Revenue Cycle Panel Discussion: Impacts and Insights from Investing in Patient Financial Care

Panelists

Michael Mullen
Director of Revenue Cycle

Brenda A. Schillinger
Vice Chair of Revenue Cycle

Moderator

John Adractas
Chief Growth Officer

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Learning Objectives

- **Identify** drivers of and measure billing satisfaction across transparency and payment flexibility.

- **Analyze metrics** for success in engaging patients as consumers, including self-service payment.

- **Design techniques** to increase employee collection productivity.

- **Assess readiness and create best practices** for insourcing patient revenue cycle.
Michael Mullen

*Director of Revenue Cycle*

Michael Mullen is a 20+ year healthcare veteran and seasoned Revenue Cycle leader in the US Midwest. Currently at Northwestern Medicine, Michael manages Revenue Cycle for their Western Region. Previously, he led Revenue Cycle Operations at Palos Health in Chicago.

Michael holds a BS degree in Finance from Illinois State University and an MBA in Healthcare Administration from the Lake Forest Graduate School of Management.
$5B net patient revenue\(^1\)  868 beds (7 hospitals)  3,500 employed physicians

Communities across Illinois and Indiana

Sources:
\(^1\) https://www.nm.org/
Brenda Schillinger

Vice Chair - Revenue Cycle

Brenda Schillinger is a Black Belt in Six Sigma, Silver Certified by the Quality Academy, and is seen as a LEAN Management Systems subject matter expert. She is dedicated to process improvements that ensure “the needs of the patient come first” through sustainable means. Brenda has over 20 years of healthcare experience and has worked for world class organizations including Epic, NorthShore, and SPI.

Brenda holds a BS in Nursing and Psychology from Marquette University, a MS in Social Work and Family Therapy from UW-Madison, and an MBA from Viterbo University.
$18B patient revenue
4,500 employed physicians
1.3M patient encounters
across 50 states + 150 countries

Ranked #1 in the Nation

Sources:
2 http://www.mayo Clinic.org/
Motivations: What’s financial care? Why now?

“Progress lies not in enhancing what is, but in advancing toward what will be.”

Khalil Gibran
Greater need for patient financial care (PFC)

Patients struggling

60%
Patients confused by medical bills

2 in 3
Americans have less than $1,000 in savings

36%
Patients pursue less/no care due to price

Providers struggling

#1
High deductible plans are “top revenue challenge”

30%
annual growth rate for Balance After Insurance (BAI)

"Increase in bad debt and even in charity care for people with high-deductible health plans"

Caroline Steinberg (VP Trends Analysis)

Sources:
4 Beckers Hospital Review: 61% of patients confused by medical bills, survey finds (Jul 2016, link)
4 USA Today “Nearly 7 in 10 Americans have less than $1,000 in savings” (9 Oct 2016, link)
5 The Commonwealth Fund: Issue Brief (Jan 2015, link) and McKinsey Retail Healthcare Consumer Survey 2009
6 HealthLeaders: “High-Deductible Health Plans: The Top Revenue Challenge in 2015” (5 Jan 2015, link)
7 McKinsey & Co: The next wave of change for US health care payments (May 2010)
Discussion on why now

- Patient Expectations
- RevCycle Performance
- Mission alignment
- Competitive Pressures
- It’s the law...
  - ACA
  - 501R
  - AHCA?
  - ADA
  - Transparency

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BEFORE
May not address common barriers
Often results in assisted payments

AFTER
Promote engagement with online, mobile, pay plans
Align with consumer norms (eg, due date vs. due upon receipt)
Friendly details beyond statement build trust

“Very nice and quick! Easy to follow instruction and well-designed interface.”
Northwestern Medicine patient

“This was one of the easiest online payment process I’ve been through”
Northwestern Medicine patient

“Webpage nicely laid out.”
Northwestern Medicine patient
More **empowerment**, offline to online

**PHONE (IVR)**

0 → **8.4%** of digital self service

**BENEFITS**

24/7

No need for rep for basics

**IMPACT**

2% of total payments

**MOBILE WEB**

1 in 3 patients using

Responsive design

**ACCESSIBILITY**

18.7% of US population has some form of disability

**UPDATED DESIGN**

Assistance device compatible elements (eg, hover, error msg)

Assistance friendly typefacing (eg, font, contrast ratio)

**Sources:**

8 Interactive Accessibility: “Accessibility Statistics” (July 2012, link)
**Guarantor View**

Combined view for hospital + clinic + across family members

<table>
<thead>
<tr>
<th>Bill you are responsible for</th>
<th>Payment Due Now</th>
<th>Make a Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>John’s Visit to</td>
<td>$500.95</td>
<td></td>
</tr>
<tr>
<td>214.76</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date of Service</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Jane’s Visit to             | 0.91            |                |
| Date of Service             |                 |                |

| John’s Visit to             | 159.91          |                |
| Date of Service             |                 |                |

| Jane’s Visit to             | 126.27          |                |
| Date of Service             |                 |                |

