MediRevv

# END-TO-END REVENUE SOLUTIONS

## The Necessity for Change and Reasons to Outsource Your Revenue Cycle

## Tightening Margins

There is increasing pressure on hospitals to reduce inpatient volumes and readmission rates to meet the requirements for value-based care initiatives. Technology investment needs and healthcare affordability concerns all contribute toward the need to tighten operating margins and reduce costs.

### 24% to break even

There is concern about growth of expenses outpacing growth in revenue. By 2022, average hospital costs must be reduced by **24% to break even.**

### 80% considering outsourcing

Outsourcing is considered an ongoing solution for the next 18 to 36 months for 60% of small, rural, and large hospitals as well as 70% of community hospitals. **80% of hospital leaders are** vetting or considering end to end revenue cycle management by 2019.

# Increase in Patient Responsibility

There is a heightened focus on patient outcomes and risk adjustment models. High Deductible Health Plans put patients in over their level of comfort for medical costs.

## Healthcare affordability is the top concern for Americans today.

**64% of respondents identified using digital tools to engage consumers as a high priority for their organizations;**

only 23% said they had strong capabilities to do so, but that is still a sizable change from 14 percent in 2017.

## Other common consumer frustrations with the healthcare experience:

**Reducing office wait times:**

Just 17% of organizations reported having fully implemented initiatives, although 44% are piloting such initiatives.

**Providing customer-friendly billing statements:**

Less than 50% of survey respondents have implemented or are piloting related initiatives.

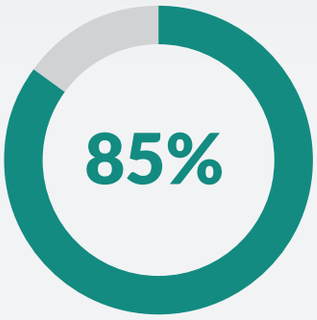
Nearly 25% say their organizations do not use any key methods for offering price transparency. Less than 50% respond to consumers' requests for price quotes within a defined time period, and **only 10% list prices online.**

Medical bills are the biggest cause of U.S bankruptcies with estimates citing **877,000 patients filing bankruptcy** each year.

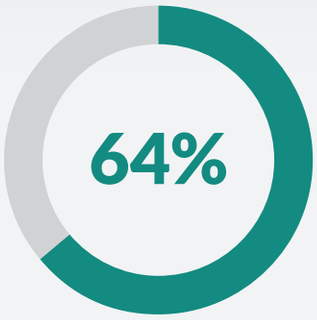
In 2017, Debt.org found that people aged 55 and older account for 20% of total filings. That number has doubled since 1994. Even with assistance from Medicare, **the average 65-year-old couple faces $275,000 in medical bills** during retirement.

# Accountable Care Functions Impact Technology

There is a need for updated technology systems for accurate quality reporting and reimbursement initiatives.




**85% of healthcare organizations** are looking to replace their revenue cycle management systems to accommodate the needs of value-based reimbursement models.

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**Infrastructure for collecting, analyzing, and executing on consumer insights and analysis is low to non-existent for most organizations:**

Only **about 25%** of organizations said they have a fully operational data and analytics team that performs statistical modeling, or a consumer-oriented performance scorecard

**Just 15%** of organizations have personnel trained and experienced in consumer research

## Staffing and Resources

There are imperatives to provide cost-effective care and efficient resource use across the board.

**59% of medical providers and 86% of hospitals**

who were surveyed stated plans to eliminate some revenue cycle management functions

**For example:** medical billing processes that are:

- Resource-Intensive
- Error Prone
- Manual
- Back-End

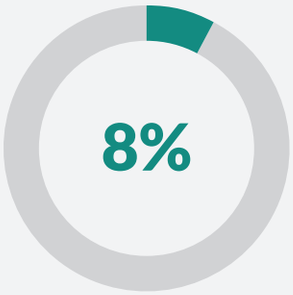
**Barely 2% of respondents**

consider outsourcing an unthinkable option due to the anticipated reaction both internally and externally, from staff, physicians and the community it serves.

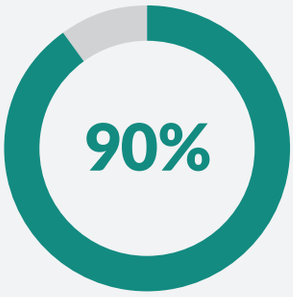
# Rise of Consumerism

Patients want convenient personalized communication and financial channels to improve their healthcare experience.

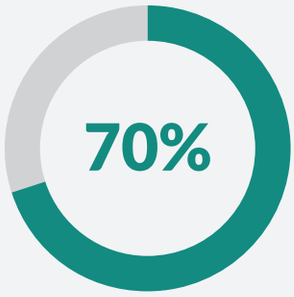
**In Kaufman Hall's state of consumerism 2018 survey, consumer-oriented capabilities are on the rise, but there is still a long way to go to close the gap. Republished survey results***




Only 8% of hospitals and health




90% of respondents say




70% of organizations either

systems demonstrate strong consumer-centric performance

improving consumer experience is top priority

have not begun, or are in the very early stages of their consumerism efforts

2018

2017

**90% of respondents** identified improving customer experience as a high priority, and more than half report that they have "well developed" or "best-in-class" capabilities in that area—compared to **only 30% in 2017**

**Capabilities remained lower in other important areas, including:**

Virtual Access

Outpatient Pricing Strategy

Price Transparency

**Customers are increasingly searching online for information about their healthcare providers. How do healthcare websites stack up with consumer-friendly functions?**

## Self Scheduling:

**28% of organizations had self-scheduling available** either on the landing page or within less than five clicks, while 34% had it available only througha patient portal, and 37% had no self scheduling available at all

## Virtual Visits:

The majority of organizations—**74%—did not provide access to virtual visits on their website**, while 5% had them available only through a patient portal; 21% had them available on the main landing page or within less than five clicks

## Price Estimators:

**21% of organizations had a price estimator** on the landing page or within less than five clicks, while 17% had them available through a patient portal; 61% of organizations had no price estimator on their website

## Easy-to-find contact information:

Most organizations (81%) provided contact information on the main landing page, and the remaining **19% had it available within less than five clicks**

## Posted Wait Times:

For emergency or urgent care and/or check-in services. Wait times or check-in for emergency or urgent care were **only available at 22% of organizations**

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