

2022

Secrets & Insights for Patient Payments in Healthcare



Matt McBride, MBA
CEO & Co-Founder of Mend

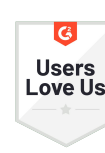


Table Of Contents

Foreword by Matt McBride, CEO & Co-Founder of Mend	3
Why is it Important to Automate Patient Payments?	5
Mail Still Leads for Medical Bills	6
In Which Industry Do You Believe the Process of Making a Payment is Most Difficult for Consumers?	7
How is Patient Retention and Speed to Collect Affected?	8
Consumer Security Concern Level by Payment Channel	9
Frictionless Patient Payments by Mend	11
Typical Flow with Integration	12
Video of Digital Form Payment	13
Mend Payment Process Metrics	14
Secrets to High Completion Rates	15
Reminder Sequence & Content	16
Text Message Interactions with Healthcare Professionals are now Legal	17
Drive Collections, Reduce Overhead, Improve Retention	18
Mend Patient Journey	19
Mend's Patient Engagement Future Vision	20
Mend Resource Center	21
Thank You	22

Foreword

Payments have become frictionless in many different industries that we all enjoy. However, healthcare still sends paper bills every 30 days to collect when a balance is owed. Patients are quickly becoming consumers and demanding modern conveniences that mirror other industries. In this eBook we will explore the insights and trends to follow, so you can get paid much faster, reduce overhead, and increase patient satisfaction scores.

We have intentionally tried to keep the content short and to the point. We welcome any comments or questions. You can reach me anytime via email, matt@mend.com. Please enjoy!

Thank you,



Matt McBride

Matt McBride, MBA

Mend

CEO & Co-Founder

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Industry & Consumer Patient Payment Insights



Why is it Important to Automate Patient Payments?

1. Consumers Expect It

“91% of consumers prefer electronic payment methods for medical bills”



An overwhelming majority of patients want to pay electronically. If there are delays asking for payment, paper statements, or any friction in the process, collection percentages will be down. We now live in a world where you can tap, swipe, or use your voice to pay. If you are sending paper bills, they will get filed in the trash can. Consumers care about the environment and they know how payment technology has advanced. If you aren't creating modern conveniences some other healthcare organization will, and you may lose loyal customers.

2. Every Other Industry Has Adapted

“60% of consumers expect their digital healthcare experience to mirror that of retail”



Retail experiences are ecommerce, mobile, fast, and ultra convenient. Amazon and Walmart have experiences where customers fill up their shopping carts, walk out of the store without checking out, and are billed automatically. Uber and Instacart make it effortless to have transportation, meals, or groceries delivered insanely fast. Healthcare organizations that match the experiences from other industries will win in the future.

3. Patients will pay faster

“45% of patients would pay faster if notified by email, text, or phone call”



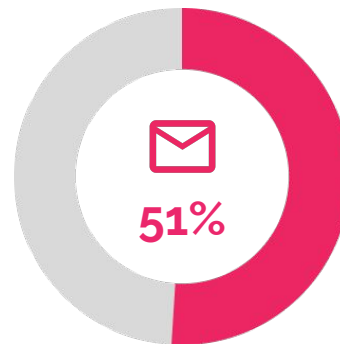
Communication by text and email is essential to drive patient adoption and engagement. Texting is now the preferred method of communication and at **Mend** we find that 96% of patients have a mobile number, meaning they have a mobile device. All ages, all ethnicities, and all income levels are mobile and expect to use their mobile devices for healthcare and payments. And when they can pay conveniently, they will pay much faster!

Mail Still Leads for Medical Bills

Even though most businesses have gone digital, many healthcare organizations rely on paper bills. In fact, various studies report between 51% and 75% of providers primarily use paper and manual processes for payment collection. However, only 9% of consumers wanted to pay that bill with a check. A quarter of consumers have ended a medical transaction because they were unable to pay with a debit or credit card. This makes it difficult for providers to collect payments in a timely manner. It can also alienate patients who want a better payment experience.

As a result, paper statements can play a role in leading to bad debt for healthcare organizations. On average, it takes more than 30 days to collect after a patient encounter. To counter this, we can look at ways to improve the collection of patient payments in the future.

