



Improve Payments Efficiency While Enhancing the Patient Experience

Who is Ogden Clinic?

Opened in 1950 as the first multi-specialty group practice in its community, Ogden Clinic today provides world-class healthcare services across 17 locations in Utah. The Clinic has grown from eight doctors at a single office to become a 16-location physician-owned corporation with more than 800 employees, including more than 136 healthcare providers in 21 specialties. Highly respected in the medical community, Ogden Clinic has won numerous awards in fields ranging from child immunizations to technological advancements.

The background

By any measure, Ogden Clinic is a thriving and rapidly growing business. Commercial and patient payments received have soared over the last few years, and claims volume has risen from approximately 500,000 in 2014 to more than 778,000 in 2017, a 55% increase. The corporation has grown via acquisitions, and it plans to continue to search for attractive candidates.

Historically, Ogden Clinic handled payments and processing through in-house operations. The organization's leadership recognized that its acquisition plans and organic growth would cause payment and claims processing volume to increase exponentially. As a result, the executive team was sharply focused on ways to optimize operations efficiency and keep costs under control. At the same time, the Clinic saw the need to become more client-centric by strengthening patient payment options and improving the way it communicated with clients via statements and online contact.

Ogden Clinic at a glance



Ogden Clinic is an independent physician-owned clinic that:

- Offers more healthcare providers in more specialties at more locations and accepts more insurance plans than any other clinic in its market.

- Participates in the patient-centered medical home model—a team-based healthcare delivery framework led by a healthcare provider.

- Has been named one of the top places to work in the state by *The Salt Lake Tribune*.

- Won the 2017 Utah Best of State® Award in the Healthcare Services Category—the fourth consecutive year that the practice has received this honor.

Payment assurance

KeyBank's approach is to bring new ideas to their clients on process improvements. Knowing their growth strategy, KeyBank asked Ogden Clinic to share their top priorities around improving their cash flow. Out of this discussion various areas were identified where automation could be leveraged. KeyBank also took the approach of how we can help Ogden Clinic securely and efficiently collect payments from patients in a way that improves the patient experience and guides them to a positive financial outcome. This synergy led to evaluating the patient experience from their first phone call to schedule an appointment to making their last payment.

From this evaluation of the various payment streams, KeyBank leveraged our solutions to address the challenges identified.

Improve operating efficiency

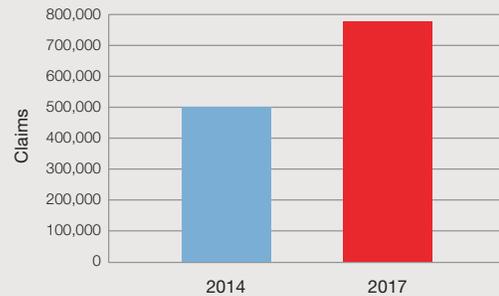
The Clinic knew it had opportunities to improve payment processing by reducing paper-based and manual operations. For example, its accounting department received all paper checks in the mail, forwarded actual checks to be scanned individually, and then sent checks to the bank to be deposited each day. Ogden Clinic experienced a three-day lag for posting payments, meaning that activity on the last day of the month was posted in the next month. On the final day of each month, the deposit was mailed, posted into a miscellaneous account, and then reposted to the correct account. This process made it difficult to forecast cash flows and recognize revenue in the appropriate time interval.

Strengthen patient payment methods and become more client-focused

The Clinic was also confronting trends affecting healthcare providers across the nation. Employers are increasingly turning to high-deductible health plans to limit their portion of the cost of health benefits. Overall, the cost shift to patients has been significant, causing many households to struggle with medical bills.

Average annual growth of out-of-pocket health care expenditure is projected to rise to 5.5% by 2023 from 3.2% in 2013 (Andrea M. Sisko et al., "National health expenditure projections, 2013–23."). And according to *The Burden of Medical Debt: Results from the Kaiser Family Foundation/New York Times Medical Bills Survey*, about a quarter of U.S. adults ages 18–64 say

Commercial and patient claims rose to more than 778,000 in 2017, a 55% increase in volume from 2014.



61%

of those who received medical bills rated them as being confusing or very confusing, according to a research report by Mad*Pow.

50%

said they were not sure if the total owed was correct and that the amount owed was a surprise.

they or someone in their household had problems paying or an inability to pay medical bills in the past 12 months. The Clinic saw the potential to increase the overall amount collected and decrease bad debt by providing more transparency to patients and additional payment methods.

