

2022 Trends in Patient Payment Communications

How healthcare providers can ensure they're leaving no patient behind while implementing an industry-leading patient financial experience.



Introduction

The 2022 Trends in Patient Payment Communications report provides data and insights from a comprehensive survey conducted in the spring of 2022 by Salucro Healthcare Solutions. The report identifies key trends across the patient financial engagement experience with an emphasis on billing and payment communication preferences.

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Key Takeaways & Trends

There is no “one size fits all” communication solution for patients. It’s important for providers to invest in multiple engagement channels to ensure they successfully meet all of their patient’s expectations.

The most effective healthcare providers use a variety of delivery methods to communicate with their patients. While healthcare consumers continue to shift their communication preferences from paper to digital, it’s important for providers to offer digital tools while maintaining traditional methods of communication. 56% of respondents prefer digital billing communications, like email or text, but 39% still prefer paper statements – and the most successful providers have methods of engaging with a diverse patient audience through their preferred channels.

Regardless of the communication method, patients want a choice in how providers engage with them. Based on survey data, patients say that frequent, consistent, and personalized communication from healthcare providers is increasingly important, and 42% value the ability to choose the communication channel the most.

In order to engage all patients, providers need to implement flexible solutions that meet the patient where they are most likely to act.

56%
of Patients Prefer
Digital Billing
Communications Like
Email or Text

Some patients may want billing snapshots on their mobile devices while others prefer an itemized printed statement. In order to engage all patients, providers need to implement flexible solutions that meet the patient where they are most likely to act.

Like other U.S. industries, SMS (or text) messaging is an underutilized communication tool in healthcare. A growing number of consumers surveyed said they'd prefer text communications (13%) as a primary billing notification.

While a small portion of the overall survey sample preferred text messages to traditional methods, it's a growing segment and should not be overlooked. Patients were more likely to trust unknown text messages than unknown phone calls – 42% of respondents said they would answer a text message from an unknown phone number while only 20% would answer an incoming phone call from an unknown number.

Similar to the retail chains that patients are already engaging with, a variety of industries use text to communicate with consumers. Data shows that patients are starting to expect the same type of interactions with their healthcare providers.

42%
of Patients Value
the Ability to Choose
Their Communication
Channel the Most

When it comes to the overall billing experience, especially communicating balances and confirming payments, it is important to invest in simple, accurate, and flexible billing systems.

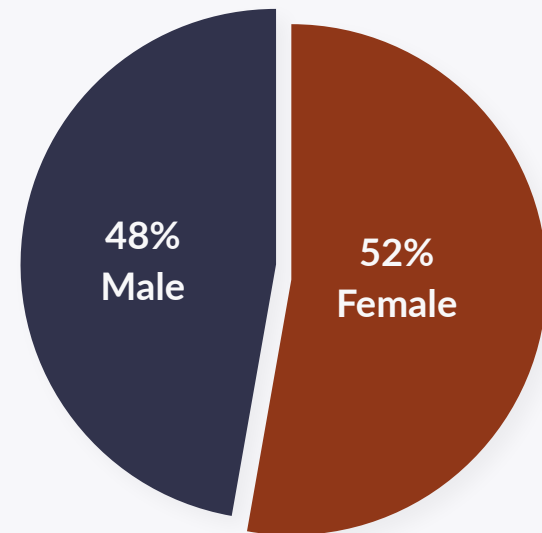
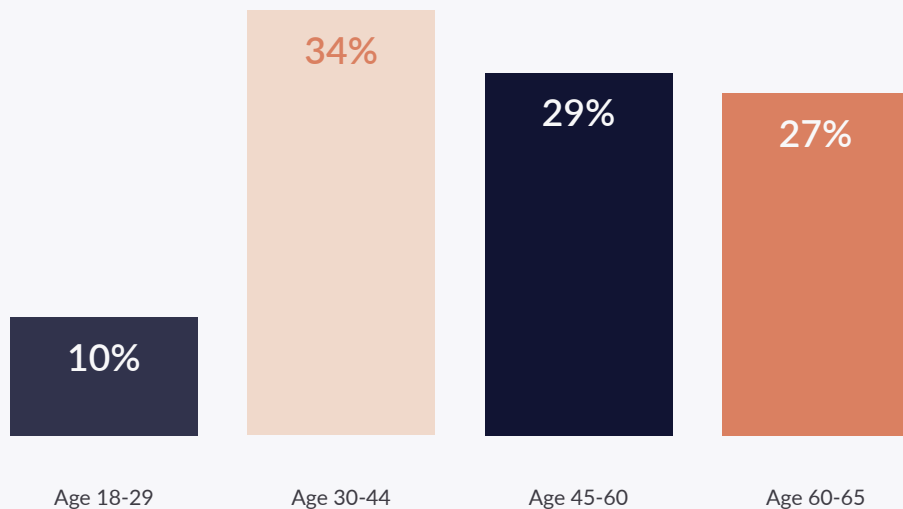
A lackluster patient financial experience remains the top reason a patient would consider switching providers. 41% of patients stated that they would consider switching providers due to a poor billing experience.

Now more than ever, it is imperative for providers to implement relevant, timely, and engaging communications for their patients.

Methodology

The 2022 Trends in Patient Payment Communications report includes survey data collected by Salucro Healthcare Solutions to aid healthcare providers in identifying patient communication and engagement preferences in the healthcare payments marketplace.

Salucro, a leading healthcare payments technology company, surveyed 1,365 U.S. healthcare consumers¹ in the spring of 2022. The respondents represent a targeted distribution of U.S. adults between the ages of 26 and 65 years old, with incomes between \$25K and \$200K, who paid a medical bill online within the last 18 months.



¹ - 1,365 survey respondents were chosen at random and were not affiliated with Salucro Healthcare Solutions, LLC or Salucro clients.

Statements & Billing

Choice is paramount to meeting the needs of all patients.

From medical treatments to methods of payment, there is no true “one size fits all” approach to healthcare. Consumers want options with all aspects of their healthcare, including how their provider communicates financial information.

When it comes to communicating critical billing information, patient choice is a necessity. 42% of surveyed patients ranked the ability to choose their provider’s communication method as the most important aspect of receiving statements and payment reminders.

While 56% of consumers prefer digital communications over traditional mail, 39% still wanted paper statements. This highlights the need for providers to adapt their communications and meet patients where they are – whether that includes a digital-first approach or more traditional methods.

Communications and Features

Set up your preferred account notifications.