51% Billing statement delivered by postal mail



Source: U.S. Bank Healthcare Payments Insight Report 2021



13% Automated phone call from my provider



16% Text message notification from my provider



24% Visit my provider's online portal

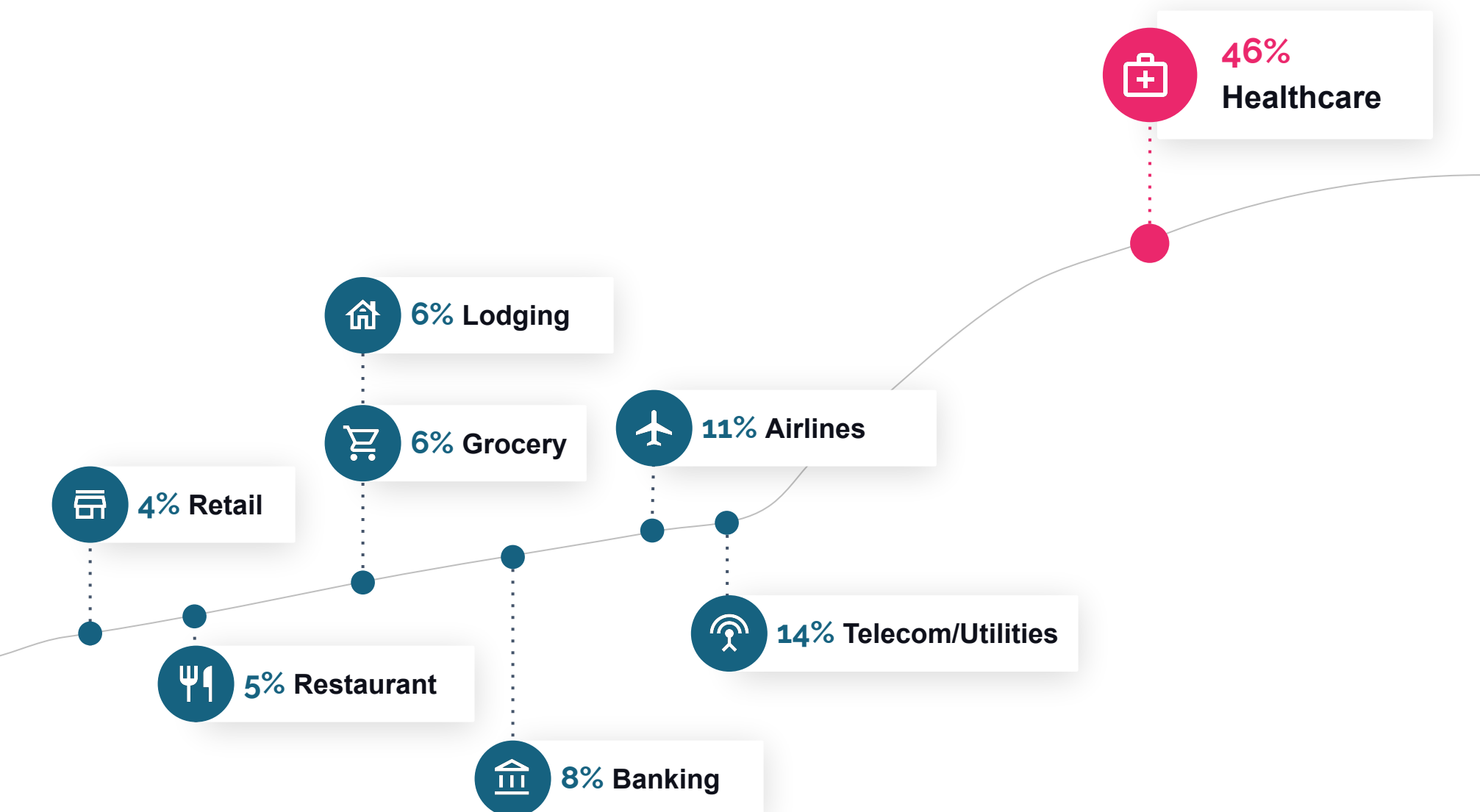


15% App notification from my provider

In Which Industry Do You Believe the Process of Making a Payment is Most Difficult for Consumers?

According to the U.S. Bank Healthcare Payments Insight Report 2021, consumers clearly ranked healthcare as the most difficult industry when making a payment. Paper bills, apps, portals, and more create experiences with many friction points that are not experienced in other industries.

This is also because there are so many different types of charges that a consumer can incur. For example, there might be a charge for the doctor's visit, a charge for any tests that were done, and a charge for the medication. All of these charges can add up quickly, and it can be difficult to keep track of them all. Additionally, many insurance companies will only cover a certain amount of the charges, so the consumer may be responsible for paying the rest.



Source: U.S. Bank Healthcare Payments Insight Report 2021

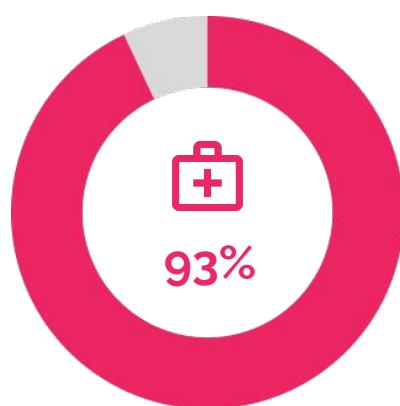
How are Patient Retention and Speed to Collect Affected?

A study by PNC Healthcare found that 42% of patients would leave a provider due to a poor payment experience. In addition, the average time it takes to collect from patients is 38 days when using paper bills, compared to only 18 days when using an electronic billing system. The study also found that patients who receive paper bills are more likely to make late payments or pay less than the full amount due.

