



terry armstrong, president

reflections on 2016 and a look forward

With the book closed on 2016, it is a good feeling to reflect on the year and also what lies ahead. The thing about the healthcare industry is that we can always count on change and opportunities for improvement. 2017 will be an interesting year with the Affordable Care Act (ACA) coming under major scrutiny by President Elect Trump and his promise to repeal or change it. The ACA networks were already under pressure because of the high premium changes and many insurance companies dropping out of the state networks altogether. No matter what happens in 2017, we at State Collection Service are positioning ourselves to be able to assist our clients with whatever may come.

Our company has grown significantly over the past few years and, in his article, Tom Haag has really described how the family values that our company was founded on in 1949 are alive and well, driving all that we do today. Our focus is on our employees and our clients. We were very fortunate to be named one of the best places to work in the industry a few months ago and are excited about maintaining that distinction for years to come.

The other articles in this newsletter really do a great job of reflecting on what was important in 2016 and how things will improve this year. Patrick Maurer of Apex Revenue Technologies explains how the adoption of automation of payments and notices often improves the relationship between providers and their patients. While electronic notices (eNotices) and electronic payments have not caught on in the healthcare arena like other industries, Patrick explains why this is changing and how we can support this movement. Not only is this move more cost-effective, it does also provide a better experience and increased convenience for the patient.

Jon Neikirk of Froedtert Health hits home with his article describing ways to create a positive patient financial experience. By investing in tools and technology for our employees, we are ensuring continued growth and success in the future.

Our desire to improve the patient experience drove our investment in speech analytics improving all of our calls and patient contacts. In addition to using CallMiner for the last three years, we have now installed CallMiner's Eureka Live! platform for our Early Out business with installation for our Bad Debt portfolios coming soon. Eureka Live! takes us to a whole new level and we will be describing how these new tools are improving the patient experience even more in future newsletters.

And finally, we want to welcome John Moroz to the State Collection Service family. John has joined our business development team and brings with him a wealth of knowledge and experience in the healthcare industry.

Thank you for your business this past year. We appreciate the partnerships we have with our clients. We will always strive to do the best job we can by delivering the best service for you and your patients. We look forward to a fantastic 2017.

did you know?

State Collection Service has provided accounts receivable services to the healthcare industry since 1949. In addition to Early Out and Bad Debt services, did you know we also maintain these additional offerings for our healthcare clients?

- **Inbound Customer Service Calls** – Our team works from your system and can manage the inbound calls to your office, or augment your existing customer service staff by serving as an overflow call center.
- **Insurance Discovery, Follow-up and Denial Management** – Our team of insurance experts can assist with the insurance follow-up and rebilling as well as the management of any denied insurance claims.
- **Pre-Service Financial Clearance Calls** - Our team of healthcare representatives will initiate outbound customer service calls on your behalf to make patients aware of any outstanding balances as well as provide an estimation of charges prior to service.

If you're interested in learning more about any of our service offerings, please call our Business Development team at (800) 477-7474 or email us at sales@stcol.com.

tracy dudek, vice president of operations



partnership update:

how providers benefit from speech analytics

Improving the patient experience is a journey, not a destination. Along the way, State Collection Service has made strategic choices in the people and technology we invest in to support your health system's mission, vision, and values, around the patient experience. Our strategic partnership with CallMiner has brought client-specific scorecards for each call, developed client-specific measures on script/call guideline adherence, and improved the use of empowerment language across the call center.

We continue to heavily invest in the future of speech analytics with our commitment to real-time call analysis, coaching, and agent assistant tools. Continually improving the patient experience is our goal. The reason we are making these investments in the patient experience is the tangible results our clients have received from this technology being so prevalent in our daily operations.

Dawnita Bell, Manager, Patient Accounts & Inquiry at UW Physicians, in Seattle, Washington, supports the use of speech analytics with her self-pay receivables by explaining what she has used this technology for within her system's revenue cycle operations – "I love that State uses CallMiner to monitor the quality of calls. They deliver exceptional customer service to our patients, and this is just one of the tools they have access to, to deliver that. I wish I had that for my own call center! I love being able to ask for specialized reports such as one I recently requested to monitor new language I added to our statements. It helps monitor ROI on specific changes."

