

Partnership, Simplicity, and Advocacy: Reimagining the Patient Financial Experience

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Consider the term “patient financial experience.” It sounds like it’s entirely separate from the rest of a healthcare experience, yet nothing could be further from the truth. Consumers simply don’t perceive experiences that way. This is easy to understand as it relates to an everyday experience, like grocery shopping. Consumers notice financial aspects of the supermarket experience, such as long checkout lines, high prices, and confusing self-checkout equipment, along with non-financial aspects, such as lower-than-expected quality or limited product selection. They take all aspects of the experience into consideration when choosing where to shop next. Healthcare consumers do the same.

In healthcare, the dividing line between the clinical and the patient financial experience is an artificial one that developed as the nation’s payment system became more complex and compartmentalized. To take a more holistic approach, we offer three strategic recommendations in a new report, *The Role of Revenue Cycle in Elevating the Human Experience in Healthcare*.¹

- Establish and build from a foundation of partnership with consumers.
- Simplify the complex healthcare payment experience.
- Commit to a focus on advocacy.

Establish and Build from a Foundation of Partnership

Hospital billing and payment processes trace their origins to the 1950s, when employer-sponsored health insurance became prevalent in the United States. Legacy healthcare stakeholders are still using business processes designed for a business-to-business marketplace. That’s all the more reason why it’s imperative to engage consumers when identifying and implementing opportunities for improvement.

A provider organization’s commitment to improving the patient financial experience is evidenced by the variety of, and attention to, interactions with patients to learn more about their experiences. To improve health equity, that should include hard-to-engage consumers, such as Medicaid beneficiaries and patients who are receiving financial assistance.

Consumer feedback on the financial experience may be obtained in various ways, ranging from instant one- or two-question pop-up surveys to structured focus groups to patient and family advisory councils. Being smartphone-friendly is an essential component of any experience rating strategy.

Key Board Takeaways

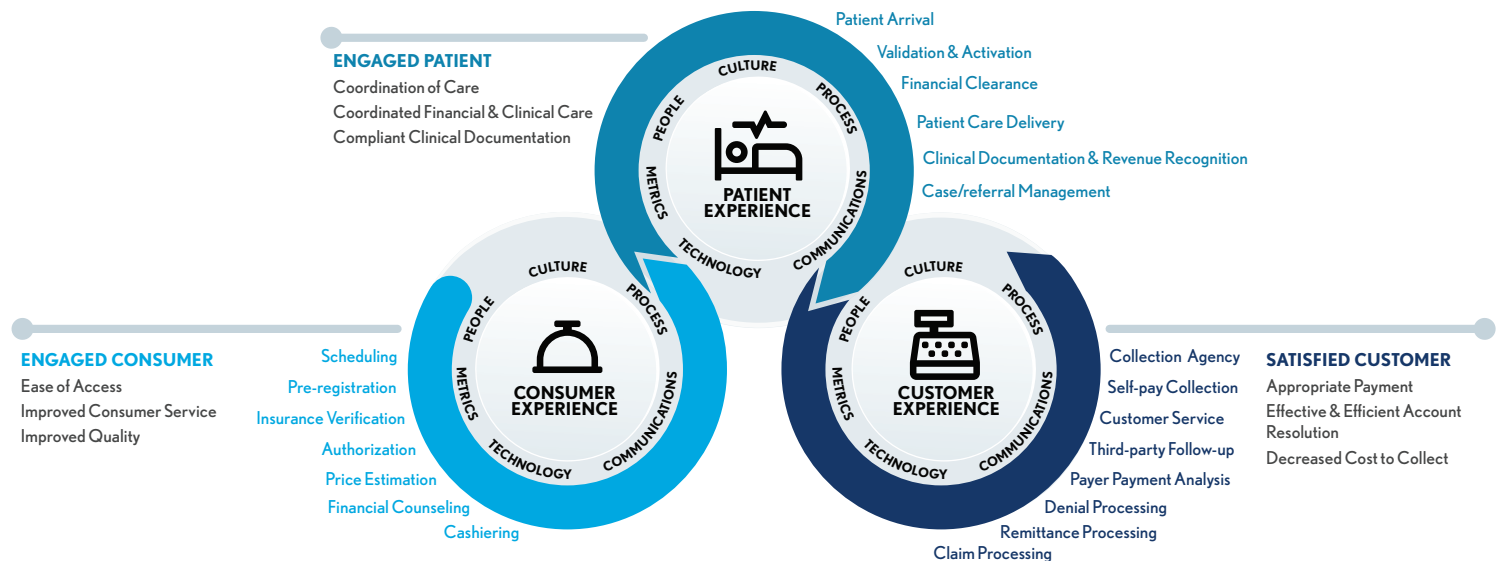
- Board members should reframe patient financial experience holistically as part of the overall healthcare experience.
- Partnering with consumers, simplifying the financial experience, and advocating for consumers are key strategic considerations in transforming the patient financial experience.
- By asking questions and engaging with finance leaders on these issues, board members can benefit their patients, communities, and organizations.

