



PYMNTS®



June 2023

The Healthcare Industry Needs a Dose of Money Mobility

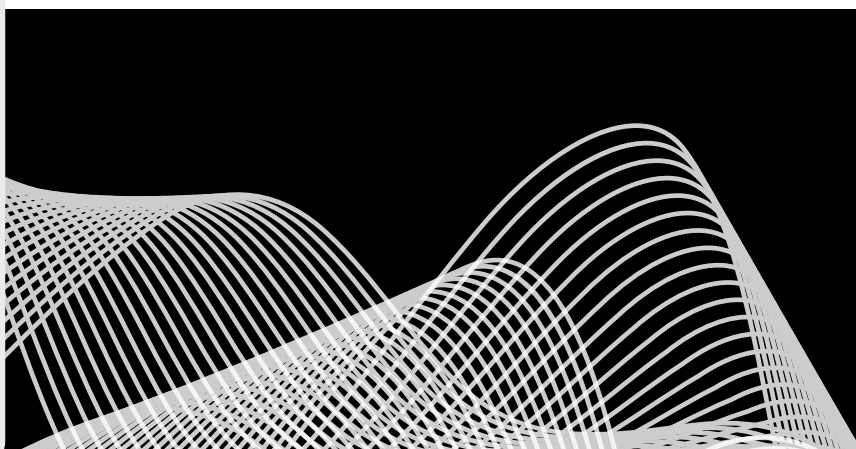
Money Mobility Tracker® Series

■ Read the previous edition



APRIL/MAY 2023
Money Mobility Tracker® Series

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Acknowledgment

The Money Mobility Tracker® Series is produced in collaboration with Ingo Money, and PYMNTS is grateful for the company's support and insight. PYMNTS retains full editorial control over the following findings, methodology and data analysis.

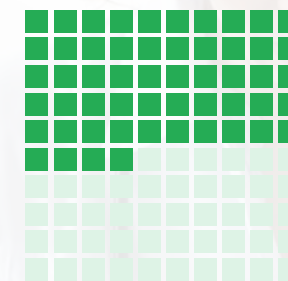
Need to Know

Payments in Healthcare Are Plagued With Pain Points

Healthcare can be a source of frustration and stress in the lives of too many consumers. However, while the cost and quality of care have received much focus in recent years, less attention is paid to another key part of the equation: how consumers actually pay for their health-related products and services.

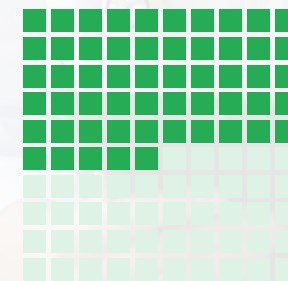
According to a recent PYMNTS report, 54% of consumers dealt with [at least one pain point](#) during the payment process in the past 12 months, with more than one in five consumers reporting the process to be difficult. These findings are not particularly surprising, as most providers still rely on paper and manual procedures for [patient collections](#), leading to a host of problems.

Many consumers are unhappy with the payment experience in healthcare.



54%

Share of consumers who dealt with a healthcare payment-related pain point in the past 12 months



55%

Portion of providers that primarily use mailed paper statements to collect payments from patients

Need to Know

Consumers find healthcare payments to be slow and confusing.

Although there are several problems with the healthcare payment process, a few stand out. To begin with, the majority of consumers have trouble understanding what they are paying for and when. According to InstaMed, 76% of consumers received an [unexpected medical bill](#) and 71% are confused by their healthcare bills.

This confusion stems partly from a payment process that is often slow and opaque. Nearly half of consumers do not know how much they [owe providers](#), and it can take some time for them to be presented with this information, with 68% receiving their [medical statements](#) more than a month after service.

Adding to this difficulty is that, between medical providers and insurance companies, consumers often must navigate [multiple platforms](#) to receive and pay for healthcare services. Further, many consumers are unhappy with the available payment options, with nearly 30% having [abandoned a transaction](#) because of an inability to pay with a credit or debit card.

The healthcare disbursement process is beset by similar problems. According to InstaMed, 61% of consumers identified the slow process as the most frustrating part of [receiving a refund](#) from a healthcare provider, while PYMNTS found that companies provided consumers with a choice of healthcare [disbursement method](#) only 57% of the time — less than for any other type of insurance payout.

The poor speed and clarity of the [payment process](#) in healthcare remain major pain points, confusing consumers and creating frustration.