While Dawnita has recently measured a change she made in her statement process through speech analytics, another client, Kathy Kuri, Director of Customer Service and Revenue Cycle Operations Integrity for Ascension-Wheaton Franciscan Healthcare, has found value in the listening sessions that are held with her team where calls are reviewed and process improvements are identified to enhance the patient experience.

Kathy discusses the routine listening session process by saying, "Listening sessions give us an opportunity to collaborate with State to improve processes, workflows, and overall customer service. We do a root cause analysis of each of the selected calls and determine next steps. The meetings allow us to talk about not only fixing the issue for the one patient example, but also how we can fix things so no other patient has that same issue. We look at the sessions in terms of how we can make process improvements and help our patients so they don't need to call."

Further commenting on how to get value out of the listening sessions, Kathy stated, "We have leadership present at the meetings not only from customer service, but also other revenue cycle departments. This makes it possible for us to talk through all aspects of the patient's financial experience. We have made many improvements as a result of the listening sessions. This transparency is extremely important and valued in our partnership with State."

Both Kathy and Dawnita have committed to an open communication process regarding call handling and how to continually improve for the patient, and that has led to strong patient satisfaction scores on calls handled for both of their health systems.



Join us in congratulating the following individuals who have successfully earned their HFMA CRCR certifications!
Well done and congratulations!

Cathy Skoien, Early Out Representative, Madison
Cynthia Kaski, Early Out Representative, Madison
Samiyyah Easter, Early Out Representative, Madison



jon neikirk, executive director of revenue cycle, froedtert health

the importance of creating a positive patient financial experience

Without question, the level of care that a patient receives from clinicians will shape their perception of your facility. But equally important to a patient's overall satisfaction are their pre- and post-service experiences. Ultimately, a provider's pre- and post-service processes create the first and last experience impressions of your facility.

As healthcare professionals, we understand that providing a positive experience is the right thing to do, but there are also significant business reasons for doing so. At Froedtert Health, we have found that a positive patient financial experience can improve payment performance, reducing the overall cost to collect. In an increasingly competitive marketplace where patients determine where they will spend their healthcare dollars, creating a positive financial experience is one way to ensure patients continue to receive their care at Froedtert Health.

Not too long ago, Connance conducted an online study of more than 500 healthcare consumers from 46 states. Executed in August 2014, highlights from the Consumer Impact Study include:

- Among respondents giving billing processes a top score:
 - 82% would recommend the hospital,
 - 95% would return to the same hospital for a future elective service, and
 - 74% paid their bills in full.
- Among respondents giving billing processes less than satisfied scores:
 - 15% would recommend the hospital,
 - 58% would return to the same hospital for a future elective service, and
 - 33% paid their bills in full.

Ensuring an excellent patient financial experience with your organization is critical to maintaining your place in an ultra-competitive environment. One of the keys to ensuring a positive patient financial experience starts with training, but how do your representatives have financial conversations with patients when such conversations do not come naturally to most people? Without question, an effective training program is an essential component to your business offices success.

As revenue cycle leaders, in addition to Training, we must also look at Information, Technology, Processes, and Feedback to ensure patient satisfaction.

Training

Providing representatives with the appropriate pre-and post- service training will ensure the right financial conversations are occurring at the right time. Training should not only include an understanding of your data, policies, procedures, and billing process, but should also include listening and empathy training. The latter is best achieved through role playing and activities.

We, along with our business partner State Collection Service, invest a great deal of effort into the training of our representatives. We follow HFMA's Patient Financial Communications Best Practices and augment our training program with HFMA's Credentialed Revenue Cycle Representatives certification program. In addition, Froedtert Health and State Collection Service have adopted the Studer Group's empowerment language into our training program.