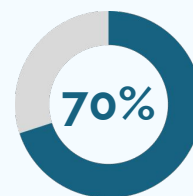
Other studies draw similar conclusions with 93% of patients could be at risk for churn based on their billing experience. InstaMed reports that 70% of providers say it takes more than 30 days to collect a patient responsibility and 74% reported that the process takes more than one statement to collect.

The cost of paper and postage alone is around \$.50-.60 per statement mailed. If this is a labor intensive process for your organization, the costs can be even higher. Sending text messages and emails are far more cost effective for the healthcare organization while creating frictionless financial engagement for your customers.

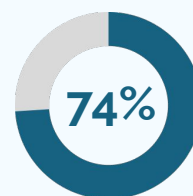
93% of healthcare consumers would be dissuaded from returning to a healthcare provider based on the billing experience.



Source: Survey conducted by El Studios



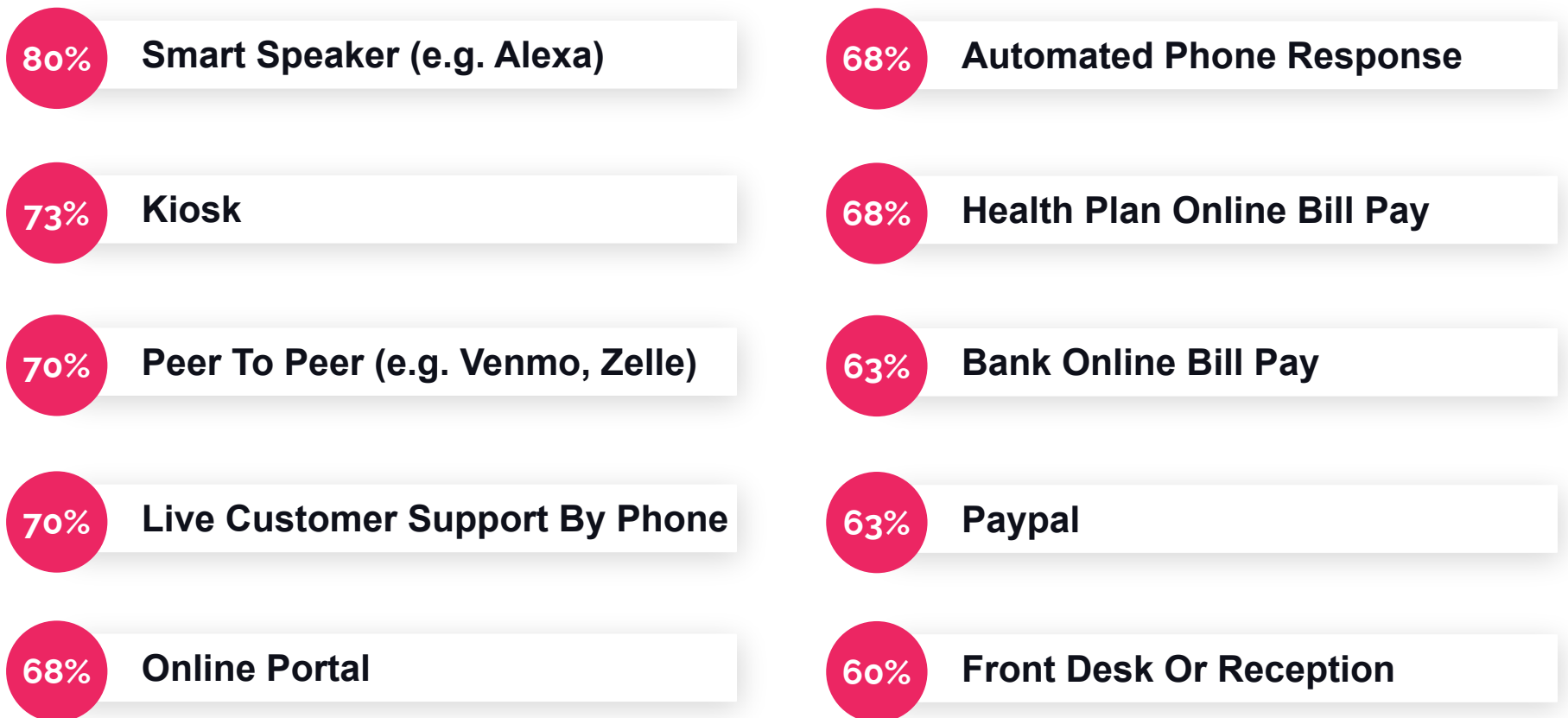
70% of providers said it takes more than 30 days to collect payment.



74% of providers said it takes more than one statement to collect payment.

