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The 2020 VisitPay Report launched just as the COVID-19 pandemic was taking the world by storm—creating the most significant public health crisis any of us have witnessed. A year later, as the 2021 VisitPay Report launches, we’re still grappling with the effects of the pandemic. But thanks to the progress made over the last 12 months, we are able to look with more confidence to the future. We can begin to assess some of the long-lasting changes to the patient experience accelerated by the pandemic. As the industry evolves, there’s a consistent throughline that has been true since VisitPay began, identified in our 2019 Report:

In the face of the sudden financial meltdown for many health systems and households, coupled with a seemingly overnight leap in patient expectation for a consumer-grade digital experience, those three goals of improving the experience, earning loyalty, and recovering payments are more critical today than ever before.

Our research for this year’s report shows that patients are looking for—asking for—this digitization, for a healthcare financial model that is consistent with the experiences they’re used to in other industries. We’re witnessing the full-scale transformation of the patient-provider financial relationship into a digital-first, mobile-first approach.

“Even as health systems confront rising healthcare costs and declining margins, they are under pressure to improve the patient experience, retain customer loyalty, and collect patient payments.”

CONTINUED ON NEXT PAGE
We stand in front of a generational opportunity to build the health industry’s largest, most widely adopted care coordination marketplace, enabling patients, providers, and payers to securely navigate care, communicate, and transact online. Facilitating this end-game state has been our mission from the start. Applying contemporary technologies to improve the patient financial experience is, and always will be, our top priority…and the industry needs it now more than ever.

Over the past few years, the community of leading healthcare providers we support has grown significantly. As health systems large and small across the country now join those initial adopters it is clear that providers are on the march, embracing the importance of a patient-first approach.

Today, VisitPay operates the industry’s largest EHR-agnostic financial engagement platform in the US. Our technology is available at 1 in every 10 not-for-profit hospitals nationally. This year we’ll facilitate over $1 billion in patient payments. Most importantly, we do that with patient NPS scores that are three times the industry average. Patients love our platform, and the results show it. In all, it proves the link between experience and loyalty—for both provider and patient.


The 2021 VisitPay Report offers insights into how the pandemic has reshaped financial behaviors and expectations. In this, our third year of primary research into the financial voice of the patient, we can shine a light on the shift towards a digital-first financial journey that begins at the front end of the clinical experience and ends with longer-term, compassionate financial offers tailored to the needs of the individual patient. Included in this are customer stories from two of the nation’s leading health systems and how they’re thriving. I hope it serves as inspiration and a blueprint for your health system, too.

Kent Ivanoff is Chief Executive Officer and Co-Founder of VisitPay.
For the past decade, VisitPay has been studying ways to transform the healthcare financial experience to make it easier for patients to manage medical bills. A better understanding of patient needs and behaviors enables health systems to find solutions that meet patients where they are in their healthcare financial journey.

Now in its third year, the 2021 VisitPay Report reveals how COVID-19 has impacted patients both physically and financially. The research uncovers a significant three-year shift to digital financial engagement and shows that health systems have made real progress in their efforts to improve financial transparency and offer tailored payment options for patients.

Noteworthy three-year trends include:

- Patient preference for paper statements has declined over 20%
- Patients are twice as likely to use health system payment plans to manage medical bills
- Patients are twice as likely to obtain cost estimates before receiving care
- 20% decrease in patients reporting that health systems did not voluntarily provide information on payment options
Report
Background
The Path to Digital Transformation

Before COVID-19 hit the U.S. by storm, health systems were aware that transformation was much needed. Many were moving from a fee-to-value-based system in efforts to improve outcomes and lower the cost of care to patients. Technology adoption had lagged other consumer-centric industries, with simple tasks like finding physicians and scheduling appointments online frustrating for patients.

Online medical records have been a huge leap forward, providing efficient, coordinated care, and more streamlined coding and billing. But however important as a foundation, they do not, in themselves, create a financial experience that meets patients where they are in the healthcare journey.

