

You may be proficient in handling your third party accounts, but are you missing the mark on self-pay?

A mid-sized hospital in the Midwest was providing excellent patient care but was spending too much, getting paid too slowly and treating patients poorly by using collection agencies for all its self-pay balances.



They implemented a self-pay follow up program with CMD and now capture more self-pay dollars sooner, at lower cost, and refer fewer accounts to collection agencies.

Self-Pay Follow-up

Positive Relationships with Patients



Connections Translate to Results

- Collaborative and Strategic Approach to Self-Pay
- Increase Self-Pay Cash Revenue
- Reduce Bad Debt Write-Off
- Reduce Collection Agency Fees
- Improve Customer Satisfaction through patient-sensitive account resolution

The Challenge

A mid-sized midwestern hospital faced increased pressure to improve cash flow and service levels while reducing costs. It was sending patient statements and letters but not making proactive calls on self-pay balances (due to limited staff). In addition, due to their limited staff, they were having trouble answering the volume of inbound calls from patients with questions on their statements. As a result, after 120 days, the unpaid accounts were sent to a collection agency. This meant the first communication received by the patient about their statement was from the collection agency and not the provider. Not only did this strategy alienate patients that would willingly pay their balance due if only they could understand the bill, it also cost more than \$.07 per dollar collected. There had to be a better way.

The Solution

After extensive research and analysis, the healthcare provider selected CMD to partner in providing proactive self-pay follow up. CMD's decade-plus of experience supporting healthcare providers enabled a rapid and well-planned implementation. Using its proven project plan, CMD worked with the hospital to develop a plan that matched the provider's patient friendly, but cash flow maximizing objectives. Once in place, CMD was able to quickly implement a complete self-pay management process that included handling inbound patient inquiry calls, proactive outbound calls on unpaid balances, letters and managing payment plans. By accessing the provider's data system, CMD was also able to provide up-to-date information on the status of the patient's account.

The Result

The hospital was able to continue to do what it did well – mailing patient statements and receiving and posting payments in-house. Implementing the CMD solution for self-pay increased account resolution rates and cash flow while at the same time dramatically reducing the number of accounts sent to a collection agency. Patients were happier and the healthcare provider achieved an improved ROI. By partnering with CMD, the provider was able to:

- Reduce the cost of managing self-pay to \$.02 from \$.07 per dollar collected
- Quickly identify accounts that were 3rd party responsibility
- Increase the cash flow by more than 5% over its in-house experience
- Achieve dramatic improvement in Patient Accounts service levels
- Significantly reduce bad debt write-offs

Connect with your Patients!