Texting (SMS) Notifications Options and Features

New Balance Notifications

Text-to-Pay

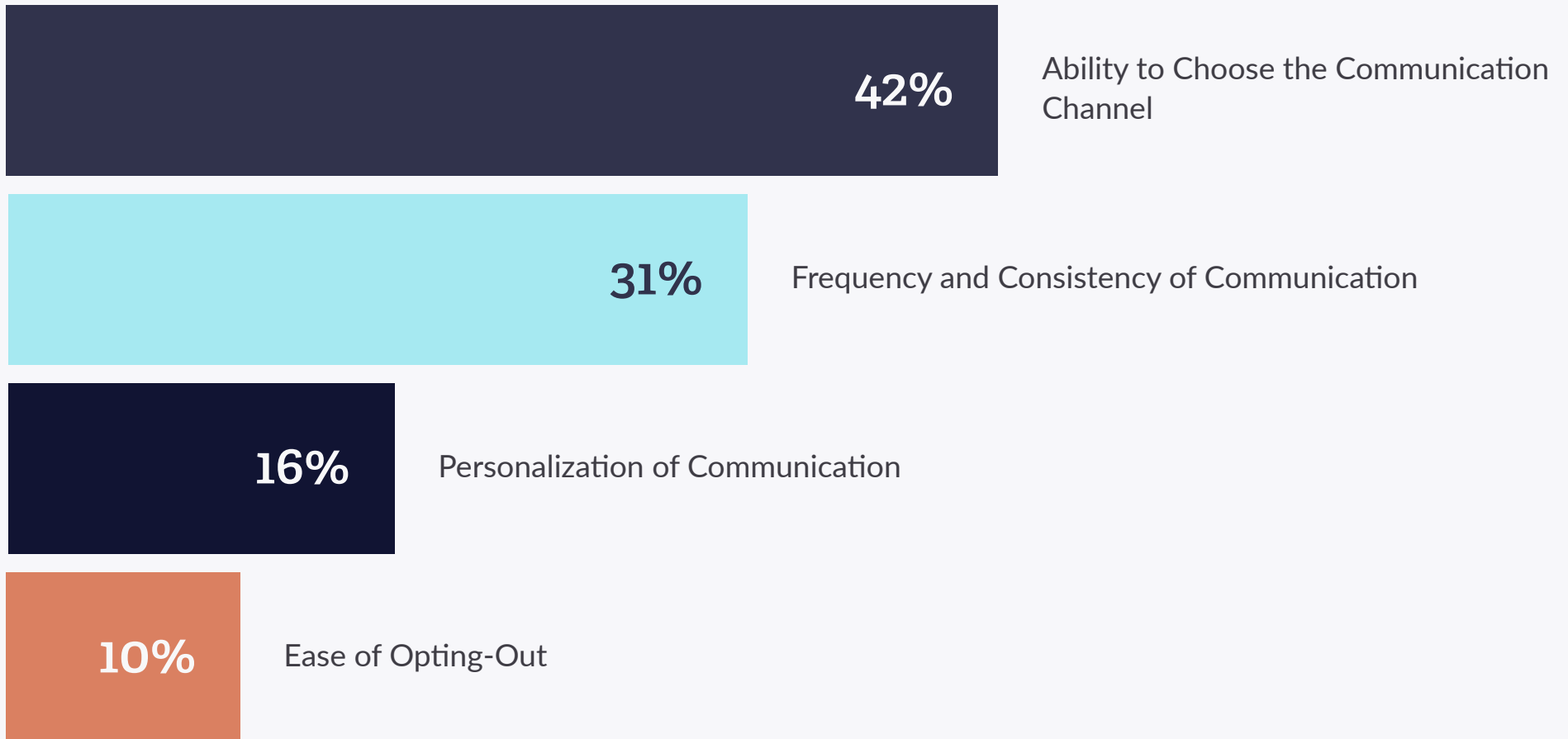
Yet, providers seem to lag behind other industries in adapting to consumer preferences. While patients continually adapt to new technologies, less than 40% of their providers implemented new billing communication methods in the last year.

Since 50% of patients would pay more quickly if their billing notification preferences were utilized, this presents a tremendous cash flow opportunity for providers.



When receiving a statement or payment reminder from your healthcare provider, which of the following is most important to you?

While patients rank frequent, consistent, and personalized communication from healthcare providers as important, 42% value the ability to choose the communication channel the most. **Patients want choices.**

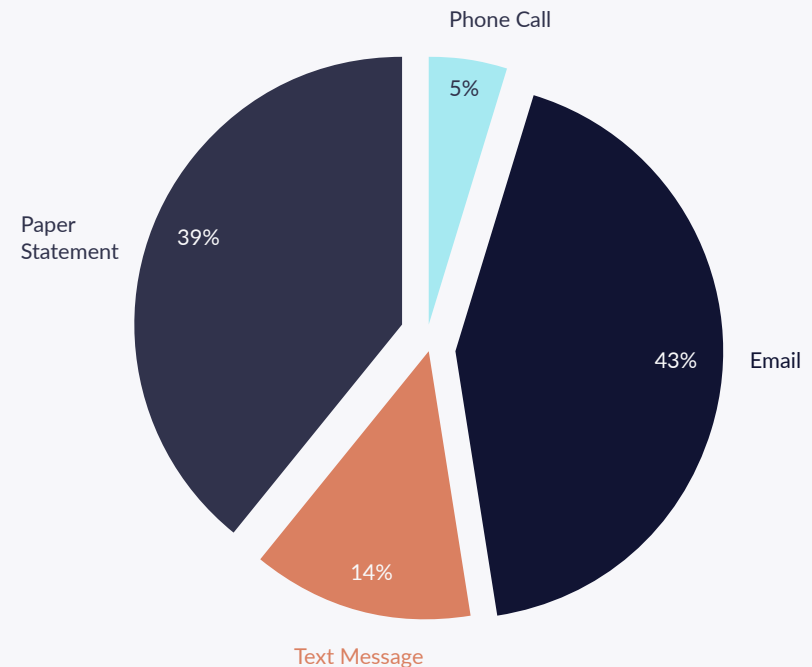


How would you prefer to receive a healthcare payment or new balance notification?

Not surprisingly, healthcare consumers continue to shift their communication preferences from paper to digital. 56% of respondents prefer digital billing communications, like email or text, compared to only 39% who would prefer a paper statement.

As consumers get more comfortable with using text messaging as a primary communication method with retail and service merchants, text can be anticipated to play a bigger role in healthcare communications.