With the burden of healthcare costs increasingly shifting to consumers, solutions were, and are, needed to promote effective, affordable paths to better health.

In 2020, the national average monthly premium for an ACA health insurance plan was $456 for an individual and $1,152 for a family. In the same year, the average annual deductible for single, individual coverage was $4,364 and $8,439 for family coverage. With out-of-pocket maximums as high as $8,150 for individuals and $16,300 for families, healthcare expenses can be devastating for many, especially those who have lost jobs due to COVID-19.

While the pandemic has detrimentally impacted the physical and financial health of many Americans, digital technologies have been a lifeline. Individuals have received virtual care and turned to technology to get information about the virus.

As Kaveh Safavi, MD, JD, a senior managing director at Accenture said, "The intersection between digital technology and healthcare experiences has certainly accelerated with the COVID-19 pandemic, and leading the future of care will demand rethinking core assumptions about the intersection of people and technology."2

The Front Door of Digital Access

Digital technology is the foundation for moving a patient from an in-person to a virtual world, bringing healthcare to the patient so they can navigate the complexities inherent in the system. A health system’s digital front door provides healthcare access that’s simple, intuitive, and available when a patient needs it, especially valuable during a pandemic when in-person care is risky or not possible.

The acceleration of digital technology has been well-received. Survey data from Deloitte collected in the spring of 2020 revealed that patients are more open to virtual healthcare access than ever before. For example, telehealth claim lines increased 2980% nationally from September 2019 to September 2020, rising from 0.16% of medical claim lines in September 2019 to 5.07% in September 2020. This was driven in large part due to COVID restrictions and temporary cessation of elective procedures.

But technological innovation doesn’t stop with telehealth. New advancements in digital therapeutics, online training, at-home testing, and more have come onto the market recently during the pandemic. COVID contact tracing, testing, and surveillance have been dependent on data-driven technologies adopted by scientists and patients alike.

Digital healthcare access needs to be:
- Empowering
- Personalized
- Intuitive

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Digital Payment Solutions Are Core to Better Health

To move the needle on population health and help curtail costs during and after the pandemic, patients will require better digital tools to engage in their health, including ones that extend beyond clinical care. Individuals now expect the same level of convenience when paying their medical bills as they do for other consumer goods. Patient preferences vary broadly, and health systems need to provide patient-tailored and accurate financial information across multiple communication channels. A one-size-fits-all billing strategy lacks the flexibility and personalization required to meet people where they are in their lives.

A case in point: mobile payments are gaining traction in the healthcare industry, according to experts, as the smartphone revolution takes root in American healthcare.6 People manage their lives through their mobile devices and healthcare is no different. Mobile-enabled tools for patients to self-service their medical expenses are now essential for healthcare providers.

A patient’s financial health matters as much as their physical health and wellbeing, regardless of age, ethnicity, or income—real progress depends on it. VisitPay, for example, has seen adoption of its digital platform be in alignment with balance owed across patient groups with only two outliers—the 80+ group with disproportionately low usage relative to the balance owed and relative over adoption in the 21-35 age group.

Patients desire digital payment solutions that are simple, convenient, and secure, seeking detail on-demand, real-time billing visibility, and frictionless, touchless financial encounters. Health systems benefit from these solutions, too.

50% of patient usage of the VisitPay platform is from a mobile device, up from 20% in 2016.

Financial Health Matters

At the heart of opening the digital front door is a meaningful financial engagement strategy, one that offers clarity, consistency, and compassion before, during, and after a patient’s healthcare journey. After all, payment balances can extend well beyond a patient’s last visit.

Engaging patients financially not only promotes self-care and better health outcomes, but it also benefits a health system’s bottom line. As adoption increases and more patients self-service their payments, health systems can recognize efficiencies across the entire revenue cycle ecosystem. Greater patient engagement and clarity in the financial process translates to increases in payment yield, and an opportunity for health systems to mitigate at least some revenue degradation caused by COVID.

