

Beyond the status quo: Reimagining affordable care and patient access

November 01, 2024

By Meredith Kirchner



The financial pressures on the U.S. healthcare system are nearing the point of no return, with millions of patients struggling to afford routine medical care and emergency expenses.

Hospitals lose millions of dollars each year due to unpaid medical bills and uninsured patients, as financial constraints lead many to cancel appointments or abandon care altogether. The burden of patient debt has escalated dramatically in recent years, and patients remain worried about how they'll pay their next hospital or clinic bill.

The repercussions this has on the healthcare system are relentless, circling back to providers facing a decrease in revenue every time a patient cannot pay a bill. Patient balances over \$7,500 have risen by 300%, while high-deductible health plans (HDHPs) are becoming more popular. This especially affects lower income families who, despite lower monthly premiums, face high deductibles of \$16,000 or more, leading to patients skipping or delaying care due to concerns over high out-of-pocket costs.

Healthcare providers also feel the impact, as debt from self-pay after insurance now stands at 58%. This financial strain threatens the viability of healthcare systems and exacerbates health disparities.

One of the main challenges in addressing these issues is the traditional approach to patient financial access, which often lacks the flexibility and transparency that today's patients expect. Patients want pre-service estimates, clear communication about their financial responsibilities, and assistance with payment options. Meanwhile, providers are looking for ways to reduce cost-related cancellations—currently at more than 15%—and improve patient engagement through better financial tools and insurance verification processes.

This revolving door of increased patient debt and growing disparities in healthcare access has created a need for innovative solutions that address the root causes of these financial challenges.

The role of patient access in healthcare innovation

Addressing these challenges requires a reimagined approach to patient access that incorporates other industries' credit and financing systems. By adopting a patient-centric model that prioritizes affordability and convenience, such as those used in the retail sector to improve affordability for a broad range of consumer-risk profiles including subprime and below. Healthcare organizations can better meet the needs of their patients while improving financial outcomes by embracing these new practices and technologies.

Comprehensive patient financial platforms leverage innovative technology to optimize patient access, providing flexible financing options, real-time insurance verification, and personalized payment plans. The goal is to reduce bad debt and empower patients by supplying them with the tools and resources they need to make informed decisions about their care. Here are some notable features of patient financial platforms:

1. Empowering patients with flexible financing options

One of the most significant barriers to care is the cost. An alarming 69% of providers report that patients will sometimes postpone care due to apprehensions about the cost of treatment. By offering flexible financing options, healthcare organizations can make care more affordable and accessible to all patients, regardless of their financial situation. These platforms allow patients to choose payment plans that fit their budget, reducing the likelihood of cancellations or delays in care due to cost concerns.

2. Enhancing patient engagement through digital tools

Patients today expect a digital-first experience similar to those in other industries. Self-scheduling, online bill payment, and real-time access to financial information are just a few tools patients want to see integrated into their healthcare experience. Comprehensive financial platforms provide these services, making it easier for patients to manage their care and stay engaged with their health.

3. Optimizing insurance benefits

Insurance verification is critical in ensuring patients can access the care they need without facing unexpected financial burdens, and both patients and providers are aligned on its importance. Insurance Coverage discovery services in the industry today routinely miss insurance coverage that is in place at time of service. The patient is classified as self-pay/no insurance. Advanced financial platforms with the newest technology can streamline the process of confirming insurance coverage, correctly identifying coverage so that pre-service patient estimates are accurate and providers gain payment for payer portion and the patient responsible balance (patient financing). This improves the patient experience, reduces administrative errors, and helps providers avoid lost revenue.

4. Leveraging charitable resources

Charitable foundations and assistance programs can provide a lifeline for patients who struggle to afford care, even with insurance and flexible payment plans. Patient financial access platforms can build comprehensive databases of these resources, connecting patients with potential financial support. This approach helps patients access the care they need and reduces the risk of bad debt for healthcare providers.

Inspiration from other industries: A retail-esque approach

The retail industry has long been a leader in customer-centric innovation, particularly regarding payment flexibility and engagement. Healthcare providers can take inspiration from these strategies by offering patients more personalized, convenient financial solutions. For example, much like a retail customer can choose from a variety of payment methods, patients should have access to multiple financing options, allowing them to select the plan that best suits their needs.

Similarly, just as retailers use data analytics to personalize the shopping experience, healthcare providers can use financial platforms to tailor payment plans and financial education to individual patients. This customization improves patient satisfaction and fosters greater trust between patients and providers, leading to better health outcomes.

Bridging the access gap for health equity

As healthcare continues to evolve, the focus on patient access will play a critical role in shaping the industry's future. Recent polling data from HPN's 2024 Miami Conference highlighted patient experience, health inequalities, and patient engagement as top concerns among healthcare executives. Innovation in patient financial access can make the most significant impact in these areas.

By addressing the financial barriers that prevent patients from accessing care, healthcare organizations can work toward a more equitable system. Technology-driven solutions empower patients to understand and take control of their healthcare finances, reducing the burden of medical debt on their providers and improving access to necessary treatments.

Healthcare of tomorrow: Charting a course for affordable care

The U.S. healthcare system is at a crossroads, with rising patient debt and financial barriers threatening the sustainability of care operations. However, healthcare organizations can create a more affordable and equitable system by embracing innovation and focusing on patient access. Comprehensive patient financial platforms offer a dynamic solution, providing patients with the tools to manage their healthcare costs while strengthening providers' financial positions.

As the industry moves forward, it will be crucial for providers to adopt a retail-esq approach to patient access, prioritizing convenience, flexibility, and engagement. In doing so, they can bridge the gap between affordability and quality care, guaranteeing that all patients can access the treatment they need without financial hardship.

About the author: Meredith Kirchner is a seasoned healthcare operations leader with over 20 years of experience. She currently serves as the Chief Operating Officer at Curae, where she focuses on improving operational efficiency and client satisfaction through innovative financial solutions for multi-hospital health systems. Meredith has a strong background in healthcare consulting and technology, having held senior roles at Patientco and Ernst & Young. Her experience lies in optimizing organizational workflows and enhancing patient financial access, making her a pivotal figure in driving Curae's growth and industry reputation.