Does Your Statements Pass the 'Friendly' Test?

Patient care – Where does it all begin?

Patient care goes beyond the service that is rendered to individuals in a hospital. Patient care begins before a patient comes in and extends after the service has been received which includes the type of statement that they receive in the mail for their financial obligations.

Even though patients today are taking greater financial reasonability for their medical care, few have a clear understanding of what exactly their health benefits cover and don't cover. The truth is that patients are often confused with the billing statements they receive from their providers. Therefore, it is important for hospitals not to overlook this key billing process. A patient-friendly billing process yields an increase in patient satisfaction and enhances a patient-doctor-hospital relationship. For a healthcare provider, the benefits of creating a consolidated patient friendly statement are also countless.

According to the HFMA's "***Patient Friendly Billing Project***", statements need to be ***clear, concise, correct*** and ***patient friendly***. So let's break this down. A patient is able to understand its statement when different elements of the statement are broken down in an easy-to-read format. This can include a summary view of all outstanding encounters that can be easily interpreted with simple language. The average reader should understand his/her statement and the format that it is being delivered in. When clarity is not present in a statement, patients are likely not to take any action or call your billing department for clarification. Instead, they should be able to pick up a pen and write a check for payment immediately.

Patient frustration also rises from duplicate statements that they receive on regular basis from the same healthcare system. They know healthcare cost is rising and this waste of duplicate statements does not put the hospital in a good light. Consolidation of statements (clinic and hospital) from one or more billing systems will give patients the opportunity to look at everything at once in a concise manner.

In addition to the above traits of a statement (clear, concise, correct and patient friendly), healthcare providers are also looking for a solution where they can '***customize***' and '***control***' messages on a statement. For example, as a provider you may want to remind all your female patients above the age of 40 that it is recommended they come in for a mammogram. Such customized messages can be used for marketing hospital services and sending patient specific reminders.

Patient-friendly statements reduce pain points and are sensitive to the needs of the patient and family members. Such patient statements achieve a financial function and communicate a positive image. According to Kennon Askew of Letter Logic, "The Patient Statement is the number one way that hospitals interact with customers. A patient friendly statement improves satisfaction, operational efficiencies and revenue cycles. The necessary evil of a bill is also a marketing vehicle'.

Producing consolidated patient friendly statements are not only beneficial for the patient but also the healthcare provider. In recent years hospitals have invested heavily in acquiring physician clinics but are still sending out duplicate statements to same households. It is estimated (depending on number of referral from your physician clinic) hospitals send out on average number 80%-85% of duplicate statements. If this is combined with duplicates due to lack of guarantor billing, you are looking at 90% + duplicates for ambulatory service that is costing hospitals thousands of dollars in unnecessary cost. With a strategic review of the hospital statement process, one can now reduce billing and collection overhead by streamlining statement creation and workflow. Valuable staff time is saved when billing inquiries are reduced, cash positing is enhanced, and collection calls are reduced thus increasing workflow efficiency.

Developing ***a consolidated, clear, concise, correct, controlled***, and ***customizable patient friendly statement*** is important to an organization's bottom line and patient satisfaction. The landscape is rapidly changing where patients are being asked to pay a larger percentage of their costs for healthcare services. Duplicate and non-friendly patient statements are of yesterday, now it's time to go consolidated patient-friendly.