Improving the patient side of revenue cycle management can strengthen customer satisfaction, contribute to performance bonuses, increase loyalty and generate new referrals. It can also reduce bad debt by improving the odds that self-pay balances will be collected in a timely fashion.

Patient billing traditionally hasn’t been a focal point for customer service efforts in healthcare; but, it has emerged as a key component in the Patient Protection and Affordable Care Act’s (PPACA) overall push to improve healthcare quality. Today, customer satisfaction data collected through the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) survey is used to help calculate performance bonuses and penalties developed under the Center for Medicare & Medicaid’s (CMS) Hospital Value-based Purchasing Program. Patient satisfaction scores also figure prominently in CMS’ Accountable Care Organization quality measurement efforts, as well as the physician performance bonuses and penalties implemented through the Physician Quality Reporting System (PQRS).

Beyond supporting these reform-driven programs, positive customer experience scores generate dividends in their own right. The continued growth of high-deductible health plans means that more consumers are shopping for care based on both cost and perceived value. As a result, the ability to promote customer satisfaction represents another way for providers to differentiate themselves in a competitive environment. A positive billing experience can generate word-of-mouth referrals and positive customer feedback on social media sites. Significantly, a 2013 survey conducted by Connace found that 88% of patients with highly positive billing experiences would recommend a hospital to friends.

As patient financial responsibilities increase due to high-deductible plans, strengthening effective patient communications also can translate into accelerated cash flow. That means reduced days in A/R, reduced collection expense and less bad debt. According to a 2014 survey by TransUnion, 75% of responding patients stated that pre-treatment estimates of out-of-pocket costs would improve their ability to pay for healthcare.

Effective communication about a patient’s financial obligation, provided both before and after the episode of care, is at the heart of a customer-friendly billing process. Organizations should make every effort to develop a system that can give patients an accurate estimate of their total out-of-pocket expense at the time of registration or procedure check-in. Patients who may have difficulty immediately paying their entire balance should be given the opportunity to make installment payments over time.

Additionally, statements submitted after care should be clearly written and concise. Whenever possible, the balances due from all providers involved in a care event should be consolidated into a single, easily understood statement.

Patient-friendly billing can be further enhanced by providing a dedicated customer service contact for patient questions about billing issues. The ability for patients to connect with a specific individual, conversant in all financial aspects of their care, should help reduce consumer frustration.