Text messages outperform email when it comes to comparing open and response rates² and, if done right, could be a game changer for healthcare clinical and financial communications. **Patients more and more are showing preference for digital over paper.**

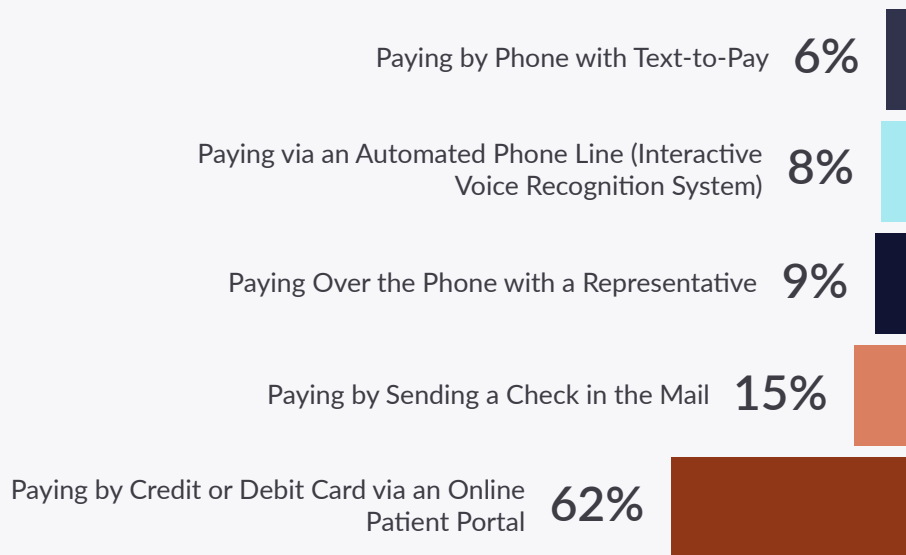
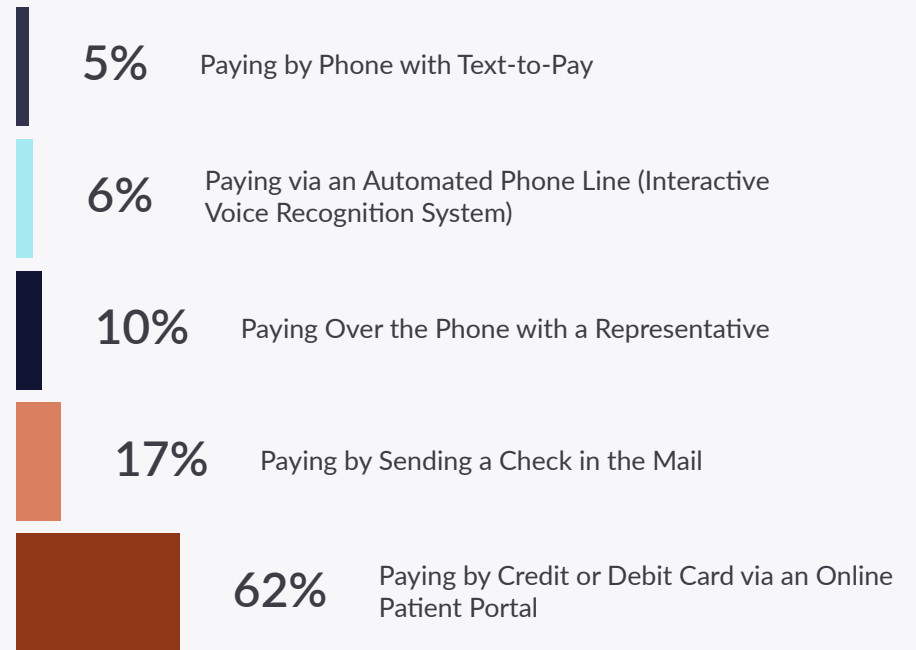


² - 2021 Local Business Messaging Trends. Podium. Retrieved June 23, 2022, from <https://www.podium.com/guides/2021-messaging-trends/>

Which method do you most often use to pay your medical bills?

While the traditional patient payment experience continues to begin with a statement in the mail, patients prefer to pay their bills using online payment portals now more than ever. But providers must offer a variety of options to meet all patients' needs.

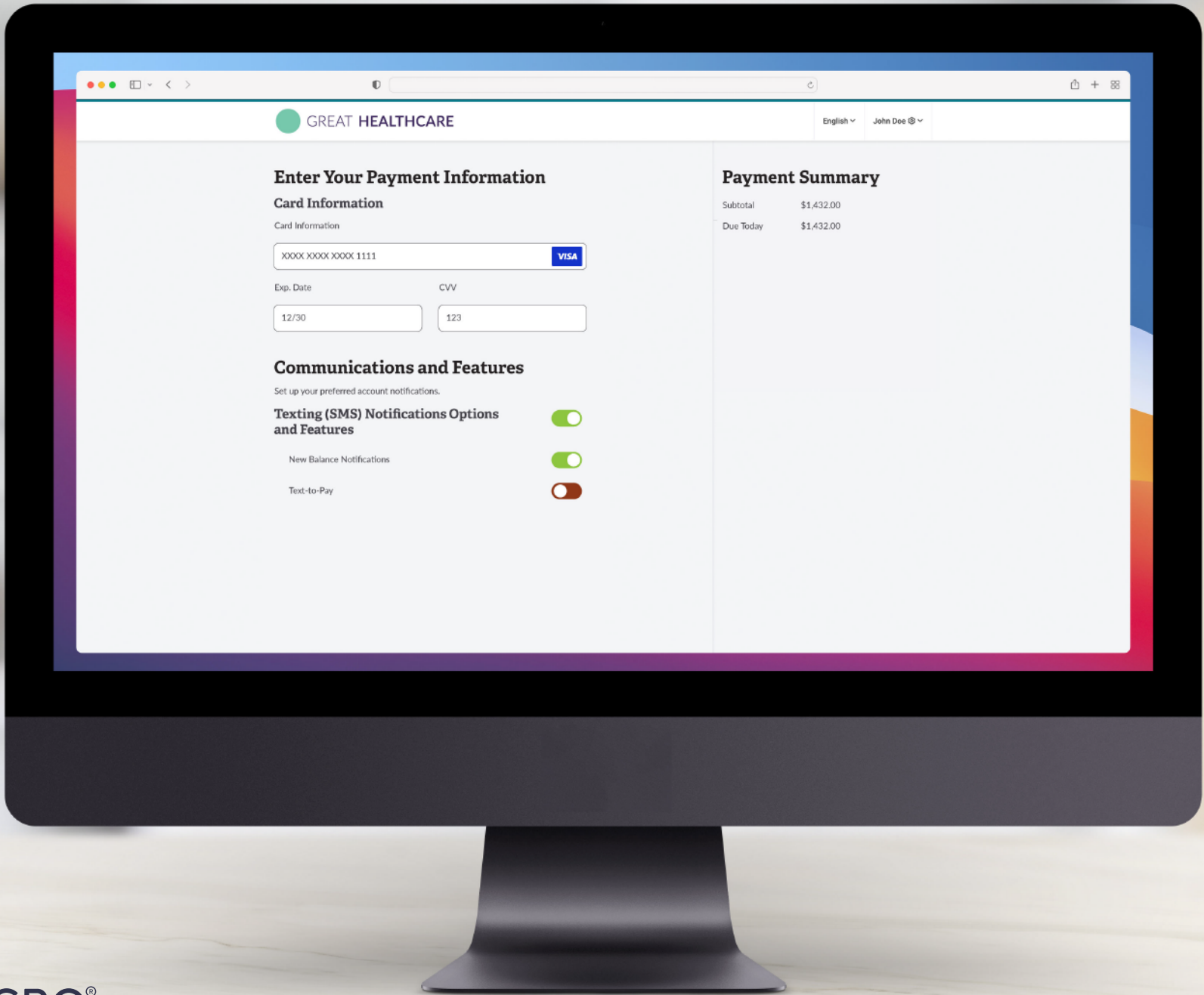
The percentage of patients who mail checks is almost equal to the number who pay over the phone. In addition, patients are beginning to favor using text-to-pay as their primary method for paying medical bills.