Source: InstaMed Trends in Healthcare Payments Annual Report

Consumer Security Concern Level by Payment Channel



Source: Elavon Healthcare Payments Insight Survey Report 2019

According to a study by the Ponemon Institute, patients are most worried about payment fraud, with 41% of respondents expressing concern. This is followed by identity theft, with 37% of respondents saying they are worried about this type of fraud. Other concerns include phishing (36%), account takeover (35%), and data breaches (34%).

According to another recent report, patients are increasingly worried about payment fraud when it comes to their medical bills. In fact, nearly one-third of respondents said that they were very or extremely concerned about the possibility of fraud when making payments for their healthcare. This is a significant increase from previous years, and it seems that patients are becoming more aware of the risks associated with paying for their care.

There are a number of reasons why patients might be worried about payment fraud. First, medical bills often contain sensitive information. Additionally, patients may be concerned about giving their financial information to healthcare providers, especially if they don't have a good reputation for security. Finally, some patients may simply be worried about the increasing costs of healthcare and the possibility that they could be charged for services they didn't receive. Whatever the reason for their concern, it's clear that patients are increasingly worried about payment fraud when it comes to their healthcare. This is an important issue that healthcare providers need to address in order to ensure that their patients feel safe and secure when paying for their care.

How to Automate Patient Payments



Available Now

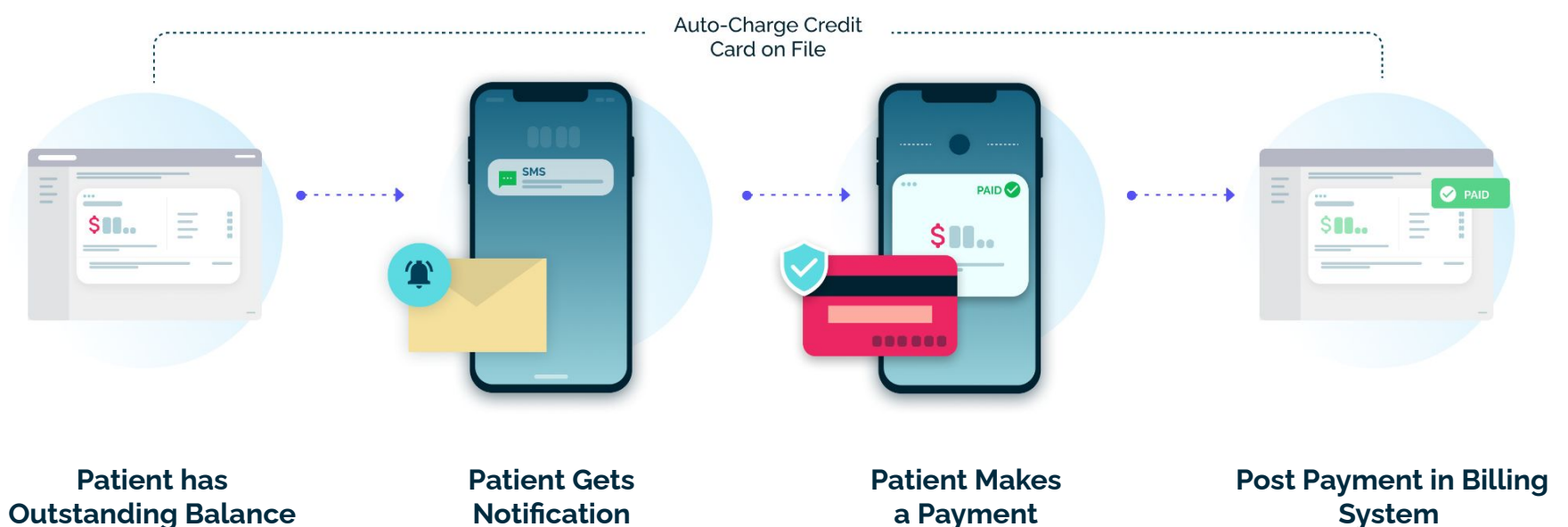
Frictionless Patient Payments by Mend

As hybrid care models gain in popularity with patients, healthcare organizations need solutions to capture patient responsibility for both in-person and virtual visits, before and after the visit occurs.

Patient payments that are not integrated and automated can create a lot of manual work for staff and are likely to result in uncollected payments or significant delays in accounts receivables.

Mend solves this by creating frictionless payment experiences for in-person or virtual encounters. Patients can also store credit cards on file to be charged automatically after adjudication or **Mend** can send an easy-to-use digital invoice that can be paid electronically.

Patients want modern forms of payment that they can understand and your organization wants to be paid for the services rendered in a timely manner. **Mend** is your complete payment and patient engagement solution.



Typical Flow with Integration

1. Depending on the medical billing system, **Mend** can connect to the source data for outstanding balances using flat files, API endpoints, or HL7 feeds.
2. Next, a patient would receive a sequence containing text and email notifications with reminders until the payment is made successfully.
3. We will also collect consents on your behalf as a best practice. Consents might include texting, email, payment, e-signature, and more depending on the workflow.
4. After consents are accepted (one-time) the payment form is presented to the patient to complete effortlessly. Forms can be customized to present or collect additional information as workflow requirements dictate.
5. Finally, we will automatically record in the medical billing system that an amount was collect successfully.