To encourage partnership with consumers, board members can ask finance leaders questions like:

- What are consumers telling us about our billing and payment processes?
- What channels do we have in place for obtaining consumer feedback on their financial experience?
- Are applications for financial assistance tracking with changes in our community’s socioeconomic indicators?
- Are we getting any feedback about billing and payment on social media?

Because financial experiences are more likely to be a dissatisfier than a satisfier, negative feedback may be viewed as a positive, in that it helps highlight areas for improvement. Negative feedback

Exhibit 1. Experience Touchpoints



¹ Jason A. Wolf, *The Role of Revenue Cycle in Elevating the Human Experience in Healthcare*, The Beryl Institute and HFMA, October 2021.

on social media, however, may be an indicator that consumers are not feeling heard by hospital representatives.

Simplify the Payment Experience

Healthcare billing and payment and insurance is complex and loaded with jargon. Board members who don't work in the healthcare industry may not be familiar with the financial experience touchpoints. **Exhibit 1** on page 4 depicts the touchpoints on the journey from engaged consumer (before a healthcare encounter) to engaged patient (during the encounter) to satisfied customer (after the encounter). Revenue cycle basics should be an element of board education.

For consumers, business processes related to billing and payment should be described in everyday terms that are easy to understand. This is one of the cornerstones of the Healthcare Financial Management Association's industry-consensus best practices for improving the patient financial experience.² Simplification should be a priority for the full range of communication modalities that consumers use, ranging from smartphones and patient portals to in-person consultations with financial counselors.

To convey that simplicity should be a priority, board members can ask finance leaders questions like:

- Walk me through what a consumer would do to get an estimate of their

out-of-pocket responsibility. Are there plans in the works to make that process easier?

- What parts of our billing and payment processes are most confusing for patients, in the view of our frontline revenue cycle staff?
- What would you do to simplify the patient financial experience, if you had the resources?

Commit to a Focus on Advocacy

Many hospitals and health systems have a mission that centers around serving the organization's patients and communities. Revenue cycle, or financial services, should be an integral part of that mission. Reframing the revenue cycle mindset from one focused on collections to one that offers financial services to consumers—and advocates for them—is a game changer. It opens the door to a more consumer-centered future for the organization. And it's a prerequisite for legacy stakeholders who intend to compete with healthcare disrupters, many of whom are not just consumer-oriented but consumer-obsessed. Legacy stakeholders have a lot of catching up to do. Additionally, bringing revenue cycle staff into the fold with other team members who are mission-driven can enhance job satisfaction and fight burnout.

To spark a discussion about the value of a patient advocacy mindset, board

members can ask finance leaders questions like:

- In your view, what does it mean to value patients in their role as healthcare consumers?
- How does patient education fit into revenue cycle processes?
- Are there aspects of the patient financial experience that feel like an "us-versus-them" mentality? If so, what are the barriers to changing that?

Moving Forward

Financial considerations loom larger in healthcare than they do in many other consumer purchases. In the supermarket, an unpleasant payment experience is often just an inconvenience. In healthcare, it can have lasting impacts, influencing a person's health choices long after a transaction is over. By recognizing that the financial experience is integrated with the clinical experience, adopting a consumerism mindset, and engaging with hospital finance leaders on these topics, board members can benefit their patients, communities, and organizations.

The Governance Institute thanks Joseph J. Fifer, FHFMA, CPA, President and CEO, Healthcare Financial Management Association, for contributing this article. He can be reached at jfifer@hfma.org.

2 HFMA, "Healthcare Dollars & Sense."