68%

Share of consumers who received a medical bill more than a month after service



71%

Share of consumers who are confused by their medical bills

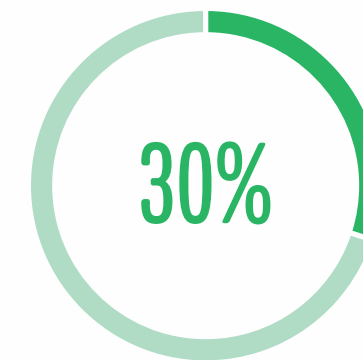
Need to Know

Providers want to improve their payment systems, but many are struggling to do so.

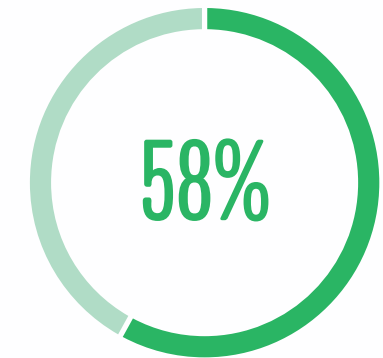
Providers are aware that improvements are needed in the healthcare payment experience. According to recent studies, 58% of providers believe there is room for improvement in the seamlessness of their current systems, and only 42% of providers are satisfied with their existing patient-facing payment solutions.

Many companies have tried to adopt better platforms or are seeking to do so, but this can be a challenge, with 30% of providers reporting that their implementations of new payment solutions in the past five years have not been successful. Problems include companies' over-reliance on inflexible legacy systems, a lack of resources to invest in new solutions and concerns over patient privacy and HIPAA-compliance requirements. Nonetheless, payments modernization is an important way for providers to enhance customer satisfaction and improve operational efficiency, and, if done correctly, these efforts can be successful.

Healthcare companies are often aware that improvements are needed, but many have struggled to implement better payment platforms.



Share of providers that viewed their implementation of payment solutions in the past five years as **unsuccessful**



Share of healthcare companies that feel there is room to improve the seamlessness of their payment systems

News and Trends

New Partnerships and Products Bring Payments Innovation to Healthcare

Romanian insurance giant SIGNAL IDUNA has launched Easy Pay, a virtual card to streamline the [health insurance process](#). Employees of companies insured by SIGNAL IDUNA can use [the virtual card](#) to access any medical provider in the country, even those outside the SIGNAL IDUNA network.

Policyholders can request the virtual card and, once provisioned, SIGNAL IDUNA will transfer the amount of money needed onto the card prior to the appointment. Users can add the virtual card to their digital wallets, including Google Pay and Apple Pay.



News and Trends



PayGround partnership helps healthcare companies with cost transparency and payments

Healthcare FinTech PayGround has partnered with Collectyve Health, a healthcare data aggregator, to help providers meet their regulatory obligation for [price transparency](#). Following the 2021 No Surprise Billing Act, healthcare providers are obligated to show — per what are known as self-pay Good Faith Estimate (GFE) requirements — the expected total costs for a given service based on a self-pay/uninsured patient upon request within 24 to 72 hours.

Healthcare companies can comply with these requirements by using the Hyve-GFE Exchange (The Hyve). The Hyve uses PayGround's invoicing platform to create both an electronic and a paper estimate, and providers can then direct patients to this document via an online portal where the patient can make a payment.

