Medical expertise and healthcare options are not the same as they were ten or twenty years ago. In fact, they’ve changed radically in the past 24 months. Just as available services, treatments, and self-care products have become available and proven life-changing for many patients, the avenues for obtaining those goods and services are, in many cases, also new.

In the past, elective treatments and “vanity” services were reserved for the wealthy and lucky few. Today, self-pay patients defy stereotypes. Increasingly, healthcare consumers research their available options for services and procedures with a goal of improving their overall health, well-being, and quality of life. They select providers based on services offered, satisfaction ratings from other patients, and the relative ease of working with healthcare providers and their staffs.

With more elective procedures and services available and a much-changed healthcare and payment system, today’s patients understand their role has changed, too – from simply that of a patient following doctor’s orders to that of a healthcare consumer, ordering and directing their own care and services.

- Cosmetic surgery
- Elective medical procedures
- Fertility options
- Hair growth/replacement treatments
- Integrative therapies
- Laser hair removal
- Lasik surgery
- Mobility products
- Restorative and Cosmetic Dentistry
- Tattoo removal
- Vitality treatments
UNDERSTANDING SELF-PAY PATIENTS: DIFFERENT DEMOGRAPHICS, ONE GOAL

DEFINING THE SELF-PAY PATIENT IN 2016 ISN’T EASY

Thanks to the Affordable Health Care Act, the stereotypical self-pay patient - someone without insurance – is no longer the norm. Increasingly, self-pay patients are those who choose to select providers and/or services that are out-of-network or otherwise not covered. In other words, today’s self-pay patient is more likely to be a consumer in every sense of the word.

As such, patients represent virtually every demographic:

- Mature adults seeking higher levels of health care than they may qualify for under government programs and pension plans
- Savvy, health-conscious consumers interested in alternative healthcare and treatment options not yet considered mainstream medical practices

Recognizing patients as consumers means some providers will need to make changes in their practices. In the Netherlands and other European countries, demand-driven healthcare has benefited patients by creating some price competition among providers.

However, price points are hardly the most important information self-pay patients consider when selecting providers.

European studies prove that the only broad conclusion that can be made with certainty is that consumers are individuals who make decisions based on their unique circumstances. That said, almost universally, certain factors influence provider selection and increase patient satisfaction.

Factors most frequently cited are:

- Interpersonal “connection” and preferences regarding a provider’s communication style
- Continuity in being able to see the same doctor/provider throughout treatment
- Information dissemination – continuously receiving relevant information, before and during treatment, has a positive influence on provider choice

Young professionals and families choosing dental work/orthodontic treatment, cosmetic enhancements and other elective surgeries not covered by their health insurance plans
Almost by definition, self-pay patients are savvy consumers – especially when considering elective treatments and procedures. They expect an additional level of service, then, particularly when it comes to payment and financing options.

In several studies commissioned by Bankrate.com since 2014, consumers have shown a clear understanding of the sacrifices required to pay for unexpected expenses, with 37% saying they would use savings to cover the costs of a medical or other emergency. However, with more Americans finding healthcare insurance a higher expense (and covering fewer procedures), deciding how to pay for elective, non-emergency procedures is trickier.

“We have really enjoyed working with Whitebridge. Our patients have been very happy with their services and so have we. It’s nice to know there is a company that can help our patients get the help they need at a price they can afford.”

-Doctor of Chiropractic
Functional and Integrative Medicine
Irvine, CA

Combined with market and healthcare trends in 2016, the rise of the self-pay patient is coming even as consumer reviews of doctors and other healthcare providers are increasingly influencing buying decisions.

Online rating sites such as Healthgrades, Vitals, and ZocDoc put the power in the hands of patients as never before. Providers that don’t recognize the consumer-nature of self-pay patients will lose service opportunities.
While specialty providers have long worked with self-pay patients to help them access higher-end care and elective treatment (such as orthodontia) today it’s not unusual for general and primary care physicians to establish entirely self-pay practices.²

In many states, laws allow providers and healthcare consumers to choose which services they will submit to insurance, and which will be processed as self-pay procedures.³ Some offices offer payment models similar to health clubs, with monthly membership fees providing regular services such as consultations and routine lab work at discounted prices.⁴

In order to make the most of the increasing population of self-pay medical consumers, providers need to invest time in planning and implementation of business practice changes and staff training, especially, in many cases, to provide additional patient education.

Typically, health care provider offices find the administration of self-pay/financing options is easier to manage than the processing requirements of many insurance providers.

Understanding different patient market segments is important in providing payment options for each. In many cases, traditional financing plans may not be sufficient to allow a practice to reach its growth goals.

The good news: Putting payment plans in place even for customers with credit challenges can improve cash flow and patient satisfaction.
FINDING COMMON GROUND

The more healthcare professionals work with self-pay patients, the more they find they have much common ground. After all, no one goes to medical school with the goal of becoming an expert in administering health benefits packages. Providers are realizing that serving health care consumers directly is more in keeping with their original desire to help people.