Information

Providing your patients with appropriate information creates the start of a positive experience. In our case, this includes an estimate of the patient's expected out-of-pocket expense prior to services being provided. This includes both hospital and physician charges to avoid confusion. We also provide the patient with written information outlining our billing process.

In addition to this, clear and patient-friendly statements provide our patients with a clear understanding of the financial process post service. We have spent a great deal of time developing a clear and concise statement based upon HFMA's Patient Friendly Billing Guidelines as well as patient feedback. Again, to avoid confusion, the statement includes all guarantor charges.

Processes

In addition to providing the patient with information of our billing processes and providing a plain language summary of our financial assistance policies, we ensure our financial counselors are available in person and via phone to assist staff when needed. Further, our staff is trained on the various payment options, which may be discussed in person, by phone, online, or even within MyChart.

continued on page 5

Technology

As indicated, through the use of technology, we are able to provide the patient with a combined estimation of their hospital and physician charges. We also utilize technology to augment our financial assistance policies through presumptive eligibility scores, which minimize a patient's need to provide supporting documentation.

Today's patients communicate through various channels. Our patients are no different. Patients are able to view their statements while in MyChart using Apex's Single Sign on Technology. They can also pay their bills through MyChart, which has mobile apps available for all devices.

Finally, we utilize technology in the form of State Collection Service's PPMS (Professional Practices Management System) software to track issues, establish escalation protocols, and to determine the root cause of issues to put in place the proper corrective actions. In addition to the PPMS software, we rely heavily on State Collection Service's use of advanced speech analytics to provide a feedback mechanism of our training and processes

Feedback

The creation of representative call scorecards coupled with our utilization of speech analytics allows us to monitor representative conversations in real time. The scorecard allows us to determine what we should measure, gives our representatives a comparison tool, and provides a feedback mechanism of any training needs. Other items we monitor through the use of speech analytics include the use of empathy and empowerment language, escalation alerts (including tone and language), and first call resolution.

By creating a closed loop feedback process, which starts with training and is augmented through technology, information, and processes, you can improve the overall patient financial experience while reducing your overall cost to collect.



welcome john moroz

john moroz, senior business development officer

With the healthcare revenue cycle becoming increasingly important to a provider's overall health and prosperity, it's important to work with a partner that has your best interests in mind with everything they do. I have been working in this market for 13 years and I have seen the good, the bad and the ugly. What's clear to me is that longevity and stability play an essential part of delivering performance and peace of mind. That's why I'm so delighted to be a part of the State Collection Service team.

State Collection Service is a family-owned company that has been around since 1949. Being a family-owned business for more than six decades means we understand the big picture and we invest to ensure top-quality performance. It means longevity, stability and commitment. While we remain committed to the principles of a family-owned business, we continue to develop our national presence and expertise in compliance and regulatory issues. We can afford to think long-term, plan for future industry changes and make sure that our clients and their patients are getting the best service from us. Many vendors in our industry cannot afford to take the same approach, as they're driven by short-term revenue and profit objectives. We believe that this can be a recipe for disaster. Increasingly, patient financial experience is at the top of mind for most CFOs and VPs of the Revenue Cycle. This means that your patients should be treated with the utmost respect and fairness when working with them. We are proud to be at the forefront of monitoring and implementing the necessary changes to reflect the ever-increasing regulatory changes facing our industry.

It is because of our family values – our commitment to remain ethical and abide by all rules – that we have been able to continuously grow our business and provide a differentiator that gives us an advantage when working with our provider clients across the country.

It's good to be a part of a family – it's good to be home!

State Collection Service is proud to announce that John Moroz has joined the organization as its new Senior Business Development Officer. Moroz brings more than two decades of sales and marketing leadership experience in technology and high growth enterprises. He brings a wealth of knowledge and experience in helping to grow sales in the healthcare revenue cycle market.

