



Healthcare RCM's Simplest Equation:
Happy Patients = Higher Revenue

Patient Engagement & the Revenue Cycle

Reform is rampant in the healthcare industry, from payment models to data security it seems there is always a new overhaul underway. But unlike many trends, patient engagement has remained a hot topic for many years. It is no secret that providing a great patient experience can improve your bottom line, so what is different about this trend that has kept it in the spotlight?

Engagement Directly Affects Revenue

Patient engagement initiatives are no longer about simply providing a good experience. That has become an expectation. Now efforts should be focused on [patient activation](#) – or the patient's understanding and ownership of their own role in the care process. Most payment models, from government to private payers, are determining reimbursement based on the positive outcomes that result from activation.

However, payer reimbursement is not the only revenue stream influenced by patient engagement. Obviously, the patient experience is also going to directly affect patient payments. With patients now responsible for more than 30% of some organizations' receivables, focus on providing an exceptional experience is at the forefront of many practice strategies.

As with any other service, patients are now shopping for the best deal, and the best experience. If they are not happy with the service provided by your

practice, they will go somewhere else. If your practice wants to maintain its clientele, it is important to leave behind your payer-centric or provider-centric approach for one that is more patient-centric.

Consumerism Has Reached Healthcare

Healthcare organizations are now in the practice of working with consumers formerly known as patients. The healthcare industry has seen a rise in consumerism as a result of rising out-of-pocket costs. As patients become responsible for more of the cost of care they are beginning to shop for services based on cost, experience, reviews, convenience, and a whole host of other factors that previously did not influence healthcare decisions.

When faced with several thousand-dollar deductibles and a higher share in the costs after that is met, patients are demanding more financial transparency, typically by asking for estimates prior to services being rendered. These estimates are influencing whether and where they will receive care.

In order to improve patient engagement your practice should invest in tools to streamline the research needed to determine patient responsibility and to provide more accurate estimates. Providing financial support throughout the entire revenue cycle can improve their experience and keep them coming back.

Who is Responsible for Patient Engagement?

We know patient engagement is important, but who in your healthcare organization should be held responsible for ensuring an exceptional experience? The primary answer is everyone. An episode of care begins as soon as the patient schedules their appointment and continues all the way through their final bill, and every touchpoint along the way is an opportunity to encourage activation. But there is one particular team who bears a larger burden.

While it may seem like the provider has the largest impact on engagement, that is not the case. We know that first and last impressions are the most important and easiest recalled in any interaction. The patient's first experiences are with patient access, registration, and check-in and their last are billing and payment. So their experience of the entire episode of care begins and ends

with your revenue cycle staff. Consider this when you are implementing new engagement strategies to be sure you are focusing your efforts in the right place.

5 Goals to Set for Improvement

Whether you are implementing a new engagement strategy or overhauling an existing one to keep up with the shift toward activation, there are five goals to set within each stage of the revenue cycle:

1. Build relationships
2. Drive loyalty and adoption
3. Improve response rates
4. Reduce time to cash
5. Minimize the cost to collect

The first goal for every member of your staff should be to develop a good relationship with the patient. Developing a connection and providing an excellent experience every time will drive customer loyalty and foster the adoption of the engagement tools and processes you put in place.

Adoption of these tools – such as online scheduling and bill pay or completing satisfaction surveys - will lead to improved response rates and outcomes. This in turn will reduce time to cash for patient payments and boost reimbursement from your payers while also minimizing the cost of collections. If you succeed at the first two goals, the rest will follow!

Want a step-by-step guide to creating a successful patient engagement and activation strategy? Download our free Creating Connections eBook!

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