

Collectability of Self-Pay Accounts has Health Care Execs Worried

More than 90% of revenue cycle executives at health care providers cite improving the collection of self-pay accounts as a top priority, according to a new survey.

Improving collection rates among self-pay patients is a top concern for 94 percent of revenue cycle executives at health care providers, according to a survey published today by *Health Care Finance News*.

The sentiment was held among organizations large and small, for-profit and not-for-profit. HFN surveyed 173 senior-level finance and operations decision makers at U.S. non-profit and for-profit hospitals to help understand trends, challenges and plans associated with patient collections. The executives listed improving self-pay collections among their top three priorities.

Forty-three percent of respondents said the biggest challenge they face is that self-pay accounts are growing faster than their organization can respond.

Another challenge is the rising cost of managing patient collections. "As patient payments expand, providers are experiencing a 'perfect storm' created through the combination of social changes, financial pressures and regulatory compliance requirements," Neil Rouda, NFN Publisher said in a press release. "Our survey confirmed this point – healthcare providers are struggling to respond in patient-sensitive, cost-effective ways, given their fragmented business office and collection agency operations."

According to the survey, revenue cycle management executives will be looking to technology and operational changes for solutions. Forty-seven percent said they plan to install new scoring and modeling technology to determine patient eligibility for charity care and for government programs. Of those, 30 percent plan to invest in modeling tools developed specifically for self-pay collections.

Thirty-two percent of respondents said they plan to restrict or consolidate their collections operations. Eighty-one percent of those surveyed said they use third-party agencies for self-pay collections to work primary bad debt. Only 25 percent said adding internal staff was a priority. The newsletter concluded that this indicated respondents view adding staff as a "less effective" solution going forward.

By
Cynthia Wilson

Forty-three percent of respondents said the biggest challenge they face is that self-pay accounts are growing faster than their organization can respond.



REVENUE RECOVERY | ANALYTICS | ATTORNEYS

Harris & Harris, Ltd., 600 West Jackson Boulevard, Suite 400, Chicago, IL 60661 P: 312.423.7421 or 866.781.4538 HarrisCollect.com