

Innovation in a Crisis

How Coronavirus (COVID-19) is reshaping care delivery and the patient financial experience

Becker's Healthcare | CareCredit

BECKER'S HEALTHCARE | CareCredit®



While Coronavirus (COVID-19) has taken a significant toll on many lives and livelihoods, the pandemic has highlighted what is possible in healthcare when roadblocks to innovation are lessened and cooperation becomes the norm. Facing unprecedented financial and operational pressures, hospitals and health systems have changed care models, altered revenue cycle practices, and expanded the use of digital technologies to deliver communities care while prioritizing patient and staff safety.

Although the more widespread adoption of telehealth technology may be the most obvious healthcare transformation amid the pandemic, it is hardly the only innovative action taken by providers in this crisis. Hospital and health system leaders are also focused on optimizing the patient experience as the way people seek and receive care has changed since the emergence of Coronavirus (COVID-19). The financial components of the patient experience have become key areas of focus as the pandemic's economic fallout left many families on unstable financial ground.

The healthcare financial services company CareCredit has partnered with more than 240,000 providers across the country to help patients access care more affordably, according to CEO Beto Casellas. During an advisory call hosted by *Becker's Hospital Review* in September, Mr. Casellas said even before the pandemic some patients were opting to delay or forgo care due to financial concerns – a trend that seems to be exacerbated by rising unemployment and declines in the number of individuals with health coverage. Between February and July, millions of Americans experienced disruption in their health insurance, according to an analysis from the Economic Policy Institute, a nonprofit, nonpartisan think tank.

Mr. Casellas said in this environment, many providers are taking new approaches to patient financial engagement. "Since patients are delaying or declining healthcare given their economic circumstances, providers have to work to deliver more transparency around cost and get that information to patients early," the CEO said. "Having a dialogue around cost is going to help patients move forward with treatment and get the care they need when they need it, instead of delaying or declining treatment altogether."

A handful of health system leaders joined Mr. Casellas on the call and detailed the ways their organizations are approaching patients' care and financial experience amid the greatest public health crisis in more than a century. Participants were:

- Gary Baker, Senior Vice President and CEO of HonorHealth Scottsdale (Ariz.)
- Joel Bergenfeld, CEO of El Segundo, Calif.-based Avanti Hospitals
- Laura Handy, Executive Director of System Revenue Cycle at UC San Diego Health
- Devan Johnson, Vice President and COO at Dignity Health-Mercy General Hospital in Sacramento, Calif. (a member of Chicago-based CommonSpirit Health)
- Elise Myers, Vice President of Revenue Cycle Strategy & Innovation at Renton, wash.-based Providence St. Joseph Health
- Douglas Watson, CFO for Dignity Health-Arizona in Phoenix (a member of CommonSpirit Health)

The following e-book is based on their conversation.

Digital and frictionless

According to Mr. Watson, the COVID-19 pandemic has highlighted numerous stages of the care journey in great need of more streamlined, frictionless engagement. One common pain point for patients over the years has been long wait times in both the emergency department and other areas of care. The risk of viral transmission amid the pandemic has forced providers to rethink waiting rooms. It no longer makes sense for multiple patients to share an enclosed space for an extended period of time while waiting for care. The pandemic helped push providers to integrate new technology and processes to streamline the patient intake process and keep patients out of waiting rooms as much as possible.

"In the COVID-19 era, we can't have waiting rooms filled with patients," the CFO said. "It's forced us to really ask, 'How can we do this in a better way where we don't have people waiting for longer periods of time?'" the CFO said. "We've gotten better at this as the pandemic has evolved and this success will likely carry over beyond COVID-19."

At Dignity Health-Arizona, Mr. Watson oversees financial operations across a 16-city service area that comprises hospitals, clinics and other care centers. Mr. Watson said processes related to direct patient payment make up another component of the care experience that has traditionally been a point of friction for patients. However, as patients are becoming more comfortable with various technology interfaces, more convenient digital payment options may help streamline this portion of the patient experience.

Mr. Baker, who leads three HonorHealth medical centers, said his organization has seen more engagement with the system's online patient portal for things like pre-registration and payment since the pandemic. "We've had good success getting patients to engage with the portal, even patients from older generations," the CEO said. "This has been essential to addressing the anxiety among patients around actually coming into the facility."

To help its provider partners increase patient engagement with online portals and ultimately reduce friction, CareCredit is helping educate patients on bill payment options where they can apply for CareCredit through its online platform.

