



# How St. Luke's Improved Margins and Patient Satisfaction With Rev Cycle Efficiencies

## AT A GLANCE

### St. Luke's Health System

Headquarters: **Boise, Idaho**  
Population Served: **1 million**  
Hospitals: **8**  
Beds: **1,005**

Net Patient Revenue: **\$2.6 Billion**  
Employees (non-RN or MD): **13,592**  
EMR: **Epic**

## Abstract

### BUSINESS CHALLENGE

At Idaho-based St. Luke's Health System, patient responsibility for medical costs was increasing. The organization needed a better and more efficient way to manage this portion of their business—while also simplifying the billing experience so patients could understand and pay their bills.

### TRANSFORMATION

St. Luke's partnered with VisitPay to create a payment approach that gave patients greater clarity and flexibility in managing medical obligations. It also streamlined operations by helping staff prioritize how and when to engage patients along the continuum of care.

### RESULTS

St. Luke's has driven a 27% yield lift, while also improving patient satisfaction and staff productivity.

## Business Challenge

St. Luke's Health System recognized a monumental shift in healthcare. Costs were on the rise and consumers were bearing a larger portion of this financial burden. "And with that change comes a significant potential margin impact," recognized Jeff Taylor, Chief Financial Officer. "As the patient portion of our total revenues continues to grow, which we believe it will, it becomes increasingly important that we manage that portion of the business more effectively. Without doing so, we put our mission of improving the health of people at risk, too."

Robert Mueller, Vice President of Revenue Cycle, explains the margin vulnerability: "As more patients move to high deductible plans, it is challenging for them to afford both insurance premiums and out-of-pocket costs each month. If only given limited choices in how to manage medical obligations, patients struggle to pay and may have no choice but to default. This negatively impacts a patient's financial health, and also leaves staff feeling frustrated and helpless in how to help."

To respond to these challenges, St. Luke's needed a solution to transform a complex billing process into a simpler one that patients could understand. With larger obligations, patients expect more from their provider than disparate paper statements, limited payment options and restricted office hours for assistance with questions.

Michael Rawdan, Senior Director of Finance and Patient Experience, adds, "We knew our patients were frustrated with the [old] billing process. Our patient satisfaction level was not very good—hovering at a level around 28% top box scores. We knew we had a lot of work to do."

**St. Luke's chose VisitPay as their partner to transform the patient financial experience.**

## Transformation

For years, traditional billing systems have been designed to interact with “business” payers: specifically, insurance companies and the government. **St. Luke’s needed a consumer-centric payment solution that allowed internal staff to engage with patients more effectively through their continuum of care.**

The organization identified key features of a new billing system that would help patients more easily manage their medical obligations. It needed to simplify the financial experience, allowing individual patients to create personalized and affordable payment plans. Even though Epic, St. Luke’s new electronic health record, vastly improved the clinical experience for patients, its billing features lacked this precise level of personalization.

It also needed to help staff by streamlining operations, helping prioritize how and when to engage with patients that would benefit from outreach and assistance.

Another important consideration was improved visibility into payment behaviors, patient satisfaction and payment yield metrics. St. Luke’s had a wealth of data stored in its financial systems yet lacked metrics to understand and track performance over time.

VisitPay was the perfect partner and platform to reinvent the patient experience, seamlessly integrating with Epic and providing actionable insights from patient data.

## SIMPLIFYING THE EXPERIENCE

With more medical debt, patients needed to understand and navigate healthcare finances with greater clarity. **As Rawdan describes, “Billing is so complex, and we wanted patients to understand how much they owed and how to pay the obligation back. We also knew that every patient and situation is different, so a cookie-cutter approach would not be adequate.”**

VisitPay’s digital payment platform simplifies the billing process by consolidating what patients and their family members owe—in one view online, alongside insurance benefits. Moreover, it gives patients flexibility in how to manage this obligation, with tailored payment schedules and terms to meet their budget.