Given the choice, which method would you prefer to use to pay your medical bills?

Patient choices were nearly identical to how they make their payments. This supports the importance of meeting patient preferences. If providers build and offer the tools, patients will use them.

The slight increase in preferences in the text-to-pay space indicates that providers have a patient need that isn't yet being met.



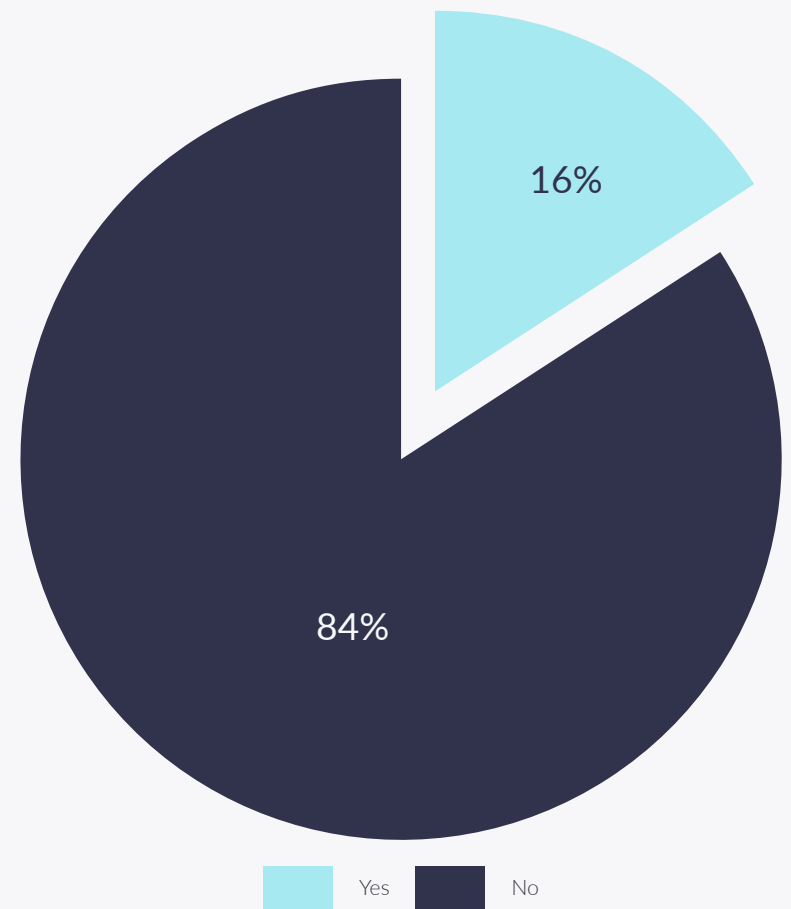
Have you ever completed a healthcare payment using text-to-pay?

Implementing relevant, timely, and engaging communications is vital to being competitive in the healthcare landscape.

Text message communications can play a growing role in developing relationships with patients. A recent study found that 65% of consumers³ feel more positive toward businesses that offer SMS messaging. Yet, many healthcare providers rely on older communication methods like voicemails and mailed letters to communicate with patients.

There is an increasing opportunity for U.S. businesses, including healthcare providers, to leverage texting as a primary communication method. Studies show that 98% of smartphone users use text messaging on a regular basis but only 14% of companies text with consumers.

These results are reflected in our data, with only 16% of surveyed patients making text-to-pay payments. Healthcare providers who embrace new communication methods, like text-to-pay, will stand out in a crowded market and reap the benefits of a 98% open rate compared to email's average open rate of 18%.

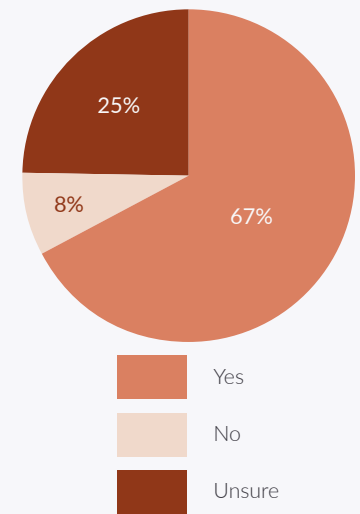


³ - 44 Mind-Blowing SMS Marketing and Text Statistics. SlickText. Retrieved June 23, 2022, from <https://www.slicktext.com/blog/2018/11/44-mind-blowing-sms-marketing-and-texting-statistics/>

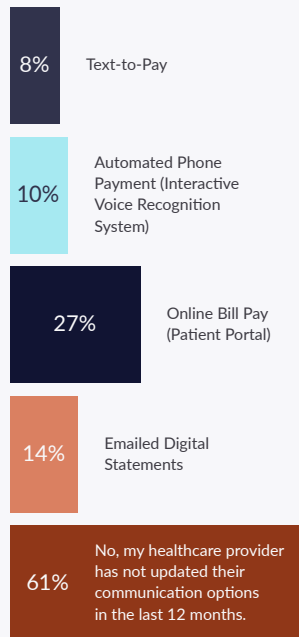
Does your current medical provider allow you to view your billing statement within their patient portal or mobile device?

Even though patients prefer to pay their bills using online payment portals, only two-thirds of respondents said their providers offered the ability to view their billing statement from within a patient portal, mobile device, or otherwise. This indicates a missed opportunity for a material number of providers and puts them at risk of slower payments, lower patient satisfaction, and weakened consumer loyalty.

If providers don't offer online or mobile access to billing statements, they are missing out on a faster time-to-pay, and may see decreased patient loyalty.



Has your healthcare provider offered any new billing communication options in the last 12 months? Choose all that apply.



COVID-19 reshaped the patient experience and increased demand for contactless interactions, and healthcare continues to see a shift in how consumers pay and communicate with businesses.

