Tackling Surprise Medical Bills: The First Step Toward a Comprehensive Patient Financial Experience Strategy, Healthcare Industry Analysis by Loyale Healthcare

Surprise medical bills are red-hot for regulators and legislators, even the president. Despite the challenges of finding a solution, there’s some good news for providers and their patients.

LAFAYETTE, Calif. (PRWEB) April 11, 2019 -- There has been a lot of attention lately on surprise medical bills. In truth, however, the entire healthcare experience is fraught with financial surprises. Up until recently, most of these surprises didn’t matter much to patients because they didn’t impact patients’ pocketbooks. But because of high deductible health plans, that’s no longer true.

The current focus on a singular patient experience – surprise medical bills – though incomplete, brings much needed attention to the larger issue. Happily for both consumers and the healthcare industry, the same innovations that exist today to address surprise medical bills are also suited to correcting the flaws that affect patient experiences throughout the financial dimension of a patient’s healthcare journey.

The cost and complexity of healthcare, it seems, is always a hot topic. Whether you are a consumer and prospective patient who is worried about where to get the best care at a reasonable out-of-pocket cost, a hospital administrator dealing with declining operating margins and uncompensated care or a physician whose patients are avoiding, neglecting or delaying care because they can’t afford it.

Last year, PriceWaters Cooper Health Research Institute (HRI), published a research report titled Customer experience in the New Health Economy, prescribing customer data as “the cure” to what’s ailing healthcare from the patient experience perspective. In its analysis, HRI observed that “In the New Health Economy, patients are consumers first, with the freedom and responsibility that comes with making more decisions and spending more of their own money.”

The HRI report found that “the metrics being collected in traditional satisfaction surveys are not timely and do not capture what healthcare customers value most”. In fact, it points out, “97% of provider executives believe the industry needs new measures of customer experience.” As part of the research project, “HRI surveyed 1,500 consumers and found 12 highly-valued features common to all consumer segments. Above all, consumers want their preferences and circumstances understood, shared decision making, clear communication and convenience.”

Naturally, many of HRI’s customer experience metrics are clinically related. But, importantly, they also include financial and other metrics across 5 categories: Convenience, Quality, Support, Personalization and Communication. Financial experiences such as upfront explanations of out-of-pocket costs, online bill payment, financing options and lower-cost care options are all included.

Metrics that pertain to both clinical and financial issues include: communicating with patience, staff attentiveness to needs and preferences and self-service to navigate the health system. Clearly, the financial dimension of care matters to patients.

The report’s introduction concludes by observing that “With consolidation heating up in the healthcare market, renewed pressure from healthcare’s new entrants and increased scrutiny on drug value, stakeholders don’t have
time to waste. They will need the customer on their side to remain competitive in an uncertain, rapidly changing market where resilience is key.”

We at Loyale Healthcare agree with the report’s conclusion, optimistic that forward looking healthcare providers will embrace the financial dimension of the patient/customer care experience. And, by doing so, make care more accessible while ensuring their own relevance in a marketplace that we believe will always value relationships. But there is an obstacle that has to be overcome. An obstacle we’ve labeled the patient experience blind spot.

Today, financial experience metrics of any kind are conspicuously absent from patient satisfaction measurements, most notably the Centers for Medicare and Medicaid Services’ (CMS) HCAHPS score. The many financial shortcomings that plague patients today: upfront explanation of out-of-pocket costs, online bill payment, financing options and self-service – all go unmeasured and unmanaged. This deficiency persists despite the fact that nearly half of Americans are avoiding or delaying care because of concerns about their ability to meet their out-of-pocket expense.

One result of this Patient Experience Blind Spot is that critical data related to patient financial experiences also go unmeasured and unapplied. Information with the power to inform better patient experiences and provider financial outcomes is either nonexistent or spread across multiple, non-integrated systems that offer no easy pathway to useful analysis or action. Fortunately, technology like Loyale’s Patient Financial Manager platform exists today to help providers solve that problem.

Surprise Medical Bills: The First Step to Eliminating the Patient Experience Financial Blind Spot

Surprise medical bills are the issue of the hour in healthcare, drawing the attention of consumers and legislators at the state and federal level. According to this NPR story, “President Trump’s declaration that taming unexpected bills would be a top priority for his administration echoed through the halls of congress, where a handful of Republican and Democratic lawmakers had already been studying the problem.”

Getting back to the premise of this article, it’s evident that any measures that effectively reduce surprise medical bills will have much broader application for the entire patient financial experience. Let’s consider this Wall Street Journal article, “How to Avoid Surprise Medical Bills”, based on the advice offered there, any protocol designed to reduce or eliminate surprise medical bills would include:

Upfront price estimates (sound familiar?) – It’s not easy but healthcare providers today are offering estimates that include the patient’s projected out-of-pocket before treatment begins. Systems like Loyale’s Patient Financial Manager™ and Transparency Workbenches™, provide the analytics and delivery platform to support reliable upfront estimates patients can rely on.

Consolidated billing – With Explanations of Benefits (EOBs) and bills from their hospital, anesthesiologist, physician, radiologist and physical therapist, it’s no wonder patients are confused and frustrated. By combining all these bills in a single easy-to-understand online presentation viewable on a smart phone, patients can easily reconcile all the applicable bills then take action with questions or payment as they wish.

Automated financial pre-clearance – Part and parcel of upfront pricing, the provider and patient need to be able to quickly and reliably confirm the following: 1) the patient’s insurance will cover it, 2) the patient’s existing deductible balance and copayment, 3) the price for any out-of-network providers necessary for the proposed
treatment and 4) that pre-qualification is secured

End-to-end, enterprise analytics – As the HRI research report states, data is the cure to solving healthcare’s patient experience challenges. With financially related behavioral and patient sentiment metrics captured from first financial encounter to last, providers will gain unprecedented access to business intelligence allowing them to see what’s working, what’s not and to intelligently determine what’s next.

To sum up, technology platforms like Loyale Patient Financial Manager™ and the Loyale Transparency Workbenches™, are ideally suited to helping healthcare providers address the issue of surprise medical bills. By addressing the financial issues most directly related to surprise billing, providers will find they are already well on their way toward executing a robust patient experience strategy.

To complete the execution of a comprehensive patient financial experience strategy, the functionality above can then be tied with personalized digital communications, self-service payment planning, financing and other affordability options - all operated from a central data-gathering platform. By doing so, providers will find that they are indeed positioned to keep “the customer on their side to remain competitive in an uncertain, rapidly changing market where resilience is key.”

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About Loyale

Loyale Patient Financial Manager™ is a comprehensive patient financial engagement technology platform leveraging a suite of configurable solution components including predictive analytics, intelligent workflows, multiple patient financing vehicles, communications, payments, digital front doors and other key capabilities.

Loyale Healthcare is committed to a mission of turning patient responsibility into lasting loyalty for its healthcare provider customers. Based in Lafayette, California, Loyale and its leadership team bring 27 years of expertise delivering leading financial engagement solutions for complex business environments. Loyale recently announced an **Enterprise level strategic partnership with Parallon** including deployment of its industry leading technology to all HCA hospitals and Physician Practices.
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