With targeted offers and relief to those who need it most, patients can stay engaged in the financial experience, even during stressful pandemic times. With more creative ways to manage medical debt, such as short-term and reduced payments, patients are, in turn, more satisfied and loyal.

The bottom line: if patients are successful, health systems are, too.
THE OPPORTUNITY: Carilion Clinic sought an advanced digital solution to create a better patient billing experience: one that treats patients with financial compassion and works with them as individuals to address their needs.

THE SOLUTION: Partnering with VisitPay, Carilion Clinic launched Carilion Bill Pay [VisitPay] in late 2019. With this new system, they were able to enhance a data-driven approach, and it enabled them to offer patients an end-to-end solution that provides transparency and flexibility.

The VisitPay platform connects to payment options and insurance information so patients have all the information they need in a single view. Billing information is easily accessed digitally or through Carilion’s patient call center.

Patients are able to see and pay their entire family’s bills, too, in addition to their clear breakdown of what insurance is paying. And with VisitPay, integration with Epic is totally seamless from start to finish—a low IT burden on the Carilion end, and virtually unnoticeable to the patient.

THE RESULTS: Almost 50,000 patients have registered with the Carilion Bill Pay [VisitPay] system since its launch in January 2020. Carilion Bill Pay has an industry-leading Net Promoter Score of over 40. Patients enrolled in Carilion Bill Pay [VisitPay] repay 60% more of every dollar owed than those using traditional payment approaches.
VisitPay’s survey findings shine a light on the digital transformation that has resulted from the past year’s pandemic and provides direction on how health systems can use technology to design a better experience for patients.

To understand consumer needs, motivations, and behaviors and to propose a solution for a financial experience that creates better outcomes for patients and providers, VisitPay launched its third annual online national survey in November 2020. There were 1,661 survey completions, adults aged 18 and older. The survey sample was representative of the U.S. population based on age, income, and ethnicity.

To qualify for participation in healthcare finance benchmarking questions, participants had to have paid for medical care for themselves or a dependent in the previous twelve months. Sixty-six percent of total survey respondents, or 1,096 people, were guarantors. To provide general feedback on COVID, the prior restriction was lifted.

Due to qualification criteria, the participant sample skewed slightly female (54%).

Survey Methodology

Section 2:
Key Patient Insights in the 2021 Report

Survey Age Distribution

- 17% 65+
- 12% 18-24
- 18% 25-34
- 17% 55-64
- 18% 45-54
- 17% 35-44
Financial Behaviors and COVID: Beyond the Symptoms

The coronavirus outbreak is having profound impacts on the personal lives of Americans in a variety of ways. According to Pew Research Center, nearly nine-in-ten U.S. adults say their life has changed at least a little and 44% say their life has changed in a major way.¹

COVID brought a sudden and deep economic shock to many Americans. This financial stress has influenced how patients interact with their overall healthcare experience—and their behaviors around medical bills.

Greatest Impacts to Personal Finances

Q: Of the below, which has made the greatest impact on your personal finances this year?
Sample Size: 1,661 (All Respondents)

<table>
<thead>
<tr>
<th>COVID-19 Implications</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retirement Costs</td>
<td>8%</td>
</tr>
<tr>
<td>Car Payments</td>
<td>8%</td>
</tr>
<tr>
<td>New Home/Moving</td>
<td>7%</td>
</tr>
<tr>
<td>School Payments</td>
<td>5%</td>
</tr>
<tr>
<td>Vacation Costs</td>
<td>3%</td>
</tr>
<tr>
<td>Expanding Family</td>
<td>2%</td>
</tr>
<tr>
<td>Wedding Costs</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>66%</td>
</tr>
</tbody>
</table>

In VisitPay’s survey, two-thirds of respondents claimed the implications of COVID-19 impacted their finances in 2020, much more so than factors such as retirement costs and car payments.