Even as telehealth services boomed during the pandemic, over 60% of providers haven't adopted any new billing or communication methods in the last 12 months.

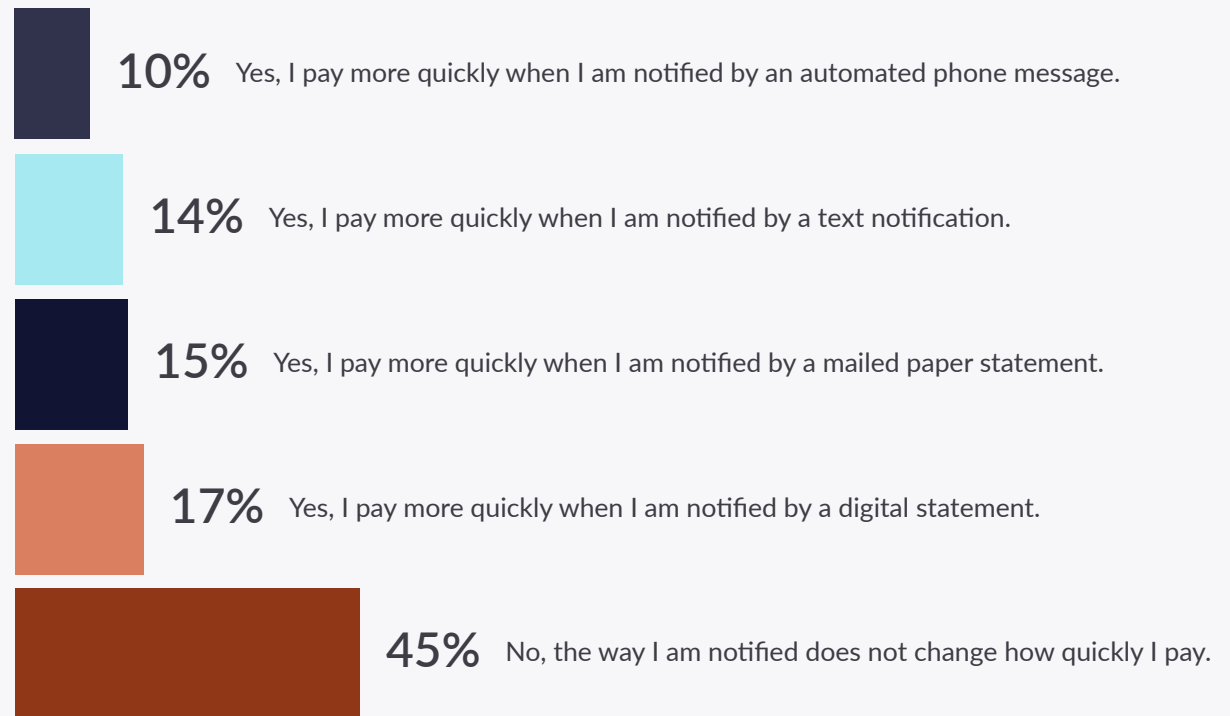
As the healthcare landscape becomes more competitive due to industry disruptors, like Amazon and CVS Health, providers have an opportunity to learn from leading digital-first retail merchants about how they are continuing to leverage digital tools while providing in-person services.

Does the way you receive your healthcare bill impact how quickly you pay?

Listening pays off. When providers use a patient's preferred communication method to send bills and ask for a payment, they get paid faster.

While no single method stood out from the rest, more than 50% of respondents said they would pay their bills more quickly if they were delivered using their preferred notification method. Patients want choices when it comes to their healthcare, including how they receive financial information. Surveyed patients varied evenly across notification preferences – 17% preferred digital statements, 15% paper statements, 14% text messages, and 10% automated voice messages.

Want to get paid faster? Build a comprehensive portfolio of billing notifications and make them quickly and easily available to your patients.

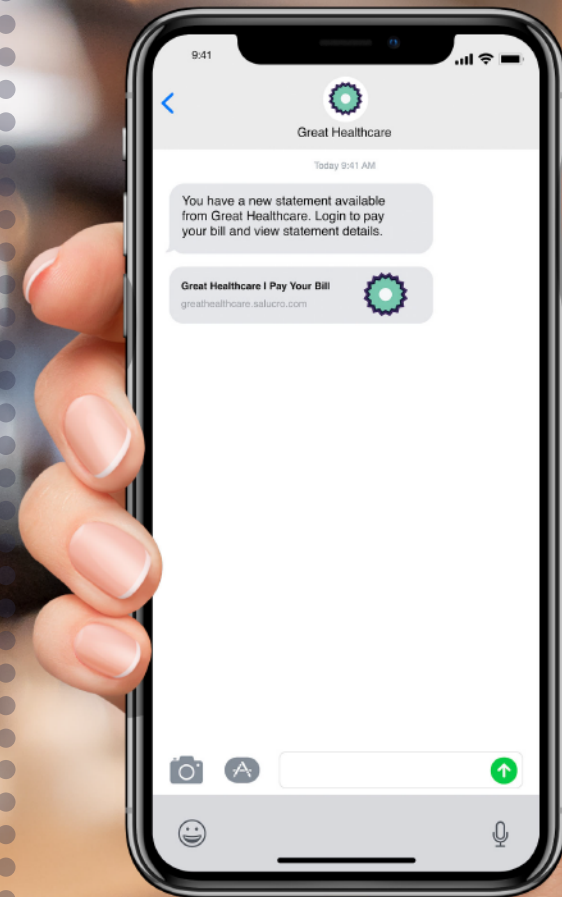


Communication Preferences

There is no one way to communicate with patients. Each patient is unique and dynamic.

When it comes to receiving billing information, most patients prefer emailed statements (43%) or mailed statements (36%). Consistent with other U.S. industries, a growing number of surveyed consumers said they would prefer text communications (13%) as a primary billing notification.

Text message communications can play a big role in expediting payments and developing relationships with patients. When done right, text messages outperform email in open rates (98% vs. 18%). They also strengthen patient satisfaction and loyalty, with 65% of consumers saying they feel more positive toward businesses that offer text messaging as a communication method. Yet, American businesses seem to lag behind other nations when it comes to sending text messages to customers.



98% of smartphone users use text messaging on a regular basis but only 14% of U.S. companies use the channel to communicate with customers.

Interestingly, patients seem to trust unexpected text messages more than anonymous phone calls. Patients are twice as likely to open a text from an unknown number than answer an unknown incoming call. A well-written text message can alleviate a patient's concern that the notification is a scam and result in faster payment.