Note: If payments are unsuccessful, **Mend** can re-run the entire process again or alert staff to engage.



Video of Digital Form Payment

Mend averages a 72% completion rate overall for payment forms



Secure SMS & Email Link

Digital forms are the new appointment confirmation. If the forms are completed, the visit is more likely to happen.



Authenticate with a DOB

Let patients securely access their outstanding balances without utilizing your care teams.



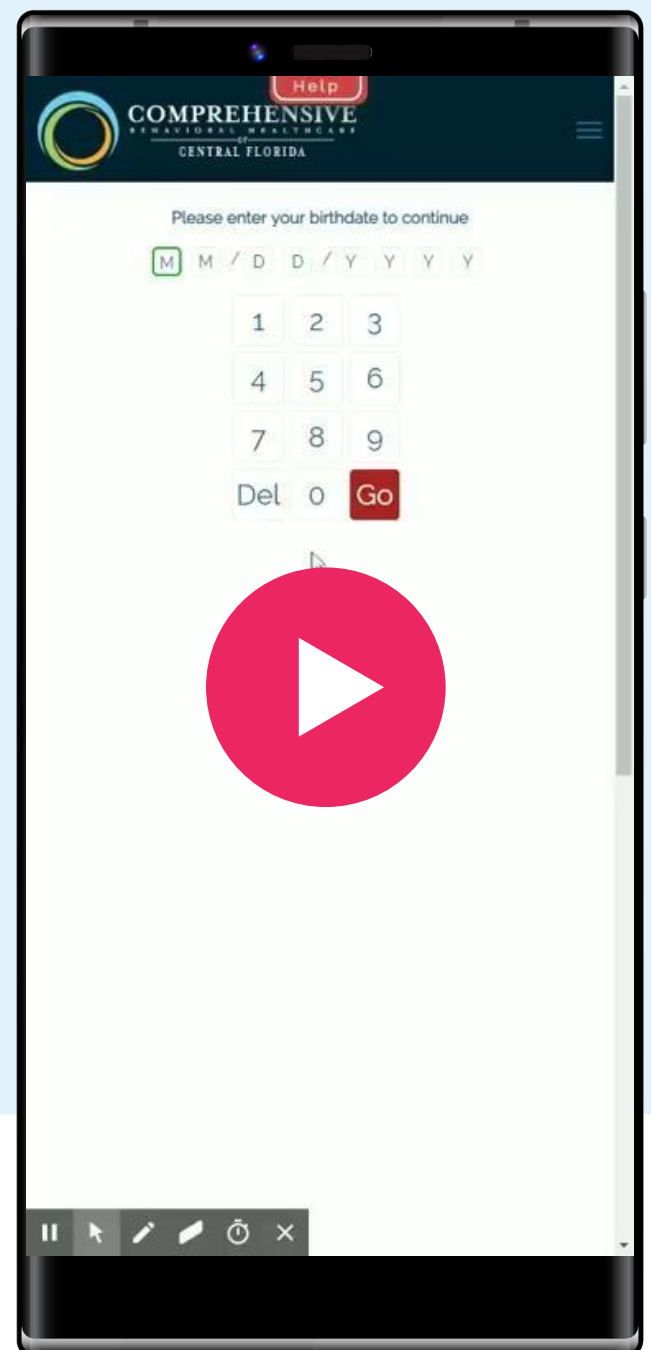
72% of Mend Payment Forms Completed

Enhance the speed, accuracy, and ease of collecting patient information with digital forms.

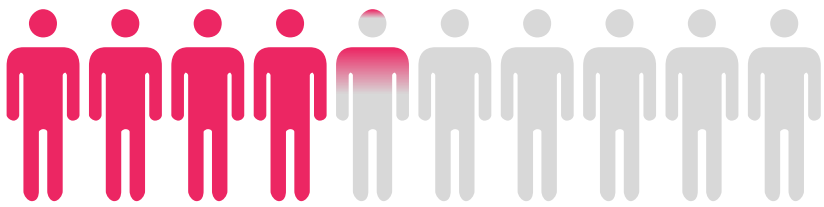


Frictionless Patient Experience

Mend's beautifully simple payment workflows result in faster revenue cycles, less manual labor, & higher satisfaction rates.



