

Empowering patients in a time of crisis

There's no doubt the pandemic has dramatically altered the business of healthcare. Hospitals and health systems nationwide have continued to rack up staggering financial losses throughout 2020, directly related to COVID-19 and a shutdown of non-emergency surgical procedures for a period of time.

American consumers haven't fared any better. According to an October 2020 study by The Commonwealth Fund,¹ approximately 14.6 million individuals and their dependents lost employer-sponsored health insurance by mid-year 2020. Although there now is light at the end of the tunnel with vaccines and treatment, clearly it will take time for Americans to recover financially. In light of these challenges to their communities, healthcare providers have opted to alter their approach to patient collections, specifically looking for solutions to make out-of-pocket costs affordable by allowing payment plans.

Healthcare organizations are expanding patient payment methods due to COVID-19

52.6%

are offering more payment alternatives

52.2%

offering more online self-service options

On the whole, healthcare organizations are working to provide more technology-driven, compassionate and non-contact payment options and methods. These are helpful to preserve patient and staff safety and recognize the challenging financial circumstances that many patients face.

Payment plans are a key area of focus

When hospital and health system leaders were asked what tactics were the most crucial in maximizing patient out-of-pocket financial responsibility, a few options stood out: allow payment plans, provide better upfront estimates and increase payment education.

“To achieve the appropriate balance of patient experience and securing payments, we think offering payment installment options is a good approach. It's important to keep the patient paying something, even if it's a small amount.”

—RCM Leader

Why are new payment strategies so important?

Although there are many reasons to expand payment strategies, healthcare leaders surveyed believe the most important reasons are to:

1 Recognize financial hardship and demonstrate compassion

2 Educate patients

3 Improve the likelihood to pay

More than **1 in 4** respondents (27.4%) indicate that the reasons behind expanding their strategies have to do with recognizing patients' financial hardship and demonstrating compassion, illustrating a desire to empower patients during this difficult time.

About the survey

- Conducted online survey September 2020
- 117 HFMA members responded to the survey
- Revenue cycle management, patient financial services, patient access and operational leaders participated in the survey
- Hospitals, health systems, other providers were among those represented in the survey

1. Frostin, P., Woodbury, S.A., *How Many Americans Have Lost Jobs with Employer Health Coverage During the Pandemic?* The Commonwealth Fund, Oct. 7, 2020.



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