

The real cost to collect after the visit:

It's more than you think



Respectfully collecting from patients at the time of service helps your bottom line, but it also protects your organization from serious damage to its reputation, its brand and its relationships with patients. Here's a snapshot of what can happen when you wait to bill and collect.




Monetary costs

On average, providers mail **more than three statements** before a patient's account is sent to collections.¹

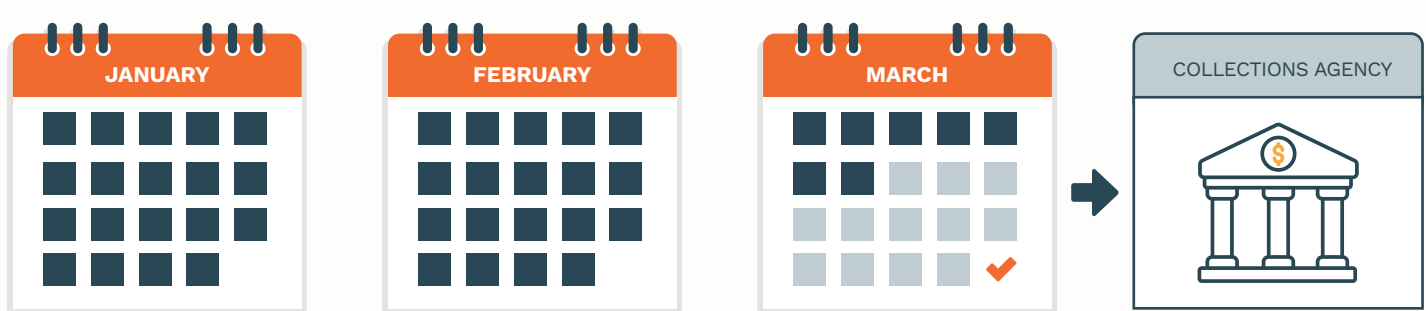



1 in 3 patients whose balances exceed \$200 do not pay them in full²

6% Percentage of outstanding balances collected when a patient's **debt is more than \$200**³



Approximately **75% of physician practices** wait more than 90 days to turn overdue bills over to a collections agency.⁴



Nearly **1 in 5** people living in the U.S. have medical debt in collections⁵

The longer an invoice has gone unpaid, **the greater the cost to collect.**

Once a patient's balance gets sent to collections, there is only a **7.4% chance** of full recovery⁶

\$140 billion Estimated total **medical debt** in the U.S.⁵



More than the money



TIME
Post-visit billing and collections processes are labor-intensive, **taking up staff time that could be better spent on creating positive patient experiences.**



PATIENT EXPERIENCE AND RETENTION
The billing process is often the final and most influential point of contact between patients and their provider. **An aggressive collections experience leaves patients with a bad impression and can make them less likely to return for follow-up care.**⁷



COMPLIANCE WITH TREATMENT
Research shows there's a direct correlation between patient-provider trust, cost pressures and medication adherence.^{8,9} **Aggressive collections efforts can diminish that trust and damage the patient-provider connection, which may negatively affect patients' health outcomes.**



REPUTATION AND BRAND IDENTITY
A bad collections experience can lead to negative patient reviews and damage an organization's hard-earned reputation.⁷

“ Aggressive collection efforts after the visit rarely work—the process is time-consuming, expensive, pushes patients away and can ruin your brand. ”

—Elizabeth Woodcock, Principal, Woodcock & Associates

Providing patients with flexible, time-of-service collection options like **card on file**, **online payments** and **payment plans** will help you avoid both the monetary and non-monetary costs to bill and collect after the visit.



Phreesia's revenue cycle applications can help your organization reduce its cost to collect.

LEARN HOW

¹ <https://www.mgma.com/data/data-stories/how-many-statements-are-mailed-before-a-patient-ac>

² <https://www.healthaffairs.org/doi/10.1377/forefront.20170504.059950/full/>

³ <https://www.athenahealth.com/knowledge-hub/financial-performance/large-patient-balances-big-headache-providers>

⁴ <https://www.mgma.com/data/data-stories/most-practices-wait-to-send-an-account-to-collecti>

⁵ <https://jamanetwork.com/journals/jama/article-abstract/2782187>

⁶ https://files.consumerfinance.gov/f/201412_cfpb_reports_consumer-credit-medical-and-non-medical-collections.pdf

⁷ <https://hitconsultant.net/2018/07/16/revenue-cycle-operations-op-ed>

⁸ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1492479/>

⁹ <https://journals.sagepub.com/doi/full/10.1177/0022146513483772>