Another significant trend affecting all healthcare organizations in the U.S. is the rise of consumerism. Individuals expect a lot from their healthcare providers today. In particular, they want an easy, seamless, individualized experience, one that includes the use of digital technology. Ogden Clinic knew that its patients found statements to be complex and difficult to read. Clients struggled to understand the fees and services that were being described in their billings.*

*Becker's Hospital CFO Report ("61% of patients confused by medical bills, survey finds," July 14, 2016).

The Challenge

Develop a flexible, scalable solution to support Ogden Clinic's growth, control costs, and make the patient payment relationship more client-centric.

Ogden Clinic's twin objectives

The Clinic decided that it wanted to make optimal use of technology to improve commercial and consumer payment processing and enhance patients' experience and satisfaction. Specifically, Ogden Clinic sought to:

Implement a flexible, scalable payment processing system

- Gain operating efficiencies while controlling staffing levels.
- Import paper-based explanation-of-benefit (EOB) forms into an 835 posting file.
- Speed up access to cash and implement a paper payment remittance solution.
- Reduce bad debt.

Make Ogden Clinic more client-centric

- Simplify and streamline statements and other communications to make them more understandable.
- Enable patients to view their payment histories, access statements, understand their obligations, and make payments online.
- Boost overall satisfaction levels to retain existing patients and attract new ones.

Getting underway

At the outset, Ogden Clinic made the important strategic decision to outsource its payment processing.

- A third-party solution would provide the Clinic with access to state-of-the-art technology, giving it the flexibility and scalability it needed to support its growth without adding to staff.
- Selecting the right provider would also ensure that the Clinic could choose a partner that would collaborate on the redesign of patient payment tools and statements. The Clinic wanted to provide patients with a clear understanding of their responsibilities while offering more payment channels and an easier-to-use, patient-friendly bill pay solution.

To give the project its best chance for success, Ogden Clinic took two important early steps.

- Executive management wholeheartedly sponsored the project and remained fully engaged throughout its stages.
- The Clinic created a Patient Engagement Task Force to ensure that its objective of becoming more client-centric would be achieved as technology was being leveraged to enhance efficiency.

Due diligence

The Clinic's Business Services Team was charged with evaluating outsourcing alternatives for payment processing and the development of patient-focused tools.

- The team reviewed products and services from several different companies and worked to determine what a different look and feel for patients would be in an end-to-end bill payment solution.
- As the team engaged in its due diligence, it found that some products had only pieces of solutions while others couldn't partner with statement vendors, which would prevent the Clinic from achieving its goal of automating the process.
- The team conducted on-site visits of candidates on the short list to better understand:
 - How the patient portal solution would work with the Clinic's practice management systems.
 - The ease of use for patients, including a streamlined statement layout, availability of payment methods, and success in adoption of e-mail statements.
 - Whether the solution being considered provided the functionality and flexibility to make it easy to remit high volumes of small payments. In the Clinic's experience, small payments are the hardest to collect.

Selection of KeyBank as strategic partner

When the Business Development Team completed its due diligence and reviewed its findings with the project's leadership, KeyBank was selected as Ogden Clinic's revenue cycle management partner, which included healthcare payment collections and patient statements. HealthiPASS was chosen as the Clinic's patient portal solution.

The patient payment portal allowed Ogden Clinic to select the merchant processor of its choice, and the Clinic expanded its partnership with KeyBank to include this function.

To meet the Clinic's objectives, KeyBank implemented a cost-effective approach to improve paper payment remittance handling and help Ogden Clinic speed up access to cash. This involved:

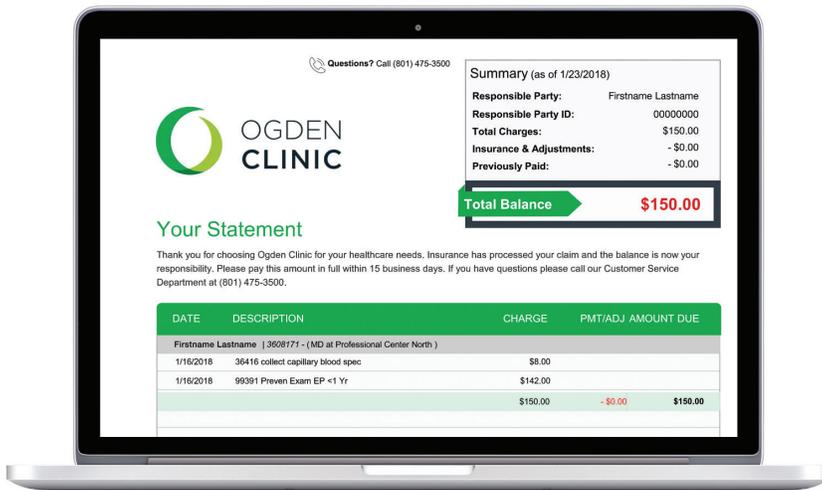
- **A Commercial Lockbox:** Converts EOBs to an ANSI 835 file which can be ingested into Ogden Clinic's practice management system. This solution automates the posting process so that the staff can focus on the exceptions or denials.
- **A Patient Pay Lockbox:** Adds the OCR line to the patient statement to permit the posting file to be ingested into the Clinic's Practice Management System, and adds e-lockbox functionality to promote further efficiency gains.