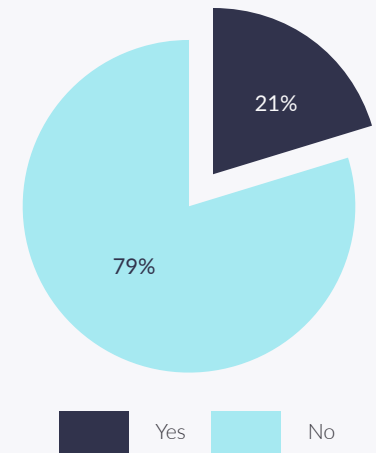
Implementing diverse and engaging communication methods is vital for medical providers to stay competitive in the ever-changing healthcare landscape.

Would you answer a call from a phone number you did not recognize?

Nearly 80% of respondents would not answer a call from an unknown number. With cyberattacks and telephone scams on the rise, it makes sense that consumers would avoid unknown phone numbers. 48% of Americans⁴ receive spam phone calls every day.

Sometimes these calls are from legitimate companies, but too often they are scams. In 2021, 1 in 3 Americans reported⁵ falling victim to phone scams with lost money totaling an estimated \$29.8 billion. 60% of these scams involved robocalls.

While 10% of patients prefer automated phone messages, it's paramount for providers to recognize that most of their outgoing calls will go unanswered. It's more important than ever to provide the same billing information across multiple communication channels to ensure patients receive timely financial information from their preferred channel.

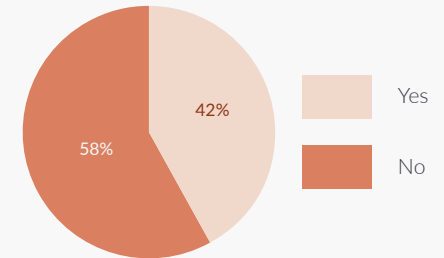


⁴ - *The Annoyance Engine*. Business Insider. Retrieved June 23, 2022, from <https://www.businessinsider.com/why-so-many-spam-robocalls-how-to-stop-them-2021-3>

⁵ - *2021 U.S. Spam & Scam Report*. Truecaller. Retrieved June 23, 2022, from <https://truecaller.blog/2021/06/28/us-spam-scam-report-21/>

Would you answer a text message from a phone number you did not recognize if it identified itself as your healthcare provider?

42% of respondents said they would answer a text message from an unknown phone number while only 20% would answer an incoming phone call from an unknown number – possibly explained by Americans receiving about half the number of spam texts⁶ per month compared to spam phone calls.



From a provider's perspective, a well-written text message that includes a patient's balance - along with an opt-out option and a call-to-action - could mitigate a patient's concern about its legitimacy. **Consumers are twice as likely to answer an unknown text message compared to an unknown incoming phone call.**

Would you be interested in receiving SMS text message billing notifications from your healthcare provider instead of phone calls or emails?

45%

Yes

Even though 85% of customers⁷ prefer receiving text messages over phone calls or email, 55% of patients still tend to favor traditional billing methods.

55%

No

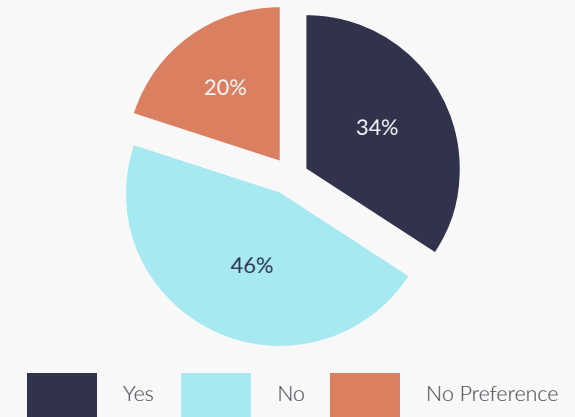
As consumers continue to interact with other businesses via text messages, their comfort level interacting with healthcare providers will increase. While many patients prefer traditional methods, more than half of all respondents prefer digital billing notifications.

⁶ - Spam texts and phone scams are on the rise: Here's how to protect yourself. CNBC. Retrieved June 23, 2022, from <https://www.cnbc.com/select/how-to-protect-yourself-from-spam-texts-phone-scams/>

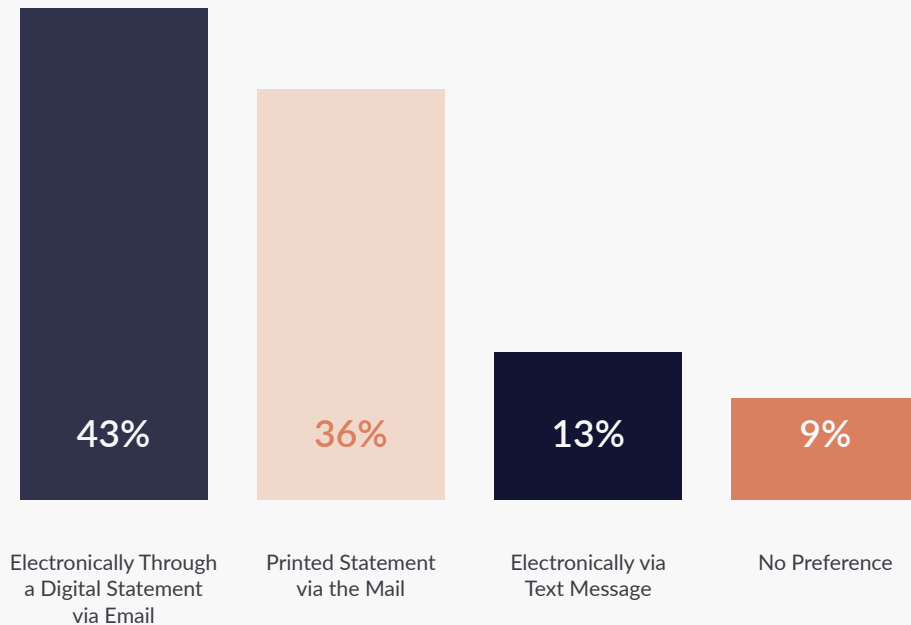
⁷ - Businesses, Take Notes: Your Customers Prefer Texts. PC Mag. Retrieved June 23, 2022, from <https://www.pcmag.com/news/businesses-take-note-your-customers-prefer-texts>

Would a payment reminder, sent via text message, prompt you to pay your medical bill faster?

It's important for providers to use a multipronged approach to payment reminders. When providers send reminders based on their patients' preferences, they demonstrate a willingness to adapt to their needs. For some patients, this may be an email reminder, for others a text reminder.



What type of statement delivery or balance notification would you prefer?



It's important for providers to diversify their communication portfolios. No one delivery method for statements and balance notifications suits the preferences of all patients.

While most patients ranked emailed digital statements (43%) as their preferred delivery method for statements and balances, a similar portion still prefers paper statements (36%), and a growing number selected text messages (13%) as their top delivery method.

