction solutions by Black Book Research, provides self-pay account resolution, bad debt recovery and a full continuum of RCM services from patient access, through charge capture, coding, claims and denials to AR, collections and MeduitAI™ that reduces costs, increases collections and improves efficiencies.