Improving the patient experience

As mentioned, a major part of the project's scope involved assessment of existing workflows and operational processes to determine how these could be re-engineered to optimize the new tools and services. An example of this work is in the simplification of the patient payment solution.

Ogden Clinic adopted the philosophy that simpler is better: KeyBank worked collaboratively with the Clinic to redesign the entire revenue cycle to most effectively accommodate an improved patient experience. There was a focused effort on making the statements patient-friendly:

- The look and feel of patient statements was redesigned, simplified, and branded—all major considerations for Ogden Clinic.
- Importantly, Ogden Clinic has been able to achieve consistency in the look and feel of paper statements and the electronic statements available on the patient portal.
- The Clinic can now utilize statement functionality to enhance messages they wish to communicate to their patients.
- Patient statements were also modified to reflect simple receipt delivery.



Ogden Clinic patient statements were redesigned and simplified.



As consumers begin to shoulder more of the financial burden of their health care, industry players must weigh up innovations and actions they can take to build lifelong connections with consumers.

Deloitte, Rising Consumerism: Winning the hearts and minds of health care consumers (2015)

Results

As a result of its successful partnering with KeyBank, Ogden Clinic was able to take major strides in improving payments operating efficiency and enhancing the client experience.

Gains in operating efficiency

- With the outsourced e-lockbox solution through KeyBank, Ogden Clinic receives funds quicker. This enables the Clinic to be in the electronic network for payments initiated from a patient's personal financial institution's online bill pay platform.
- Merchant processing fees decreased by 7% based on existing volume. This outcome is especially significant to Ogden Clinic: As patient volumes grow, so will the number of transactions utilizing credit cards as the payment method.
- Ogden Clinic has experienced a 36% increase in payments processed through its system.
- Using KeyBank's payment management solution, Ogden Clinic receives their EOBs through the commercial pay lockbox with accompanying payment and they are converted into an ANSI 835 file that posts into their back-end system (eClinicalWorks®). This solution automated the posting process so that their staff could focus on exceptions and denials. This improvement alone reduced work volume by 75% versus having to hand-key entries.
- The business office and the accounting department have restructured and streamlined their staffing, resulting in improved timeliness and a reduction in staffing levels of 3.5 FTEs.
- All of the payments are posted in the same month of billing—a significant improvement over the previous processes. Ogden Clinic now has an accurate picture of its financial position versus having to project pro forma financial results.
- The Clinic has eliminated the need for dual scanning of documents—once for payment posting and once again for document storage required for compliance purposes. This has resulted in faster processing times and reduced costs.
- The Clinic has achieved a reduction in the number of cards declined because of wrong addresses and in the volume of returned mail.
- The project has resulted in annual ROI of more than \$120,000 (less bank fees) and contributed to a reduction in bad debt.



75%

As a result of partnering with KeyBank, the file conversion improvement in the back-end system alone reduced work volume by 75% versus having to hand-key entries.

Improvements in patient statements and processes

- The Clinic has received positive feedback on the new statements from their customer service agents. Patients appreciate the way the statements look and can easily see and respond to aging payment amounts.
- The rollout of the new tools and processes went smoothly as a result of effective communications with stakeholder communities prior to implementation.
- With the adoption of a patient payment portal, patient demographic errors in the Clinic's records are readily identified. There is greater patient engagement in the check-in process, and patients appreciate being able to see and update their information.

Going forward

Ogden Clinic's Business Services Department is now determining how to continue to evolve and adapt to ever-changing needs across the enterprise, including:

- Soliciting and incorporating the end-user perspective from its user communities, focusing on workflow change opportunities.
- Identifying and quantifying further benefits and opportunities.
- A new process implementation that provides customer service representatives access to the statement processing system and enables them direct access to electronic EOBs on demand.
- Work queues are being leveraged to highlight denials in a centralized mode directly from the statement processing system.

As a result of Ogden Clinic's payment processing initiative and the strategic partnership with KeyBank, the organization is well-positioned for future growth and to serve its patients even better than ever.

For more information on how your organization can realize the benefits of an outsourced payments solution, visit key.com/healthcarepayments



Improve Payments Efficiency While Enhancing the Patient Experience

6 of 6