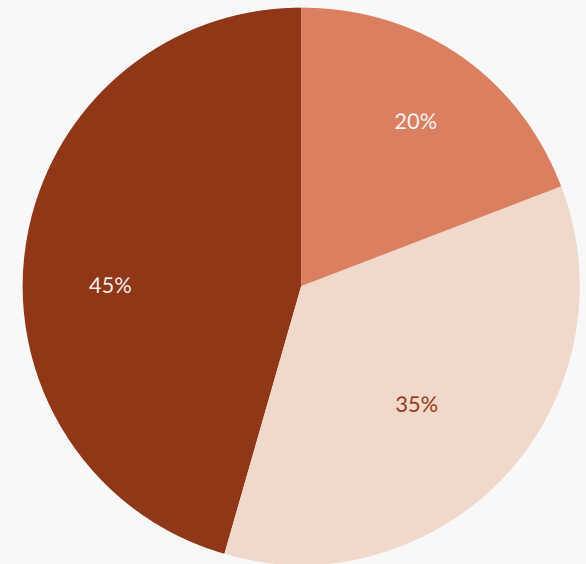
Keep in mind, a patient's preference may shift back and forth depending on their balance amount, financial situation, or their location when they make the payment.

Has your healthcare provider asked you what your preferred method of communication is?

Almost half of providers (45%) haven't asked their patients about their billing and communication preferences.

Since most patients (50%) are likely to pay their bills more quickly when their notification preferences are used, this presents a tremendous opportunity for healthcare providers. First, providers need to develop a variety of communication methods like email, text message, paper statements, and automated phone billing reminders to their patients. Next, providers need to make their consumers aware of their offerings during office visits. Once patients are aware of the available communication methods, they will be more likely to sign up in person or online.

Educate patients about their communication options.



- My preferences were discussed and updated at the point of service.
- I updated my preferences in the patient portal.
- My healthcare provider has not asked me about my communication preferences.

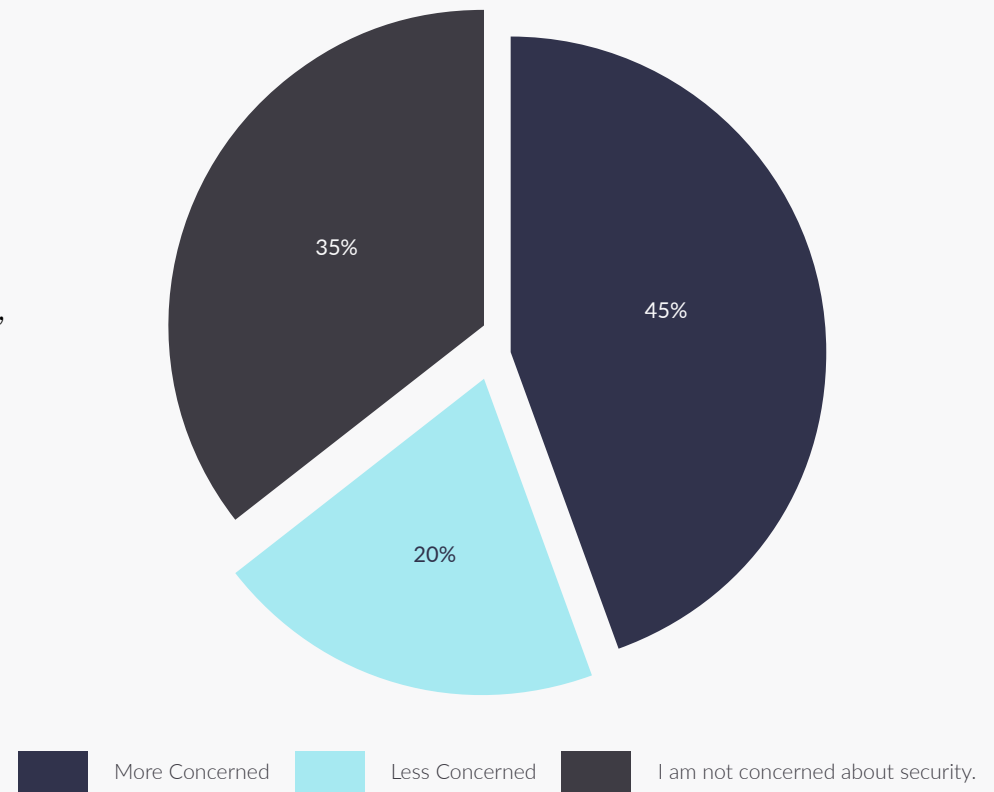


When you receive a billing statement electronically, are you more concerned or less concerned with the security and privacy of your personal information when compared to a statement sent in the mail?

With cyberattacks on the rise⁸, it's no surprise that 45% of respondents said they were more concerned about the security and privacy of their data when electronic billing statements were delivered to them.

Healthcare data breaches are the costliest of any industry at an average of \$9.23 million per incident. Not only do these breaches threaten healthcare providers' bottom lines, but they also impact their reputations. Last year, 54% of surveyed consumers⁹ said a data breach would have a major impact on their provider's reputation.

Healthcare providers have an opportunity to reinforce consumer confidence by communicating the actions they are taking to keep patient financial data safe.



⁸ - *Strategies To Stop Healthcare Payment Data Breaches Before They Happen*. Salucro. Retrieved June 23, 2022,

from <https://www.salucro.com/home/2022/01/strategies-to-stop-healthcare-payment-data-breaches-before-they-happen/>

⁹ - *2021 Patient Payment Technology Report*. Salucro. Retrieved June 23, 2022, from <https://www.salucro.com/home/content-and-resources/downloads/2021-patient-payment-technology-report/>

Provider Loyalty & Expectations

Patients want accurate bills, and they want to choose how to receive them.

Providers will lose consumer confidence if they send incorrect bills – 41% of patients stated they'd consider leaving their provider due to a poor billing experience. It's also important for providers to identify, understand, and respond to their patients' communication preferences. 19% said they would switch to a new provider for neglecting to use a preferred delivery method.

From sending billing statements to confirming payment transactions, it's important for providers to meet patients where they are in their financial journey.

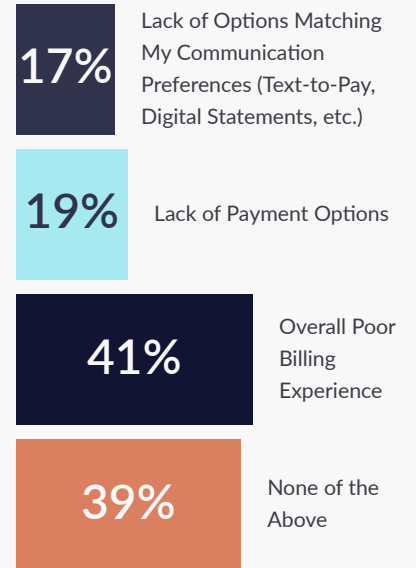
41%
of Patients Would
Consider Leaving Their
Provider Due to a Poor
Billing Experience

Aside from the quality of care, which of the following would cause you to consider switching healthcare providers?