Prior to joining State Collection Service, Moroz held senior sales and marketing leadership positions at a number of high-profile firms around the country. He holds an MBA from the Monterey Institute of International Studies and a BA from the University of Minnesota.



three tips for driving the electronic billing experience that patients want

In the United States, consumers receive 24% of their bills electronically¹ – and that number continues to grow. When it comes to processing those payments, more than 50% are paid through the biller or banking website via computer or mobile device, and nearly 20% more are pre-authorized or paid via mobile device². Conventional wisdom has been that given the episodic nature of healthcare services, electronic adoption will never match that of wide-ranging consumer billing and payment trends. But that may not be the case

A recent study by InfoTrends reveals that while 8% of patients surveyed receive their healthcare bills electronically—25% cited that this was their desired state. Similar gaps exist between how patients are currently paying their healthcare bills and how they would prefer to pay them. For instance, 21% of patients said that they are paying their healthcare bills on the provider’s website today, while 30% would prefer this payment channel.

The report also explores the nuances of electronic delivery, as patients might prefer to receive these communications on the web, via email, on a mobile app, or via text message. Most patients who receive electronic healthcare bills today are being directed to a website to login and view them, but the preferences are shifting to mobile notifications.

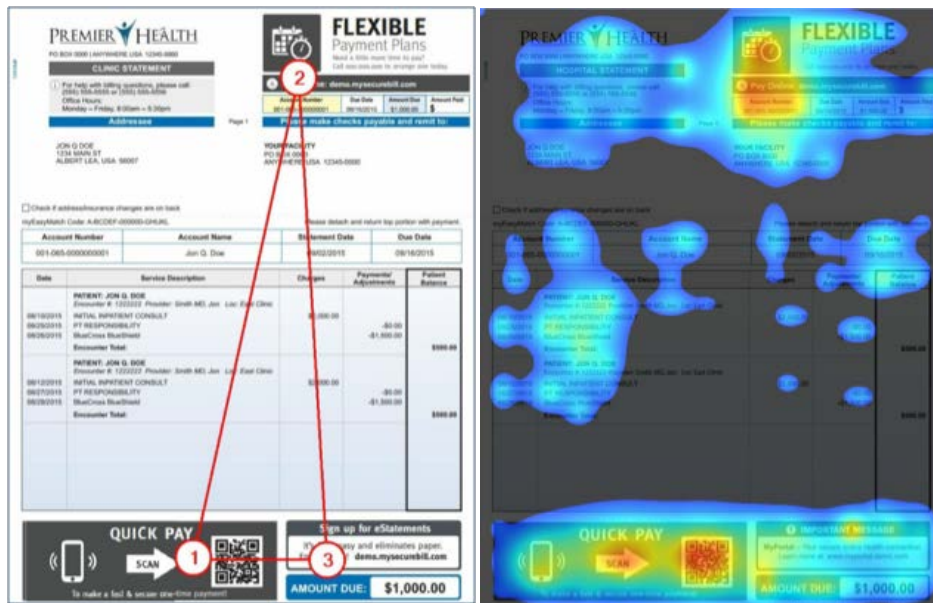
The gaps between patient preference and actual electronic adoption in healthcare suggest that electronic payment channels are either unavailable, not clear, or underutilized by healthcare providers. Given the complicated nature of healthcare billing, driving electronic adoption among the consumers requires a higher standard than other industries. This article focuses on three aspects required to drive electronic adoption in healthcare:

- Better design
- Outcome-based messaging
- Personalization

Better Design

Healthcare financial communications must be designed to drive the desired action based on the way people process information visually. Apex’s design is perfected using state-of-the-art 3M heat map technology to ensure a consumer’s eye pattern will naturally go to the desired information, in the preferred order, as they read their statement. Bills have a very high open and read rate (95%), however if we fail to control how information is consumed, it can lead to confusion – resulting in a poor patient experience and disappointing payment results.

As shown in the figure below, the Apex statement is designed to drive action in the three primary areas to which the eye is drawn – where patients will process information in the first 3-5 seconds of opening the bill.



continued on page 7

Apex applies a heat-mapping performance test to ensure the most critical elements of the statement are read and understood.