News and Trends

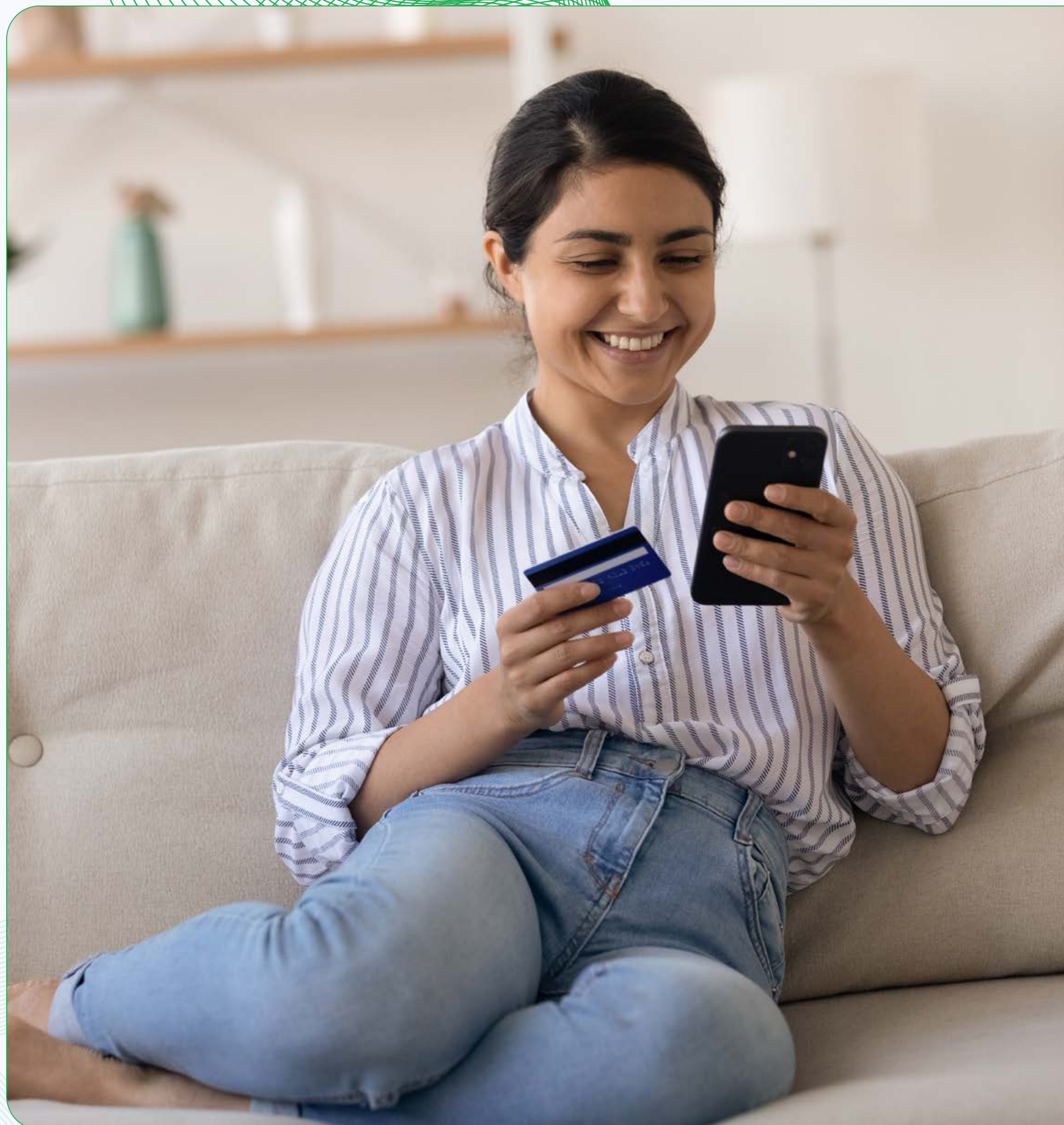
Weave rolls out solution to streamline healthcare bill payments

Weave, a communication and engagement platform for small to mid-sized businesses, announced it has added [Online Bill Pay](#) to its suite of products. The solution empowers businesses to generate, send and embed a link for customers to pay their bills online. In the press release, Weave emphasized that the product will enable healthcare providers to collect revenue faster while offering better digital experiences to customers.



45%

Share of customers more likely to pay an invoice quickly if they receive a link to pay via a text message



PYMNTS Intelligence

Healthcare Payment Platforms Increase Customer Satisfaction While Reducing Costs

Healthcare companies stand to benefit from the adoption of modern payment methods and digital platforms, whether for payments or for disbursements. Although this process is not always easy, as evidenced by the high rates of [unsuccessful implementations](#), it is nonetheless necessary. The problems with existing payment solutions are so bad that 42% of consumers would switch — or already have switched — healthcare providers for [an improved payment experience](#).

The profusion of digital solutions and technological innovations in recent years has shifted consumer preferences and raised their expectations for smooth, convenient experiences in all parts of their lives, and healthcare is no exception. Fortunately, this also means there are now countless solutions that healthcare companies can adopt, with technology providers available to help, so payments modernization is well within reach.



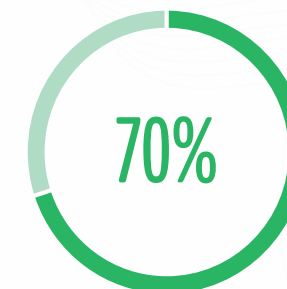
PYMNTS Intelligence

Digital platforms are a powerful way for providers to create simple and seamless experiences.