“Never before has our country experienced such unprecedented medical and financial uncertainty. Inova is committed to providing our patients with the tools and support they need.

In 2020, our patients’ increased adoption of the VisitPay platform—over 80%—made it clear that a fully self-serviced, fully digital financial experience is a top priority.”

Alice Pope
Chief Financial Officer
Inova Health System

¹ https://www.pewresearch.org/social-trends/2020/03/30/most-americans-say-coronavirus-outbreak-has-impacted-their-lives/
In the 2020 VisitPay Report, 59% of respondents said that the rising cost of medical care would influence their decision to see a medical professional and/or seek follow-up treatment. One year later, and even in the face of a dangerous and potentially life-threatening disease, the picture has not changed dramatically.

### Putting Off COVID-19 Treatment to Avoid Medical Bills

**Q:** Would you ever consider putting off treatment for COVID-19 to avoid medical bills?

- **Yes, I would consider putting off treatment** (35%)
- **No, I would not consider putting off treatment** (65%)

Thirty-five percent of respondents said they would put off COVID-19 treatment to avoid medical bills, potentially putting the health and safety of themselves and others at risk.

### The Influence of Cost on Seeking Care

**Q:** Would the rising cost of medical care influence your decision to see a medical professional and/or seek follow-up treatment for non-COVID conditions?

- **Yes** (58%)
- **No** (42%)

Medical costs impact healthcare behaviors beyond COVID. Fifty-eight percent said that rising medical costs would influence their decision to see a medical professional and/or seek follow-up treatment for non-COVID conditions.

### Patient Concerns About COVID-19

**Q:** Which of the below worries you more?

- **Dealing with the financial burden of COVID-19 sickness** (39%)
- **Contracting and becoming ill from COVID-19** (61%)

Another startling finding is that greater than one-third of respondents are more worried about the financial burdens associated with COVID-19 than actually becoming sick.
The Healthcare Financial Landscape: High Stress, Low Priority

In the face of sudden economic challenges, patients deprioritized medical bills in 2020. While 60% of respondents cite medical bills as a source of stress, only 9% place them as a high priority relative to other bills they pay. In fact, patients are more likely to pay credit card, cell phone, and internet bills rather than ones for medical care.

Frustrations with Medical Bills

When looking more closely at the cause of frustration around medical bills, surprise costs (31%) and lack of clarity (20%) top the list. Unclear charges (18%) and lack of payment options (10%) are also concerns.

Bill Prioritization

Q. Which of these bills is your top priority to pay this month?

- Medical bill: 9%
- Cable bill: 10%
- Internet bill: 21%
- Cell phone bill: 26%
- Credit card bill: 35%

Q. What is your top frustration when it comes to paying medical bills?

- Surprise costs: 31%
- Lack of clarity on how much insurance is paying: 20%
- Unclear charges and dates: 18%
- No/poor payment plan options: 10%
- Payment methods are inconvenient: 9%
- Paper statements get buried with other mail: 8%
- Other: 4%

This year’s research reinforces observations in previous editions of the VisitPay Report.

Last year, two-thirds of respondents emphasized the need for greater clarity, consolidation, and price transparency in a digital payment solution. Twenty percent, similar to the findings cited above, highlighted the need to view insurance Explanation of Benefits (EOB) at the visit level.

Patients need help to understand healthcare’s complex, three-party payment model. Building patient trust is dependent upon reliable information that’s easy to understand.
Healthcare Finance Trends: The Evolving Patient and Provider Relationship

VisitPay’s third year of large-scale consumer research takes another deep dive into billing preferences and needs. The following findings shed light on how the patient financial experience has evolved since our first VisitPay Report in 2019.

Coupled with our 10-year revenue cycle data set generated from working with many of the largest health systems in the country, VisitPay offers a unique insight into the evolving needs of patients and how providers are making step changes in meeting them.