**Patient View**

View procedure only details

**John’s Visit to**

<table>
<thead>
<tr>
<th>Date of Service</th>
<th>Total Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,827.91</td>
</tr>
</tbody>
</table>

- **Professional Fees**: $1,029.82
- **Fundus Photography**: $158.15
- **Opt W Interp, Report, Una 4 Or Blk Retina**: $193.83
- **Comprehensive Hot & Phys Exam - Ophthalmology**: $655.00
- **Ophthalmology Detached Retinal Drawing Exam**: $233.84
- **Medical/Surgical Supplies & Devices**: $198.15
- **Autorefractor Scanning Laser Imaging**: $108.00

**Important Message**

Powered by SimpleePay
Payment Plans Managed by Patients

“I LOVE the Mayo Clinic. Its how Health Care should be. Everything is just easy and efficient - even setting up a payment plan.”

Patient

“T love being able to setup the auto payment plan online.”

Patient
What KPIs? Measures for patient success?

- Financial Return
- Patient Satisfaction
- Strategic Alignment
- Staff Productivity
- Patient Success
- KPIs
“Digital first” driving self service across the board

↑20% in guest flow
Q1’16 - Q1’17

↑46% in portal flow
Q1’16 - Q1’17

“This was very easy to access and I appreciated I didn’t have to login to pay”

Northwestern Medicine patient
New KPI
Grow self service, align with patient success

**32%** Growth YoY for Digital
Q1’16 -> Q1’17

**82%** “Very satisfied”
(with billing and payment experience)

**35%** Healthcare Average

6,711 responses and growing daily

Sources:
9 Northwestern Medicine Feedback Survey results (n=6,711, 2017)
10 Longitudinal study of patient satisfaction with billing and payment experience by Connance
(Consumer Impact Study, 5th annual, results published Aug 2014, sample size n=500)
Above all, patients receiving a better experience

“Thank you for having a **fast easy** way to pay a bill!”
Northwestern Medicine patient

“I **love** being able to pay on-line. No postage. No conversation and I get a receipt.”
Northwestern Medicine patient

“**Very user friendly** great set up”
Northwestern Medicine patient

“**Great!** Very easy and fast. Love that you don't need a login and password.”
Northwestern Medicine patient

“**Very clean and simple. Very efficient - a wonder in the health world** - thank you.”
Northwestern Medicine patient

“**Compared to other medical services,** you made it **SO easy!**”
Northwestern Medicine patient

“**SO easy!!! This was literally the easiest payment I've ever made,** and I'm an Amazon regular. Great, great stuff!”
Northwestern Medicine patient

“This is much easier than the **other payments I have made to Northwestern.**”
Northwestern Medicine patient
Immediate impact, promising trend

30% Jump in Digital Payments

Baseline (pre launch Apr '16)

First month (post launch Apr '17)

83%

Patients Recommend
(Due to recent billing and payment experience)

Cost per payment

Sources:
11. Compares all digital payment volume including Web guest/portal, Online Payment Plans, and IVR.
Overview of Net Promoter Score (NPS)
RevCycle shaping satisfaction, over 9,000 monthly responses

How likely is it that you would recommend Mayo Clinic to a friend or colleague due to your recent payment experience?

9,055 responses\(^{12}\)
(in one month!!)

Sources:
1\(^{1}\) Mayo Clinic Feedback Survey results (n=9,055, 2017)
12 NPS Benchmarks [link #1 and link #2]
“Great new bill pay website - easy to read bills and statements”
Mayo Clinic patient

“I like that there is a payment plan when needed ... very easy to work with and use.”
Mayo Clinic patient

“Big improvement on your online payment system. Very easy to use.”

“easy to use without requiring to login”
Mayo Clinic patient

“easy and detailed bill”
Mayo Clinic patient

“I love the new billing system layout.”

“Thank you for letting me set up a payment plan”
Mayo Clinic patient
Panelists

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Moderator

John Adractas  
*Chief Growth & Marketing Officer*  
john@simplee.com

Further Readings

- Case study: Memorial Hermann
- Whitepaper: “Tackling the Patient Financial Experience”
Sources:

1. https://www.nm.org/
3. Beckers Hospital Review: 61% of patients confused by medical bills, survey finds (Jul 2016, link)
4. USA Today “Nearly 7 in 10 Americans have less than $1,000 in savings” (9 Oct 2016, link)
5. The Commonwealth Fund: Issue Brief (Jan 2015, link); McKinsey Retail Healthcare Consumer Survey 2009
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10. Longitudinal study of patient satisfaction with billing and payment experience by Connance
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12. Mayo Clinic Feedback Survey results (n=9,055, 2017)
13. NPS Benchmarks link #1 and link #2