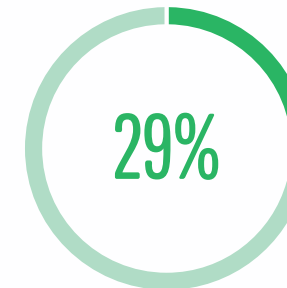
Digital platforms that can handle a variety of payment and disbursement needs are one of the best tools for healthcare providers. These platforms often come with an array of helpful [features and capabilities](#), including support for [multiple payment methods](#) and automated recurring payments, the ability to save users' payment information for later use and notifications and communication channels for customers to get payment reminders and other pertinent information.

A major benefit of adopting these solutions is that they are very popular. According to PYMNTS research, 79% of consumers want to pay all their medical bills through a [single digital platform](#) — and interest is even higher among consumers who have experienced pain points, with a striking 92% of these consumers in favor of such a platform.

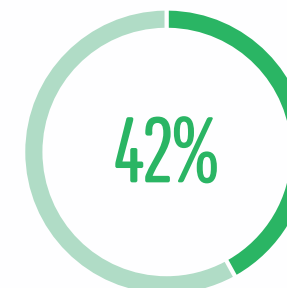
Digital platforms can enhance the customer experience in a variety of ways.



Share of patients who paid a balance through a digital platform or portal and were highly satisfied with the experience



Share of patients who said these platforms made the experience more convenient



Portion of consumers who have switched or would switch providers for a better [healthcare payment experience](#)

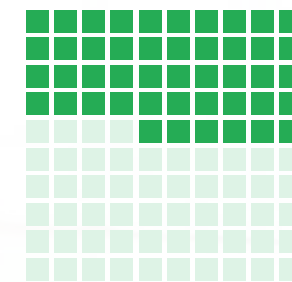
More importantly, the consumers already using digital platforms are satisfied with the experience, with 70% of patients who [made payments](#) through this type of platform highly satisfied with the process, according to a PYMNTS survey. Of those using digital platforms, 29% said they made the experience more convenient and 25% said these platforms made it easier to access account information.

PYMNTS Intelligence

Real-time payments can improve how customers pay and receive disbursements.

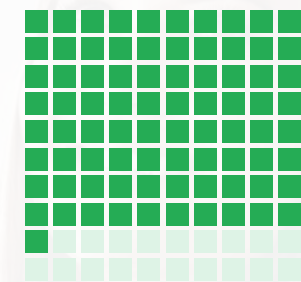
Because customers and healthcare providers alike are concerned with the slow pace of healthcare payments, real-time payments and other faster payment methods are another important area of innovation. Faster payment solutions are quite popular with consumers, with nearly one-quarter choosing [instant disbursement options](#) when given the choice.

For healthcare companies, real-time payments can [reduce costs](#) and improve cash flow, as providers receive funds faster and can spend less time tracking down and waiting for outstanding payments. Already, 46% of healthcare companies support [real-time payments](#) in some capacity, and 81% plan to keep investing in this technology.



46%

Portion of healthcare companies that support real-time payments



81%

Share of healthcare companies that will keep investing in real-time payments

Chart of the Month

Nearly One-Third of Consumers Use Digital Portals to Pay for Healthcare

A PYMNTS survey found that consumers of all ages are [making healthcare payments](#) in a variety of ways. Overall, 75% of respondents reported having paid for a healthcare product or service in the past 12 months. Nearly 36% of consumers made a payment in person at a doctor’s office or hospital, making it the most-cited way to pay. In close second place, at 29%, were payments through a digital portal. Other answers included payments made by mail, phone and physicians’ websites.

How consumers make healthcare payments

Share of consumers who have used select methods to pay for a healthcare service or product in the last 12 months

	SAMPLE	Generation z	Millennials	Bridge millennials	Generation x	Baby boomers and seniors
Made a payment for ay healthcare product or service in the last 12 months	75.1%	76.3%	80.1%	80.8%	75.3%	70.1%
Made a payment in person at a physician's office or hospital	35.7%	32.5%	34.0%	35.2%	36.1%	38.0%
Made a payment through a digital portal	28.9%	31.3%	38.5%	39.8%	27.3%	20.5%
Made a payment via mail	20.9%	21.2%	26.7%	26.8%	16.8%	18.8%
Made a payment via phone	16.6%	23.8%	22.0%	20.7%	15.3%	9.8%
Used a payment plan to pay a bill over several months or years	15.0%	13.0%	22.5%	22.6%	17.2%	7.4%
Made a payment through a physician's website	13.1%	8.1%	19.8%	21.5%	14.2%	8.0%
Made a payment through an HSA portal	8.5%	9.5%	14.7%	15.6%	9.2%	2.1%