Patient Preference for Monthly Payments

Q. On a scale of 1-10 where 1 is not at all interested and 10 is extremely interested, how interested might you be in paying medical bills in monthly installments versus paying them in full immediately after treatment? (Top 3 Box)

<table>
<thead>
<tr>
<th>Year</th>
<th>Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>52%</td>
</tr>
<tr>
<td>2021</td>
<td>48%</td>
</tr>
</tbody>
</table>

To help manage healthcare debt, patients want options beyond paying bills in full. Nearly half of study participants (48%) are interested in paying medical bills in monthly installments, consistent with findings in 2020 (52%).

Geisinger

“VisitPay’s platform brings a ton of predictive analytics to the table, which Geisinger is not able to marshal on its own.”

Robert Dewar
Chief Revenue Officer
Geisinger
This year’s study showed that patients most often use cash from their checking accounts to pay for their medical bills. However, the likelihood of using a personal checking account has dropped from 65% to 53% over the past three years. Second to checking accounts, consumers use credit cards to pay their medical bills, consistently hovering in the range of 36-40%.

Funds Used to Pay Medical Bills

Q. Which of the below funds do you typically use to pay for medical bills?

This trend may, in part, be explained by the uptick in the use of health system payment plans, which has increased dramatically from 9% to 20% during the same period.
Using Credit Cards to Finance Medical Debt

Q. What’s the longest you’ve used a credit card to finance a singular medical debt?

Among those using credit cards to pay for medical debt, three-quarters maintain a balance over multiple months. With an average credit card interest rate of 14.65%, this compounds the total cost of care to patients.

Receiving Cost Estimates Prior to Care

Q. Regarding the significant care you received in the last 12 months, were cost estimates obtained prior to receiving care?

An important trend in the past three years is that patients are increasingly likely to obtain cost estimates before receiving care. In the past three years, their likelihood in doing so for their most significant episode of care increased by twenty-one percentage points. Also, they are less likely to never get a cost estimate.
Section 2:
Key Patient Insights in the 2021 Report

Communication About Payment Options

Q. Which of the following statements most accurately reflects your financial experience at a health system where you received treatment for a specific episode?

- The health system did not voluntarily provide me information on payment options
- The health system did voluntarily provide information on payment options
- Don’t know, unsure

Health systems are also communicating more about payment options. There was a significant decrease in the number of patients who told us that health systems had failed to provide information on payment options, declining from 57% to 45% during the three years from 2018 to 2020.
Medical Bill and Reminder Preferences

Q: Please rate your preference as each pertains to receiving medical bills or bill reminders.

Though patients still like to receive paper statements in the mail, overall preference for paper has consistently declined, from 69% in 2018 to 54% in 2020. Conversely, interest in digital engagement is on the rise, as reflected by an increase in patient preferences for bill notifications by text and phone.

These trends suggest

Healthcare providers are starting to meet patients where they are in the healthcare financial journey: offering flexible, longer-term payment arrangements in a variety of formats.

Work remains to ensure those patients have access to compassionate financing arrangements to help them manage larger balances affordably.
THE OPPORTUNITY: Intermountain Healthcare recognized that people wanted a digital method to find, manage, and pay for care—one that was enhanced, stable, and secure. The pandemic emphasized this need even more.

THE SOLUTION: To address the opportunity, the health system introduced My Health+, a mobile app that brings powerful tools from the entire health experience into one place, making it easier and more convenient for patients to manage all aspects of their health—from booking an appointment to paying a bill. To help ensure patients are financially engaged, Intermountain integrated VisitPay deeply into the My Health+ experience, ensuring billing reminders and notifications are pushed to patients from the app itself.

THE RESULTS: My Health+ has become a vital point of entry to the billing experience, with almost 30% of VisitPay platform entries originating through the digital front door. After telehealth visits and clinical messaging, billing is the most used feature of the My Health+ app. Intermountain has seen a 29% increase in patients requesting cost estimates via the platform. Today, over half a million Intermountain patients have used VisitPay to help manage their financial experience.