## SUPERCHARGING EPIC

Rawdan explains the decision to use a dedicated payment platform in addition to the Epic system. “Epic is a very powerful electronic medical record. From a clinical perspective, it meets the vast majority of our needs as a health system. However, the financial solutions it offers are not as sophisticated. For example, we wanted to offer patients longer-term payment plans with interest and the ability to manage monthly obligations for their entire household. You can’t do either of these in Epic.”

The VisitPay platform integrates seamlessly with Epic, Cerner and other EHR platforms to supercharge their functionality. Using data science and scoring, **VisitPay helps St. Luke’s tailor finance plans for individual patients, finding the right balance between speed-to-pay, patient satisfaction and payment yields.**



CASE STUDIES : HEALTH SYSTEMS : \$2-5B NPR : ST. LUKE'S

**STREAMLINING OPERATIONS**

St. Luke's uses VisitPay's scoring methodology to help modify operational processes and improve efficiencies. As Mueller admits, "It sounds counterintuitive. But the harder your collection efforts are, the less you are going to collect."

Rawdan explains VisitPay's approach: "VisitPay helps us identify which patients are willing and interested to pay through their Propensity to Pay (PTP) scoring and financial segmentation, and then we operationalize around this information. **Accounts with higher scores are likely to pay, so we probably don't need to apply as many resources to reach out to them by phone, email or other outreach.**"

"At the other side of the spectrum, accounts with very low scores may have a low ability to pay. We can either invest a lot of time and resources to collect from those accounts, without seeing much value from it, or establish a presumptive charity process, where we just automatically write off those accounts. PTP scores drive our outreach efforts so we can make the best use of our internal resources."

With a more streamlined workflow, VisitPay helps reduce call center inbound volume, minimizing routine tasks like taking a payment, updating a credit card number or setting up a financing plan. This frees up staff to focus on higher value inbound queries and outbound calls—efforts that truly improve the patient experience and deliver business results.

**MOTIVATING STAFF**

An unexpected benefit to the new payment approach has been staff motivation. VisitPay's billing platform allows back-end operations personnel to manage accounts more efficiently and modify them to benefit the patient.

**According to Taylor, "With better information, our staff is more engaged. They feel like they're delivering something to our patients that is effective, state-of-the-art and best-in-class."**

VisitPay helps organizations like St. Luke's improve the operational environment by distilling financial behaviors into discrete patient segments that are used to tailor the billing experience. Streamlining workflow has a direct impact on yields and also motivates staff—who feel empowered with tools that genuinely help patients.



**Jeff Taylor**  
Chief Financial Officer  
St. Luke's Health System

## Results

Through a partnership with VisitPay, St. Luke's has improved patient satisfaction, implemented better business metrics and increased yields, thus transforming the financial experience.

90%

**Patient satisfaction** rates, up from 30%.

27%

**Increase** in yield rates

### Increase in patient satisfaction

Since the implementation of VisitPay, patient satisfaction rates have increased to almost 90 percent, compared to patients who had previously used paper or other non-digital methods of payment, which hovered around 30 percent. A more transparent and flexible financial experience builds trust and loyalty, thus benefiting St. Luke's in immeasurable ways for years to come.

### Increased yields

After patients sign up with VisitPay, they continue to pay off their balances so their accounts don't end up in debt. They pay a larger portion of their bills than in the past, when they had no finance options. As a result, after three years, St. Luke's is tracking to a 27% increase in yield rates.

### Greater visibility into yield metrics

Taylor touts the improved metrics to evaluate the financial health of the organization: "Before VisitPay, we had little visibility around yield metrics. Now we use those metrics on a daily basis to make evidence-based decisions that benefit our organization." As the healthcare industry continues to evolve, St. Luke's can use actionable insights from VisitPay to meet patients on their terms.

### Success for patients and the organization

Taylor sums it up best: "The tools that we've created with the help of VisitPay, from my perspective, are exactly what this industry needs to transform the billing experience."

It certainly has for St. Luke's and their patients.



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