"We've created custom links for our providers to use with their patients to direct them online to our portal, where they can learn about our dedicated healthcare credit card and promotional financing options, apply for a card, and how they can help pay their bills," Mr. Casellas said. "This allows consumers to work on their own devices at their own time in their own space."

Proactive patient financial education and payment flexibility

While digital technology can help streamline the patient financial experience, patients still need more than online bill-pay platforms to navigate the complicated healthcare fiscal landscape. They also need access to more information to improve their overall healthcare financial literacy and understanding of their own medical bills. While the industry was moving toward a more consumer-centric financial experience before Coronavirus (COVID-19), the pandemic demands helped the acceleration of this trend. As some families across the nation experience deep financial difficulties, providers are working to improve transparency and increase payment flexibility for patients.

As unemployment numbers began to surge in the early months of the pandemic, UC Health San Diego experienced an increase in default rates on its patient payment plan. This spurred the organization to become more proactive with patient outreach and education. The health system assesses patient data to determine which patients are more likely to pay and which patients need more financial engagement opportunities and more flexible payment options.

"This patient segmentation process allows us to determine when we need to work with patients on extending their payment plans," said Ms. Handy, the executive director of the system's revenue cycle operations. "We're in a different financial environment now, so we are also working even harder to find alternative means of payment for patients if they've become unemployed. [We want to] help them through the pandemic."

Ms. Myers said Providence St. Joseph's has taken a similar approach, offering patients more convenient and flexible payment options. "We are building a portal to allow more users to pay in advance, set up payment plans and more frequently use our existing online bill-pay capability," the system vice president said.

Providence St. Joseph's also paused all patient balances related to Coronavirus (COVID-19) care until it became clear how much of those costs would be covered by federal relief funds. The system, which comprises 51 hospitals across several Western states, saw a 10 percent decline in net patient revenues through the first half of 2020, but it has since recovered some of that lost revenue through relief funds and increased volumes in the second quarter of 2020, according to the health system's financial statements.

Providence St. Joseph's financial experience is not unique. With elective surgeries halted at many hospitals around the nation for weeks or months, revenues declined. As volumes have begun rebounding in some areas of the country, many providers have used technology for robust communication with patients to let them know it is safe to return for care. And for providers in areas where demand hasn't necessarily increased with the resumption of elective procedures, technology is also serving as an important tool to reach patients outside the hospital.

While Dignity Health-Mercy General Hospital has seen an increase in demand for emergency care since the early months of the pandemic, elective volumes have been slower to recover. Mr. Johnson attributed this to fears of viral transmission and patient concerns regarding their financial obligations for care.

"There's a fear of coming back to the hospital," Mr. Johnson said. "I don't know how quickly that's going to go away, but technology platforms have become not just an alternative for care delivery, but for settling financial and emotional concerns as well."

Sustained collaboration and trust building for a better tomorrow

While the challenges wrought by the Coronavirus (COVID-19) virus may not subside at the conclusion of 2020, healthcare's response to the pandemic hints at what healthcare delivery might look like in the future. The leaders who participated in the advisory call described similar responses at each of their organizations – their teams acted swiftly and, cooperated effectively and many made transformative changes in a matter of weeks that would have otherwise taken years. These actions allude to the possibility of a brighter future in healthcare – one with minimal barriers to innovation and a pervasive sense of urgency that facilitates open communication and collaboration both within health systems and across industry stakeholders.

Mr. Bergenfeld described Avanti Hospitals' response to Coronavirus (COVID-19) as "nimble" and said the pandemic has shown just how effectively his team can collaborate. "We were able to quickly move patients to the [intensive care unit], move ventilators, manage [personal protective equipment] and address drug supplies on a daily basis: every morning and every evening," the CEO said. The collaboration has been crucial to the four-hospital health system that provides care to underserved communities in Los Angeles hard hit by Coronavirus (COVID-19).

"The big lesson we've learned is that we can collaborate a whole lot better than we have in the past," Mr. Bergenfeld said. "The question moving forward will be how we sustain that."

For his part, Mr. Casellas has also noticed enhanced cooperation in the industry and attributes this to improved trust among industry stakeholders. The CEO highlighted the importance of extending this trust to patients by engaging them in a more direct, collaborative way about the financial components of their care. Mr. Casellas said he is optimistic that establishing trust throughout the patient journey will continue to be a top priority now and after the pandemic subsides.

"As we continue to be more transparent financially and give more opportunities for patients to have peace of mind throughout the care journey, I think trust [between patients and providers] will continue to increase," Mr. Casellas said. ■





BECKER'S
HEALTHCARE