Mend Payment Process Metrics



44%

Payment forms on **Mend** are completed within 24 hours

Mend Report, The Key Performance Indicators of Successful Telehealth & Patient Engagement Programs in 2022



72% of payment forms on **Mend** completed overall

Mend Report, The Key Performance Indicators of Successful Telehealth & Patient Engagement Programs in 2022



Secrets to High Completion Rates

Patient financial engagement is essential for any healthcare organization. There are a few key ways to ensure high patient engagement rates. First, collect email and phone numbers from patients. Automatic engagement cannot happen successfully without having appropriate contact information on file. Second, **Mend** supports SMS short codes to send payment requests and reminders. Short codes ensure your requests reach the inbox. Third, **Mend** is a certified email sender by Validity. Validity works with **Mend** to communicate with Internet Service Providers to guarantee that your email messages get through to the patient's inbox. Fourth, our patented technology will make sure the overall experience is frictionless and easy to use. Next, **Mend** will store a card on file so patients can easily make future payments. Finally, **Mend** has U.S. based representatives available within seconds to provide instant technical support in case there are any issues.



Measure contact information for both SMS & email addresses



Send via SMS short code to reach inbox



Mend email is certified by Validity to reach inbox



Patented, frictionless experience - no logins, sign-ups, or downloads



Store a card on file for easy, future use

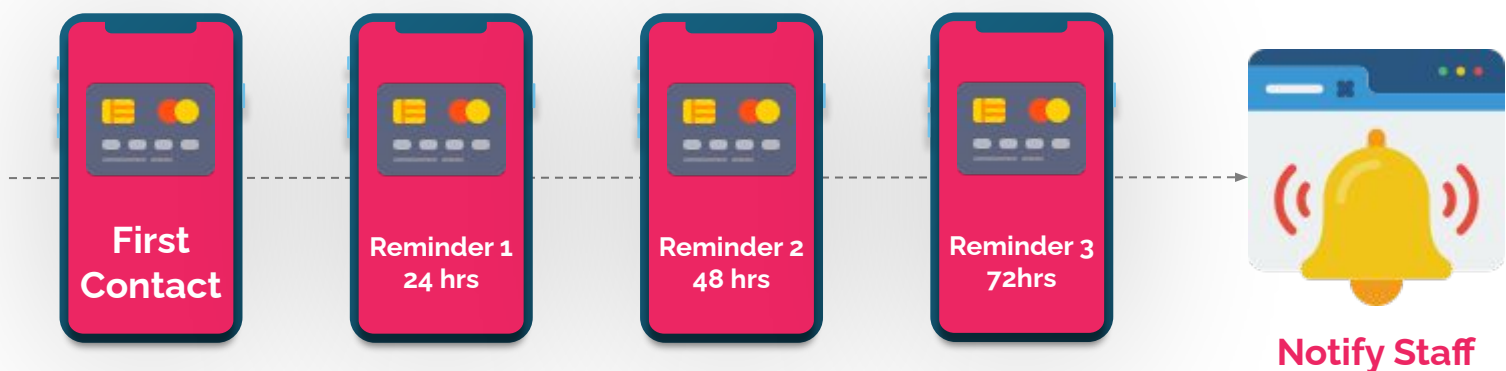


Provide instant technical support to patients

Reminder Sequence & Content

If you want to achieve high patient financial engagement rates, it's important to send the right message in an email or text message. This means making sure that your communication is clear, concise, and actionable. Additionally, **Mend** sends a series of follow-up reminders as needed to boost overall collection rates. We can also notify staff if a payment is unsuccessful so that they can take appropriate action. By following these tips, you can ensure higher overall completion rates in far less time.

SMS & Email



Hello Ronald, this is [Your Organization] at [Your Phone #]. Please click the link to open and complete the form(s) we have assigned to you.
<https://mendvip.com/TDK5S>. Text STOP to Opt-Out. [[Custom text here]]



Text Message Interactions with Healthcare Professionals Are Now Legal

Text message interactions with healthcare professionals are now legal. The Supreme Court of the United States ruled in favor of Facebook in 2021 that greatly diminished the scope of the Telephone Consumer Protection Act (TCPA).

Physicians are not required to obtain prior written consent before texting patients as long as the physician does not use a random or sequential number generator.

Health care providers are still able to utilize the health care messages exception to the TCPA, which allows them to place artificial/pre recorded voice calls to cellphones and landlines.

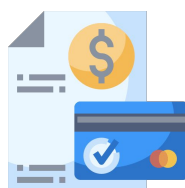
All text messages must meet HIPAA privacy and security requirements. If your organization sends text messages that contain unencrypted PHI, it should (1) warn patients of the risks of communicating for healthcare purposes using unencrypted text messaging or emails, (2) obtain patients' preference and consent with respect to messages containing unencrypted data, and (3) document the patient's preference and consent, as well as the organization's compliance efforts in this regard.

Mend is your partner to help guide your organization towards effective patient engagement workflows and best practices concerning any related rules and regulations.



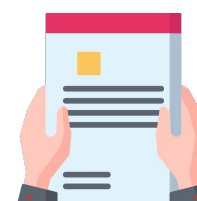
TEXT & EMAIL

Mend can help collect consents for text and email to help comply with TCPA and other regulations.