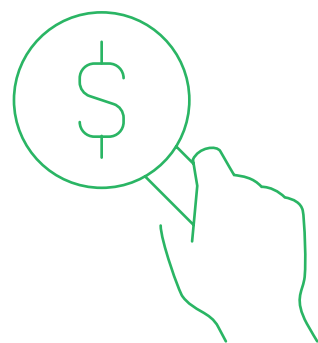
Source: PYMNTS
 The Digital Platform Promise: How Patients Want to Streamline Healthcare Payments, February 2023
 N = 2,515: Complete responses, fielded Sept 7, 2022 – Sept. 23, 202

KEY FINDINGS

01

PAYMENT PROBLEMS

Consumers are frustrated with the healthcare payment experience, with many finding the process to be slow and confusing.



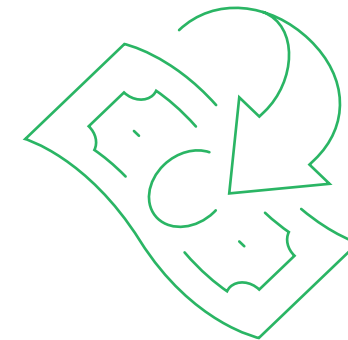
54%

Share of consumers who dealt with a healthcare payment-related pain point in the past 12 months

02

DISBURSEMENT METHODS

Consumers want to choose the disbursement method that works best for their particular needs, yet they are often not given a choice when it comes to healthcare payouts.



57%

Portion of times that health insurance companies provided consumers with a choice of disbursement method, less than any other type of insurance payout

03

DIGITAL PLATFORMS

Consumers increasingly are interested in convenient, digital payment experiences in all parts of their lives, including healthcare payments.



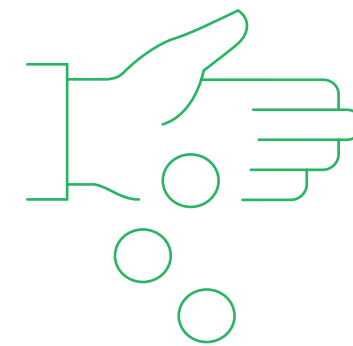
79%

Share of consumers who want to pay all their medical bills through a single digital platform

04

BETTER EXPERIENCES

The payment process is an integral part of accessing healthcare, and many consumers are switching healthcare providers for better payment experiences.



42%

Share of consumers who would switch — or have switched — healthcare providers for an improved payment experience

What's Next

Healthcare Will Remain a Costly, Challenging Part of Life

America has struggled with the cost and complexity of healthcare for decades now, and this is unlikely to change anytime soon. As a result, limiting unnecessary costs and confusion for patients — including for payments — will continue to be a priority for healthcare providers. Indeed, the global healthcare [payer services market](#) is expected to eclipse \$186 billion by 2032, up from approximately \$68 billion in 2022.

“Few health providers have delivered on patient demand for a real-time digital payments experience. By partnering with digital payment platforms that meet patient expectations for speed, security and choice in payments, providers can realize cost and efficiency benefits while earning an enormous competitive advantage.”

DREW EDWARDS
CEO



About

PYMNTS® [PYMNTS](#) is where the best minds and the best content meet on the web to learn about “What’s Next” in payments and commerce. Our interactive platform is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of this dynamic sector and make news. Our data and analytics team includes economists, data scientists and industry analysts who work with companies to measure and quantify the innovation that is at the cutting edge of this new world.



[Ingo Money](#) is the money mobility company. Founded in 2001, it provides technology platforms and expert risk management to FinTechs, banks and businesses that enable safe and instant money movement, from any source to any destination. Ingo’s solutions power deposits and transfers for inbound and outbound money flows, cross-platform P2P and digital payouts, with network reach to more than 4.5 billion bank accounts, cards, digital wallets and cash-out locations. This transformation of traditional payments helps businesses reduce cost and delays while dramatically improving the consumer experience. Headquartered in Alpharetta, Georgia, Ingo employs more than 200 professionals and serves some of the largest brands in North America.

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