Revenue Cycle Management ("RCM") companies are moving beyond the office, focusing on enhancing the experience, including the payment process. As out-of-pocket payments rapidly become a larger percentage of overall medical spend, providers must adapt their billing and collection process to increase the speed and likelihood of collections and improve the patient experience.
RMC: Patient Payments

Market Trends

Due to the rise of consumer driven health plans, patients now control a larger portion of healthcare payments resulting in providers having to create a patient-central billing and collection process. RCM solutions help providers increase patient touchpoints and improve transparency throughout the billing process which ultimately drives greater patient satisfaction, improves loyalty, and increases provider collections.

Patient Payment Trends

- 69% of patients check the price of service before getting care.
- 40% of patient balances larger than $200 are collected at the time of service.
- 6% The increase in patient payments due to providers over the past 4 years.

Patients Who Would Return to a Provider

- 95% Fully Satisfied with Billing
- 58% Unsatisfied with Billing

Key Patient Payment Factors

- Insurance Eligibility
- Price Transparency
- Ability to Pay
- Components of Patient Payment Success
- Accurate Out-of-Pocket Estimation
- Point of Service and Online Payment
- Financial Counseling

Out-of-pocket healthcare payments amount to 37% of total healthcare spend.

Sources: The American Journal of Managed Care: Healthcare Spending and Preventative Care in High-Deductible and Consumer-Directed Health Plans., athenahealth.
How RCM Solutions Can Help

RCM companies are empowering providers to deliver a payment experience uniquely focused on the needs of the patient. These solutions not only offer a superior patient experience but also enable providers to increase receivable realization and drive down the overall cost of collection.

- **Increase Patient Touch Points**
- **Advance Patient Loyalty**
- **Enable Electronic Payments**
- **Shorten Collection Cycle**

**RCM: Patient Payments**

Provides end-to-end revenue cycle management via its Revenue Performance Advisor software solution. Its software estimates the patient’s share of the total medical bill with 90% accuracy.

**SwervePay**

Utilizes cloud-based system to estimate out-of-pocket costs, enable automated messaging, and secure one-click payments both online and mobile.

**AccessOne**

Provides flexible, consumer-focused patient financing solutions to help consumers afford out-of-pocket medical expenses and drive high patient satisfaction.

**CHANGE Healthcare**

Provides cloud-based healthcare payment platforms to make patient payment easier. Its solutions have increased patient satisfaction by 40% and reduced the cost to collect by 75%.

**Capio**

Offers revenue cycle models that focus on patient engagement to improve patients’ ability to pay as well as healthcare debt purchasing services that minimizes the risk to providers of bad debts.

Percent Collected of a Healthcare Bill by Collection Timing

As time passes, a provider’s ability to collect decreases dramatically.

RCM companies increase the speed and value of collection, thereby increasing provider revenue.

Source: Advisory Board
## Recent Transactions

Numerous transactions in the space show an increased focus on revenue cycle management services.

<table>
<thead>
<tr>
<th>#</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>July 2018</td>
<td>Patientco is a payment technology company founded to bring together intuitive consumer payment tools and world-class payment infrastructure. The Series B capital will be used to accelerate Patientco’s growth in the $5B+ patient payments market, expand sales and marketing throughout the U.S., and fuel continued product innovation.</td>
</tr>
<tr>
<td>2</td>
<td>June 2018</td>
<td>Echo Health Ventures and Frontier Capital completed a strategic investment in AccessOne to help fund AccessOne’s acquisition of HealthFirst Financial. With the acquisition, AccessOne becomes one of the largest and most experienced national platforms for tailored patient financing solutions in healthcare.</td>
</tr>
<tr>
<td>3</td>
<td>January 2017</td>
<td>Primus Capital made a major growth investment in Payspan, Inc. Based in Atlanta, GA, Payspan is a healthcare technology company providing payment automation services that improve administrative efficiency, meet regulatory requirements, and enable payers and providers to manage new reimbursement strategies in a rapidly changing landscape.</td>
</tr>
<tr>
<td>4</td>
<td>July 2016</td>
<td>Bain Capital Private Equity invested growth equity in Navicure, a subscription-based software solution that helps healthcare organizations of all sizes increase revenue, accelerate cash flow, and reduce the costs associated with managing insurance claims and patient payments. Navicure purchased ZirMed in Nov 2017 to form Waystar, a leading healthcare RCM platform.</td>
</tr>
<tr>
<td>5</td>
<td>May 2016</td>
<td>From pre-service to billing to financing, Simplee’s platform has tools to estimate the cost of procedures, drive better understanding of billings and payments, and provide friendly financing options throughout the patient journey, all focused on building rapid trust and paving a path to payment. In 2018, Simplee raised senior debt to continue to scale its platform.</td>
</tr>
</tbody>
</table>
Select BSC Transactions

Bailey Southwell bankers have advised numerous RCM companies in their sale

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