

## 10 QUESTIONS TO ASK

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## Improving Collections with a Patient Financing Program

Maintaining financial responsibility while providing care to a growing number of self-pay patients is a tough balancing act. To improve their revenue cycle, hospitals often outsource a patient financing program. The following checklist can help ensure that the program is attractive, flexible, and compassionate while improving the hospital's collection efforts.

### **1. Does the program reach the maximum number of patients?**

Some patient financing programs do not accept patients who are most in need of a loan. Look for a financing partner that can qualify the weaker credit risks and serve the maximum number of patients.

### **2. Is it easy for patients to use?**

Look for a program that does not require patients to complete lengthy applications. Patients and their families are already stressed enough without having to wade through paperwork and meet multiple times with financial counselors to qualify for a loan. Once the loan is made, the company should offer low monthly payments so that your patients can meet their new financial obligations.

### **3. Is it easy for hospitals to administer?**

Look for a partner that can score healthcare obligations with a high degree of accuracy and that is well equipped to administer all details once the loan has been granted. For example, ask to see the reports that the company will be providing to the hospital. The reports should contain timely information and be easy to read and understand. The company's systems should easily meet your security and compliance requirements.

### **4. Does the program streamline processes already in place?**

Programs that don't cause hospitals to change procedures or buy hardware or software will improve the ROI. Look also for value-added services, such as automating processes that are already in place. Automated workflow and services save time and money and enable hospitals to reallocate personnel to other more important tasks.

### **5. Does the partner company offer the ability to consolidate patient debt over time?**

Look for a program that can consolidate receivables from multiple patient visits. This eases the patient's mind and greatly reduces paperwork and costs for both patients and the hospital.

### **6. Do they provide professional and compassionate management of patient accounts?**

Removing receivables from the hospital's books and lightening the workload are tertiary goals. Make sure the company is experienced in healthcare debt and treats patients with respect and dignity. Other important questions to ask here include: How many types of financing plans does the company offer? How high are interest rates, and do they escalate if the patient is late with a payment? Can the company change a payment date to make it more convenient for the patient? Is there a professionally trained and managed customer service center?

### **7. What is the track record of the funding company?**

It is important to find out how long the company has been in business and how many funding sources they have. Ask to see their references and confirm if they've ever not been able to fund. Also ask if they have experience and historical data to understand how the receivables will perform so they can make the appropriate recommendations.

### **8. Does the funding company listen to its customers?**

Determine if the company will work with the hospital to help meet its goals. If the hospital wants to give loans to every willing patient regardless of credit score, ask if the company can accommodate this. Also find out if they can reach further into the groups that have had credit while lowering the risk to hospital.

### **9. How flexible is the funding company?**

A patient funding program should be flexible so that it is able to change as the hospital's needs change.

### **10. Does the partner company work with hospitals to gain community acceptance of the patient financing service?**

Many hospitals believe that they will lose patients if they are too heavy-handed with trying to collect on patient debt. Look for a financing partner that is willing and able to help with the public relations component of patient financing programs.

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