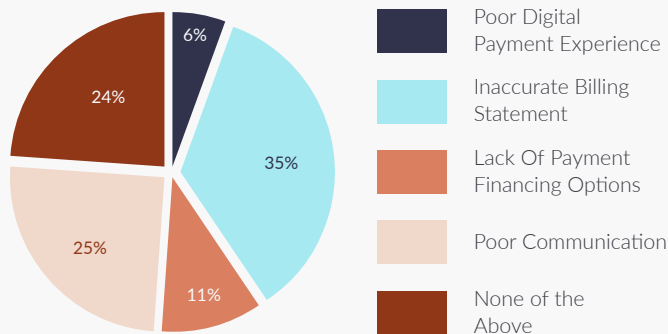
The billing experience plays a considerable role in maintaining consumer loyalty.

It's important for consumers to have choices when it comes to receiving statements and making payments. 36% said they would consider switching to a provider that offered more payment options or if their communication needs weren't met.

Consumers want simple, accurate billing with multiple payment and communication options.



What experience would cause you to write a negative review about your healthcare provider?



46% of consumers¹⁰ use online reviews to help them choose a healthcare provider. As more and more patients use aggregated review services to “shop” for their medical providers, negative reviews will impact a healthcare provider’s ability to attract new patients.

It’s no secret that billing errors frustrate both patients and providers. Not only do billing errors waste time, money, and resources, they also tarnish a provider’s reputation. **When it comes to billing, accuracy matters most.**

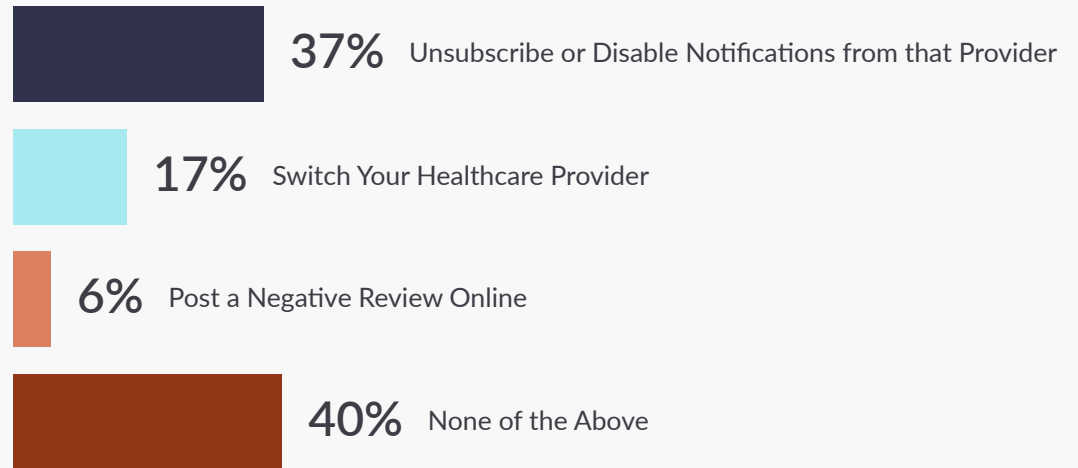
10 - Healthcare Consumer Insight & Digital Engagement Survey. binaryfountain. Retrieved June 23, 2022, from <https://go.binaryfountain.com/rs/425-FDD-771/images/Binary-Fountain-Healthcare-Consumer-Insight-And-Digital-Engagement-Survey-Infographic.pdf>

If your healthcare provider initiated communication with you in a way you would not prefer, would you do any of the following?

20% of respondents said they would leave a negative review about a provider due to poor communication. In addition, 37% of patients would unsubscribe or disable notifications from their healthcare provider if they didn't use a preferred communication method. It's critical for providers to offer multiple communication channels to connect with their patients.

Once a patient designates their communication preference, providers need to use it. Otherwise, they may lose the ability to contact their patient for clinical or financial information. It's important to understand your patient's communication preferences.

Communication drives loyalty.



Conclusion

Patients want choices with all aspects of their healthcare, including how their provider communicates financial information.

While patients value frequent, consistent, and personalized communication, 42% value the ability to choose their provider's communication channel the most. When it comes to receiving billing information, most patients prefer emailed statements (43%) or mailed statements (36%). Consistent with other U.S. industries, a growing number of surveyed consumers said they'd prefer text communications (13%) as a primary billing notification.

While 62% of surveyed patients use patient portals to pay their medical bills, the percentage of patients who mail checks is almost equal to the number who pay over the phone. In addition, patients are starting to use text-to-pay as their primary method for paying medical bills.

To establish and maintain patient loyalty, it's important for providers to invest in accurate and flexible billing systems that include a variety of delivery methods.

There is no “one size fits all” patient engagement tool – a successful patient financial engagement model is one that prioritizes each patient's choice and preference overall.

41% of respondents stated they'd consider leaving their provider due to a poor billing experience.

There is no "one size fits all" patient engagement tool – a successful patient financial engagement model is one that prioritizes each patient's choice and preference overall.

Healthcare consumers continue to shift their billing communication preferences from paper to digital. In order to meet the needs of all patients, providers need diverse communication portfolios that include both traditional and modern forms of communication.

Providers should embrace continued focus on leaving no patient behind and delivering a variety of methods to engage all types of patients.

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About Salucro

Salucro is a Healthcare Financial Technology Company Exclusively Focused on Patient Payments and Billing.

From online bill pay solutions to provider-facing payment integrations, the Salucro platform brings cohesive payment experiences to healthcare providers, patients, and third-party collection agencies. As a PCI DSS Level 1 Service Provider, Salucro belongs to an elite group of organizations worldwide that have earned HITRUST CSF Certified status, proving Salucro's continued commitment to managing risk and improving payment security and compliance.

We are passionate about delivering payment technology to the healthcare market, including hospitals, health systems, physician practices, and ancillary service providers, along with other revenue cycle service and technology companies. To learn more visit salucro.com.

This report and its syndication was sponsored in part by Visa, the world leader in digital payments.

About Visa

Visa (NYSE: V) is a world leader in digital payments, facilitating more than 215 billion payments transactions between consumers, merchants, financial institutions and government entities across more than 200 countries and territories each year. Our mission is to connect the world through the most innovative, convenient, reliable and secure payments network, enabling individuals, businesses and economies to thrive. We believe that economies that include everyone everywhere, uplift everyone everywhere and see access as foundational to the future of money movement. Learn more at [Visa.com](https://visa.com).