Outcome-based Messaging

Once we have a statement designed for the way humans process information, we can use that communications vehicle to focus on the actions we want them to take. Far too many healthcare statements present EVERY payment option to the patient, which is not only confusing, but ineffective.

If the goal is to drive electronic adoption, the messaging used in the primary calls to action should be clear to achieve your goals:

- Drive patients to adopt e-statements
- Drive patients to pay online
- Encourage patients to pay through a mobile device by scanning a QR code
- Encourage patients to sign up for recurring, electronic payments
- Drive more patients to sign up for patient portal



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Here's an example of how the right design and the right words can make a multi-million dollar difference when it comes to patient billing. A Florida health system was experiencing common revenue cycle struggles. They were experiencing rising self-pay accounts receivable and increasing bad debt. They had invested in online billing and payments, but it wasn't being used. Recognizing that they had a communications problem, they took the following action:

- Revamped their statement design to reduce confusion, and
- Applied strategic messaging to encourage patients to pay online.

The result was this:

- \$12 million turn around in self-pay performance
- 450% growth in e-statements, and
- A 10% reduction in costs, due to electronic adoption and fewer statement cycles sent

Personalization

Actions we drive must be appropriate for the desired outcome, but they must also be appropriate to the patient. It doesn't make sense to put too much focus on electronic payment tools that a portion of the population will not or cannot use. Understanding your patients is key.

The InfoTrends report reveals that patient preferences related to electronic billing and payments diverge based on generational factors, financial means, frequency of care, technical propensity, and even the type of encounter. Here are some examples:

- 17% of patients ages 18 to 24 noted that they prefer to access the majority of their healthcare bills through a mobile app, compared to just 5% of patients ages 45 to 54.
- The more visits a patient has per year, the more likely they are to miss a payment. But how we remind them to pay is key. Almost 30% of these patients would prefer a text message reminder, while 19% would prefer a letter to remind them.
- Of the patients who primarily use a website with a login to access their healthcare bills, 69% would prefer their access point to be via a patient portal versus a payment portal. This is especially true for patients who cited six or more visits to a doctor's office or hospital in the last year, which suggests that patients who more frequently require healthcare services prefer a central repository for their medical information.

By segmenting your patient population to drive electronic adoption for those who want it or are likely to want it, you have an opportunity – not only to increase the effectiveness of your communications, but to improve the patient experience. By developing financial communications from a point of patient understanding, you increase each patient's likelihood to pay, carve out cost, and demonstrate a level of empathy that shows patients you know them, which in turn solidifies patient loyalty.

¹Blueflame Consulting study

²The Western Union Money Mindset Index

2017 STRATEGIES TO ACHIEVE
Breakthrough Results

Please let us know what interests you!

Send your webinar ideas to steveb@stcol.com



State's Continued Charitable Giving Efforts

Each year State Collection Service employees dig deep into their pockets and hearts to donate time, money and items needed to a number of worthy charities. During the holiday season our company-wide fundraising efforts are turned to Adopt-A-Family or similar groups to ensure all families have gifts under the tree.



Over 450 Gratitude Grams (bags of candy) were purchased by employees and delivered to their colleagues the week of Thanksgiving as a kick-off fundraiser for the residents of DAIS!

Our Beloit, Milwaukee and Chicago offices all took part in community Adopt-A-Family fundraisers while our Madison office supported the local residents of DAIS (Domestic Abuse Intervention Services) for a second year. Many employees generously donated gifts from our Giving Tree. Our staff donated over \$600 for additional toys and gifts to be purchased. The Madison office also sponsored the DAIS holiday breakfast, held on Christmas morning, raising over \$120 for the event.

Celebrating the Holidays with State



Oh Baby!

Congratulations to Erin Guernsey, Early Out Supervisor in our Milwaukee Office, on the birth of her son, Ethan Hamilton Guernsey! Ethan arrived December 2nd, weighing 9lbs 1oz, 22 inches long.

Congratulations again to Erin and her family!