PAYMENT

Mend can collect consents to authorize payment procedures like storing and auto-charging a card on file.



OTHER

Mend has workflows to collect any other necessary consents or legal documents without any friction.

Drive Collections, Reduce Overhead, Improve Retention

By implementing a frictionless patient payment solution, you can expect to see an increase in patient satisfaction and loyalty. Patients will appreciate the ability to make payments quickly and easily. This will also free up staff time, as they will no longer need to spend as much time on collections. As a result, your revenue cycle will move faster and you will be able to reduce your overhead costs.



Faster revenue cycle

We collect payments as soon as there is a new patient balance



Save Staff Time & Labor

The process is completely automated & frictionless



Increase Patient Satisfaction

Consumers are demanding digital experiences from HCOs



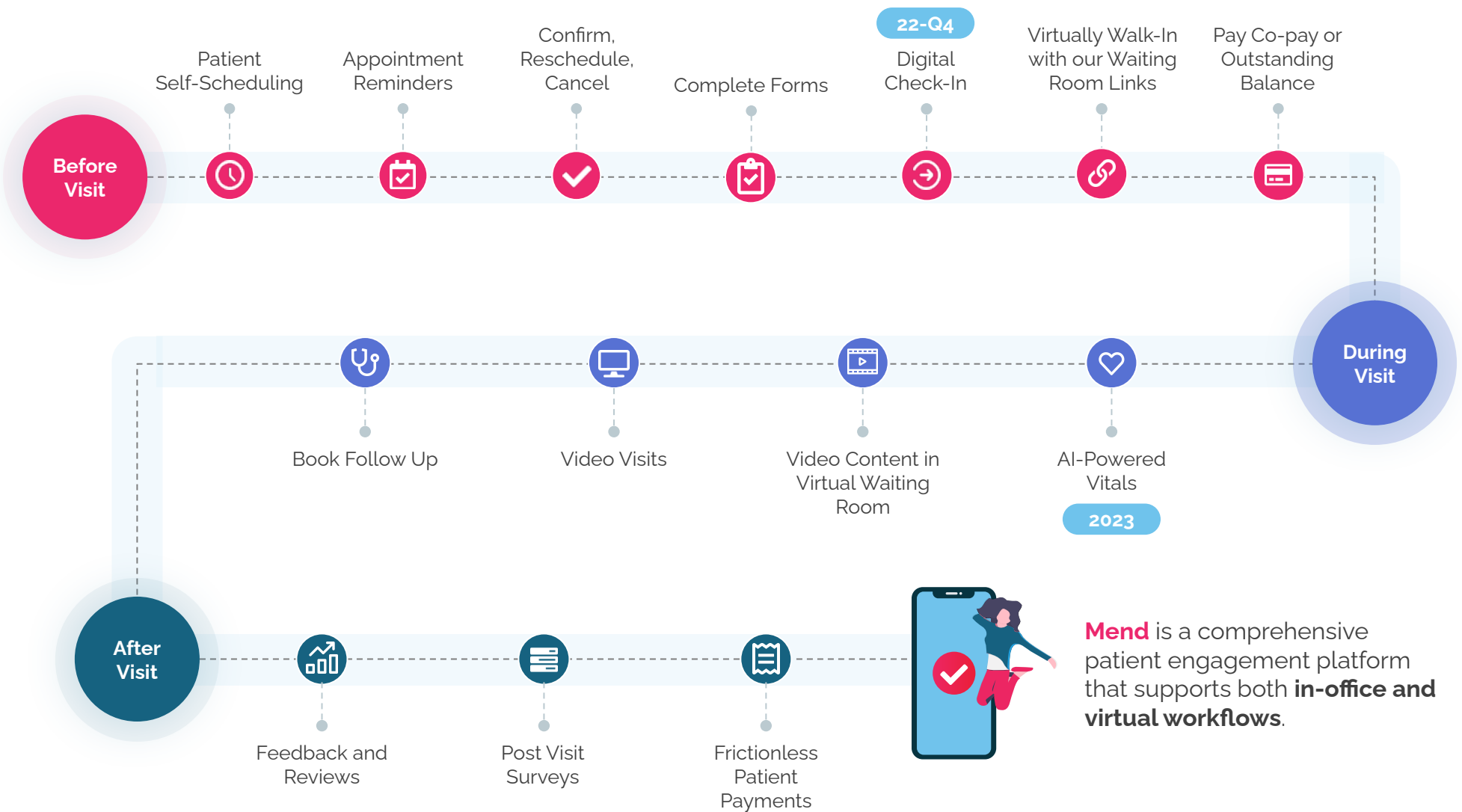
Increase Patient Loyalty

Boost loyalty and retention with convenient, frictionless experiences



Mend Patient Journey

Comprehensive patient engagement platforms allow you to provide a digital experience throughout the virtual patient experience and can compliment in-person visits both before and after the appointment. From scheduling to follow ups post-visit, here is what a patient journey can look like on an affordable enterprise platform like **Mend**:



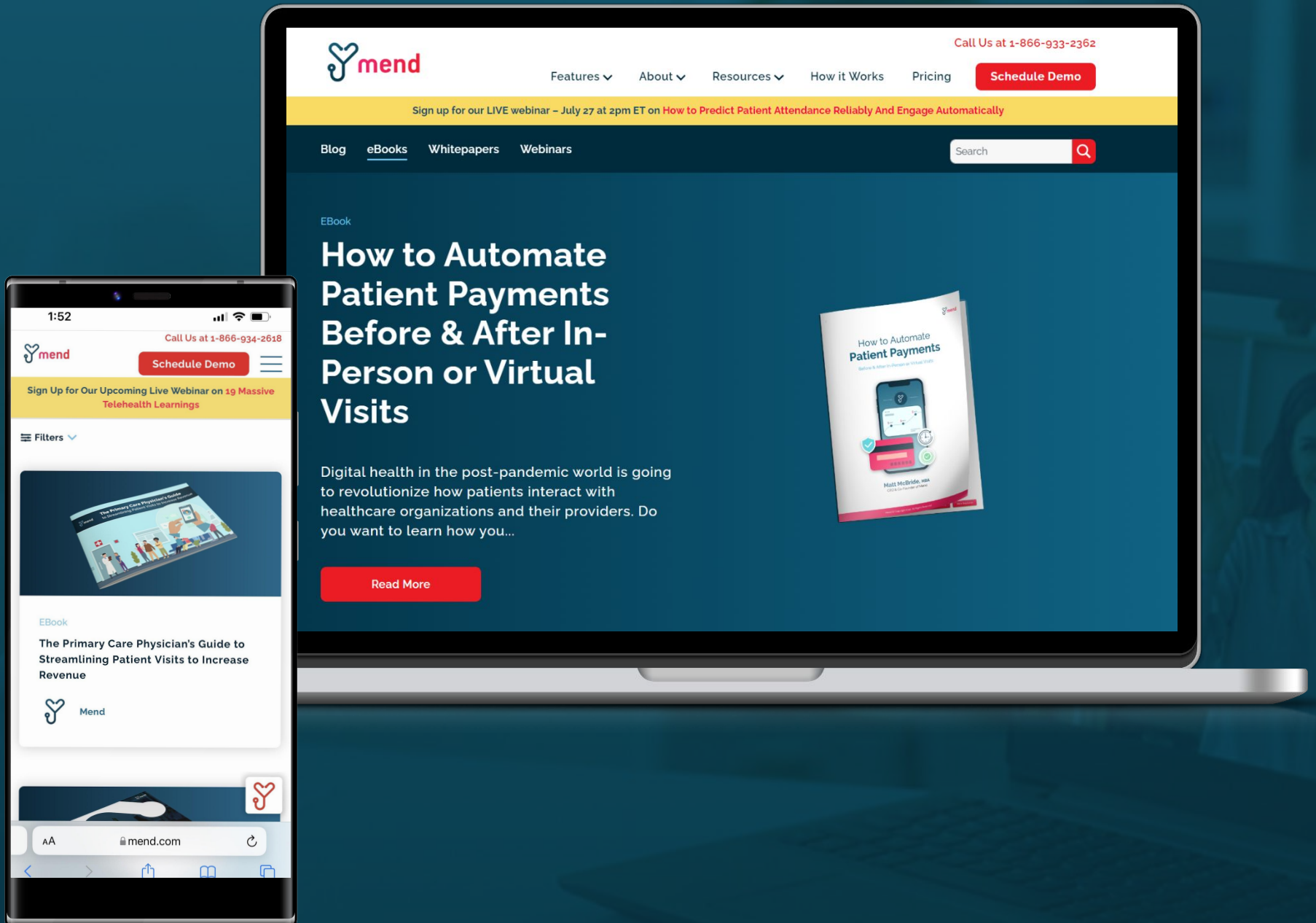
Mend's Patient Engagement Future Vision

Mend has the most exciting vision for the future of patient engagement across both **in-person** and **virtual** workflows. **This video** is short (01:36) and a must watch!

In the very near future, the majority of the manual workflows your staff are performing today will be automated. The administrative burdens creating provider burnout will be shifted to AI that can understand each encounter and document patient visits automatically.

In the future, patients and providers will focus on each other again, not computers or other administrative burdens. As a result, we will all lead happier and healthier lives!





Mend.com has many other resources available that you may enjoy including other eBooks, blogs, white papers, webinars, podcasts, and more.

To Visit Our Resource Center, [Click Here](#)



Thank you

We're extremely grateful that you took the time to download and review our ebook. We hope you found the information valuable and that you share it with others. If you have any questions or comments, please don't hesitate to reach out to me anytime. We would love to help you help more patients.

Thanks,



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