

How to Improve Revenue Collection



Consumers now pay a greater share of their health insurance coverage out-of-pocket mainly for two reasons: higher deductibles and employers passing on rising costs to their employees. Between 2014 and 2016, the patient balance after insurance has increased by eight percent, from \$264 to \$285.

At the recent [HIMSS Revenue Cycle Solutions Summit](#) in Boston, healthcare experts discussed key strategies that have helped their organisations improve revenue collections. Amongst the measures taken to enhance collections are:

Engage patients at point of service. Patients want to know up front their share of the costs. They are surprised by out-of-pocket estimates greater than \$500, hence the need to educate them, says Jennifer Anderssen, director of Admitting and Registration at Northwestern Memorial Healthcare. "A patient with a \$150 obligation only has a 36 percent chance of ever paying the full amount without a point of service payment," Anderssen adds. Northwestern Memorial has financial counsellors who reach out to patients several days in advance of service to find out if they need help in applying for financial assistance.

Streamline the payment process. In 2015, Northwestern Memorial implemented the Epic system and its point of service collections reached \$9 million – more than double the amount from the year before. Another innovation that went live that year: credit card swipers. "Credit card swipers was the thing that got us to tripling collections," Anderssen notes.

Do a better job overseeing collection vendors. This includes using comprehensive comparison reports on which vendor did the better job, monitoring collection activity, and knowing actual commission expenses, according to Neville Zar, senior vice president of Revenue Operations at Steward Health Care in Boston. In addition, it's important to meet with every vendor every month and set a baseline for performance. This strategy has helped the health system reduce bad debt by 30 percent.

Focus on both a higher and faster yield. With this tactic, Steward Health Care gained a five percent improvement, from 35 to 40 percent, in the amount collected within a 60-day period.

Improve customer service. Make things easy on your customers; if they have questions, staff should be able to provide answers as quickly as possible. At Steward Health Care, good customer service includes answering the phone within three rings. Meanwhile, to motivate staff to perform better, employees can be incentivised in monthly goals that are rewarded with free movie tickets, a double lunch time, or the offer to throw a pie in the face of their boss, according to Anderssen.

Source: [Healthcare Finance](#)

Image Credit: New Jersey Medical Group Management Association

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