“VisitPay’s seamless integration with our digital front door, My Health+, coupled with the nearly $20 million in patient payments it facilitates monthly, has made the platform a key pillar of Intermountain’s consumerism strategy.”

Bert Zimmerli
EVP & Chief Financial Officer
Intermountain Healthcare
Preparing for the Post-COVID Landscape

The post-COVID outlook suggests that healthcare financial uncertainties will prevail. After months of lost revenue from canceled elective surgeries, providers will be looking for opportunities to compensate.

Macro trends continue to shift healthcare costs to the patient, and they will feel the aftershocks. The unemployment rate jumped in April 2020 to a level not seen since the 1930s—and still stood at 6.2% in February 2021. According to the Center on Budget and Policy Priorities, families still struggle to put food on the table and millions are not caught up on rent and mortgage payments. Healthcare is not exempt from the list of household expenses many can ill afford to pay.

Meaningful financial engagement will be a lifeline for patients and health systems alike.

VisitPay has been delivering game-changing results for health systems for years, providing payment solutions that satisfy patients and build loyalty, while at the same time increasing revenue cycle efficiencies and patient payments.

As a customer service and experience expert, I strongly believe customer service is not a tactic nor a strategy. It is a philosophy ingrained throughout the entire organization. Everyone from CEO to the most recently-hired employee has a role to play in the patient journey. Healthcare needs to be thinking about patient focus in the financial experience, which means every decision has the patient in mind. There needs to be constant evaluation around processes that are creating unnecessary friction for the patient, or interactions that can be simplified to make for a better experience. The VisitPay Report shows that patients want the most effective, affordable path to better health for themselves and their families. Every decision made must keep the patients in mind; they are the crucial customer.

“Every decision made must keep the patients in mind; they are the crucial customer.”

This year’s edition of the VisitPay Report is remarkable in that it captures with such clarity that patients want a better digital experience when it comes to healthcare, and they want it now. As they emphasize the need for greater clarity, consolidation, payment options and transparency in their digital healthcare experience, health systems need to take these findings seriously and act quickly.

This report arrives at a crucial time. The impact of COVID-19 and the ensuing economic struggle has forced the conversations of patient needs outside the walls of healthcare, placing them front and center in our everyday lives. These are real people who need help and deserve a better experience. Patients have a voice and it is getting louder.

Loyalty is not about a lifetime; it is simply about the next time, every time. A digital transformation within healthcare that offers the expected digital experience can meet this goal. If you want to be a world-class provider in healthcare, you need to look outside your industry and see who is pushing forward with new, customer-led experiences. Innovation comes from putting yourself further and further out there to see what is possible. It is clear that VisitPay realizes this. With its digital platform, VisitPay is providing the tools needed to create these loyal customers, one engagement at a time.

The future looks promising as the healthcare industry takes seriously the voice of these patients. I look forward to the next VisitPay Report that reflects the hard work taking place in offering patients that improved experience.

Shep Hyken is a customer service and experience expert and New York Times bestselling author.
Founded in 2010, VisitPay is the leader in patient financial engagement. The company’s third-generation cloud-based platform is used by the nation’s largest and most innovative health systems to deliver transparency, choice, and control to patients managing healthcare payments and transactions. Through VisitPay, patients can access a comprehensive accounting of their financial obligations, as well as critical health plan and healthcare information, via a health system-branded portal.

VisitPay’s proprietary analytics tailor consistent and fully compliant financing options that meet the unique needs of patients and their families, creating a simplified billing experience that drives both higher payment rates and improved patient satisfaction scores. VisitPay’s investors include Norwest Venture Partners, Flare Capital Partners, Ascension Ventures, and The Caprock Group.

Let’s explore how your health system can rethink things. Whether you have a question or you’d like to schedule a demo to see VisitPay in action, we look forward to showing you how this powerful platform makes patient financial engagement easier than ever.

LEARN MORE:
VisitPay.com
info@visitpay.com

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