In order to successfully work with a system that increasingly offers advantages for both for patients and providers who choose to use direct-pay options, healthcare professionals need to find financial solutions that work for all patients.

The key to a practice’s smooth transition to managing more self-pay options is to establish clear goals and cost-models, and to implement appropriate pricing policies so patients can be well-informed of their financial responsibilities before either party is committed to any service(s) or treatment.

Growth comes naturally to practices that successfully manage self-pay patients. Ultimately, doing the right thing for patients — consumers — results in doing the right thing for a practice. While offering a variety of payment options can at first seem like a burden to a small practice, most providers find the initial time spent in planning and training is quickly eclipsed by the benefits, including:

- Increased patient base
- Improved overall patient satisfaction
- Higher percentage of fully-paid patient accounts

These results should not be surprising, given that most self-pay patients deliberately and pro-actively choose to work with certain providers and practices.

“Whitebridge has lived up to being a business “partner” in every sense of the word. Our company has made several organizational changes over the past several months. Whitebridge actively sought out information to assist in our transition, pro-actively pointed out options, and through it all has continued to provide new solutions to make the consumer financing experience a better one for our clients. They continue to do the little things to earn our business every day.”

– Chief Financial Officer
Aesthetic Laser Procedures
Pittsford, NY
THREE KEYS FOR PROVIDERS ESTABLISHING SELF-PAY POLICIES

ENSURE THAT PATIENTS CAN SEE THEIR CARE IS YOUR PRIMARY CONCERN.

While physicians and other medical practitioners are treading new ground as they transition to self-pay models, so too are patients, as consumers, learning new responsibilities as they evaluate care options.5

The moral responsibility for providers cannot be ignored. It is incumbent on the healthcare professional to help educate the patient and to provide realistic expectations and outcomes for any treatment, procedure or specialty before the patient (consumer) engages in any care transaction. Using bariatric surgery for example, a patient cannot be expected to determine whether gastric bypass would be a better option than lap-band surgery, and certainly, price should not be the deciding factor. In many practices, this patient education process creates a need for additional staff, staff training, or at least the creation of new office procedures to ensure that patients not only can afford the care they select, but that they have also chosen a safe and appropriate option for their situation.
MAKE CHARGES AND PAYMENT OPTIONS CLEAR AND EASY TO UNDERSTAND – AND KEEP THE CONVERSATION GOING.

Providing a clear description of charges, explaining when payment is due, and describing available financing options is part of the service smart providers offer. This removes worry and uncertainty for patients, allowing them to focus on getting the care they want and need.

Studies in the US and Europe consistently show that communication is an important factor in consumer healthcare decision-making. And more bluntly, how well self-pay patients are managed has a direct impact on a practice’s payment and collection levels.

OFFER SERVICES AND PAYMENT OPTIONS FOR PATIENTS WITH DIFFERENT NEEDS.

Not all self-pay patients are without insurance. Some may opt to use insurance for routine services, and choose to self-pay for other procedures. Understanding how, why, and when patients choose self-payment options will help determine the types of financial options that should be offered.

“Whitebridge Financial has been crucial to our business model and allowing our firm to grow from one local clinic to a nationwide presence. The ability to offer easy to use technology coupled with outstanding customer service has made offering in house financing for our patients painless and extremely profitable. Entering into a business relationship with Whitebridge was one of the key steps that has led to our overall success.”

-Director of Finance
Vitality Services
Cincinnati, OH
RESPONDING TO THE NEEDS OF SELF-PAY PATIENTS

Healthcare decisions are difficult. Self-pay patients should expect and certainly deserve to work through financing matters with qualified and caring professionals – both in a medical provider’s office and when dealing directly with financing agents.

As specialists in the medical and healthcare marketplaces during this time of tremendous change, Whitebridge takes a high-touch, very caring approach to each client and patient interaction.

Because Whitebridge specializes in consumer financing solutions and retail installment contracts and approves a wide range of credit profiles, our clients’ satisfaction tends to be higher than average in the industry. Subsequently, our clients’ clients also report high levels of satisfaction with the financing process.

In fact, what Whitebridge has found is what is true in our clients’ practices: the most beneficial arrangements offer mutual advantages to both our providers and their patients. Both Whitebridge client providers and their patients benefit from our diverse portfolio of financial solutions.

- **Rapid approval and fast funding** – provides quicker access to patient services, and improved practice cash flow

- **Competitive interest rates, flexible financing options and a wider range of credit profiles approved** – allows more patients to access the care and services they want and need, from the provider(s) they prefer

- **The convenience of EFT** – reduces paperwork and hassle for patients and enables faster payment to providers

- **The ability to distribute payments over a set period of time** – contributes to increased patient satisfaction and decreased default rates
WORKING WITH SELF-PAY PATIENTS

By employing a variety of lending options, Whitebridge clients find their practices grow. As a result of working with us to offer more options to access the care their patients want, many practices see improved patient satisfaction ratings, as well.

How can we help you, your practice and your patients?

Make an appointment with a Whitebridge Financial professional or request more information.

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