

Revenue Cycle Strategist



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Payment Portals Can Improve Self-Pay Collections and Support Meaningful Use

By Brian Kueppers

Increased electronic engagement between healthcare providers and patients provides significant opportunities for improving revenue cycle metrics and encouraging patients to access EHRs.

By offering user-friendly, online payment portals, providers can better serve the growing number of self-pay patients. In addition, payment portals give providers a way to boost patients' use of portals to access electronic health records (EHRs).

Why Portals Now?

Two factors have accelerated the evolution of online payment options from "nice to have" to "must have": the growth in self-pay patients and the introduction of meaningful use incentives.

More self-pay patients. The number of health savings accounts and accompanying high-deductible health plans has grown significantly in the last four years. As a result, more patients are now paying directly for their healthcare services—

and many providers have seen their billing-related costs and accounts receivables levels rise. As millions of previously uninsured patients begin or increase their use of healthcare services starting in 2014 under the Affordable Care Act, this trend will continue.

More EHR requirements. Federal EHR requirements are ramping up. For example, to qualify for incentives under meaningful use Stage 2 requirements released this past August, providers must not only offer an online portal for patients to access their medical records, but a minimum of 5 percent of their patients must actually use it. This is among the more controversial provisions in the Stage 2 requirements because qualification depends on patient action.

Revenue cycle professionals should be highly involved in portal projects. Because many patients prefer to view statements and make payments online, providers can leverage the popularity of online payments to help drive traffic to electronic records. In some cases, that additional traffic could make the difference in whether a provider qualifies for meaningful use incentive pay.

How Portals Improve Revenue Cycle Metrics

Online portals can help improve revenue cycle metrics by reducing billing-related costs and accelerating collections.

Lower billing-related costs. Patients who pay online are more likely to enroll in electronic statement delivery, helping to reduce postage, paper, and printing-related costs. Also, online portals can give patients access to past statements and payment data. This self-service data access means patients can answer many

of their own billing-related questions, resulting in fewer incoming calls to billing staff. Also, when patients do call, they are often logged into the payment portal, with access to past statements. When both patients and call center representatives can review current and past billing data “live” together, calls are resolved faster and fewer customer-service hours are spent answering billing-related questions.

Faster collections. In a 2012 internal analysis of payments to multiple clinics and hospital systems, 87 percent of all electronic payments were made before the due date during the three-month study period. What’s more, 13 percent of all electronic payments were received within five days of issuance, which is virtually impossible for mailed statements and mailed payments. Collection figures were even better among patients who both received electronic statements and paid online. Of these, 93 percent paid before the due date, and 29 percent paid within five days. From a revenue cycle perspective, therefore, the ideal self-pay patient is one who both receives statements online and pays online. By promoting “e-adoption,” revenue cycle professionals can help improve collections.

How to Develop a Payment Portal

Providers may choose to develop a payment portal solution in-house or work with a partner. Typically, partners fall into three categories: payment processors, practice management software providers, and statement-processing partners.

In-house solutions may include “built from scratch” customization that offers such advantages as access to past statements and payment data. But on the flip side, in-house solutions also require ongoing IT support and feature development because web-based technologies

and best practices for user interfaces can change quickly. Payment-processing vendors generally offer solutions at the other end of the customization spectrum, with little or no ability for providers to include custom branding or access to past statements or detail beyond the current amount due. These solutions typically feature a button on the provider’s website linked to an unbranded third-party pop-up window or external site. Payment-processing vendors can, however, provide useful reporting data.

Working with practice management software providers enhances a provider’s ability to link online payment portals with patient EHR portals and offers the benefits of streamlined vendor relationships. Flexibility and custom branding may not be options. However, some practice management software providers may partner with statement-processing vendors (or with in-house developers, for providers with large-scale IT operations) to offer customized solutions. Statement-processing vendors may be able to leverage detailed statement data in solutions that give patients the option to pay on a line-item basis, which can speed up overall collections.

Keys to Deploying a Portal

To the degree that flexibility and customization options allow, the following guidelines may help maximize revenue cycle benefits from deployment of payment portals.

Integrate payment portals with patient records portals. According to a 2012 report from KLAS, an independent firm that analyzes the state of healthcare technology, 57 percent of healthcare providers now offer patient EHR portals (KLAS. *Patient Portals: The Path of Least Resistance*. Nov. 30, 2012). Survey results showed that providers typically choose patient portal solutions offered by EHR

vendors. The best user experience for patients is integration of the EHR portal and the online payment portal, accessible through single sign-on technology. This also benefits providers by driving traffic to the EHR system, potentially reducing demand for phone-based customer service.

Provide access to past statements. Full-featured online payment portals should provide patients access to past statements for record-keeping purposes and to help enable patients to answer their own questions.

Enable line-item payments. Patients are often confused by healthcare statements. By enabling line-item payment options, providers can promote faster collections for those entries a patient understands, thereby avoiding delayed payment of a full invoice until the patient’s questions are resolved.

Offer online payment options with no log-in required. Patient statements may be printed with unique identifying codes designed to allow a patient to make an online payment without logging into either a payment portal or EHR system. This is a user-friendly approach that requires minimal effort from patients. Patients simply enter the unique code via a link from the provider’s website and are transferred to a payment screen.

Direct patients to intelligent payment screens. When patients use a “no log-in” option as discussed above, ensure that they are directed to pre-populated, or “intelligent,” payment screens. This reduces typographical errors that are otherwise frequently introduced when patients are asked to enter their own name, address, balance due, and other identifiers. Elimination of typographical errors reduces follow-up expenses such as reworking and resending statements.

Integrate online portals with other payment methods. Customer service representatives at the point of service and in customer call centers should be able to see the same information a patient sees when logging into a payment portal. If patients call to make a payment, customer service representatives can then simply enter the patient's identifying information (such as a unique code printed on the statement) and process the payment much as the patient would, if the patient were paying online independently.

Ensure compliance and facilitate reporting. HIPAA compliance is essential, as is compliance with Payment Card Industry standards for electronic payment transactions. Providers should also ensure that data from the online payment system are accessible for use in internal reporting.

Numerous Benefits

Payment portals can provide a high ROI by speeding collections and fostering adoption of electronic statements while providing a better experience for

patients and boosting utilization of EHR portals through the use of a single sign-on system. These benefits may not only improve revenue cycle metrics but also contribute to improved patient satisfaction and better relationships between patients and providers. ☞

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