



**5 WAYS  
TO MAKE  
HEALTHCARE  
MORE  
AFFORDABLE**



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# AFFORDABLE HEALTHCARE

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In the white paper "[6 Reasons to Market Affordable Healthcare](#)," we discussed an emerging group of healthcare consumers who are finding new ways to cut healthcare costs or are simply not paying for care at all.

These underinsured or uninsured consumers are determined to get the healthcare they need at a price they can afford, even if that means taking an Uber to the hospital or negotiating cost with their doctors or traveling across the pond for care.

**The truth is, the more energy these consumers use to search for alternative care options, the less loyal they will remain to your brand.**

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**While researching this  
topic, we uncovered**

**FIVE**

realistic and attainable tactics that  
hospitals and healthcare systems can use  
to provide affordable care.

**These tactics not only help  
create greater healthcare  
access, but also move the  
needle on broader business  
goals such as “improve our  
reputation” or “deliver a  
better patient experience.”**

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An aerial photograph of a vast, flat, white landscape, likely a frozen body of water or a snow-covered plain. The surface is covered in a complex network of dark, irregular cracks and crevasses, creating a fragmented, mosaic-like appearance. The lighting is soft and even, highlighting the textures of the ice or snow.

**Many consumers are on thin ice, desperately looking to ease their financial burden and eliminate healthcare inequality. Although you cannot solve these problems overnight, you can start today by offering affordable solutions to healthcare.**

**Here's how:**

# 1

# PROMOTE FINANCING OPTIONS

**Chances are your hospital already has a financing program in place. Does it include low or no-interest rates and flexible spending?**

These types of features can help patients who struggle to make monthly payments, especially those with high-deductible insurance plans.

**THERE'S A WAY TO CREATE A MORE PATIENT-FRIENDLY BILLING OPTION.**

According to an article in Modern Healthcare, no-interest loan programs are in demand. Patients like these programs because they don't affect their credit scores, unless hospitals turn unpaid bills over to a collection agency. Organizations could also start offering discounts to patients who sign up for auto payments with a credit card or checking account.

**Novena Health, a health system out of Winston-Salem, N.C., offers a payment plan with no interest and a flexible repayment timeframe. The program even includes an online cost estimator that helps patients estimate the cost of their healthcare services.**



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After initiating  
financing, their  
default rate fell

**FROM 30%  
TO LESS  
THAN 17%  
IN 2014**

THE SYSTEM ALSO EXPERIENCED A

**15%**

increase in cash collection  
payments from patients.

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Apple recently instated a financing program to help customers afford the latest iPhone technology without emptying out their wallets.



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# BEFORE THE PROGRAM

consumers were beginning to shop elsewhere for smartphones with similar attributes at a better price.

**Apple's new financing program changed the game, once again, allowing customers to**

**STAY LOYAL**  
TO THE TECHNOLOGY THEY  
**ENJOY USING**

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# 2

# MANAGE EXPECTATIONS WITH A COMMUNICATIONS PLAN

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Your hospital or health system could establish a communications plan to help patients understand ahead of time how much they will owe or how eligible they are for financial assistance. Hospitals should clearly communicate the interest rate, fees and penalties associated with the payment plans they offer.

Providers should also notify consumers at what point their account might be turned over to a collection agency.

The more upfront your organization is about payment, the less surprised patients will act when they receive a bill.

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# 3

## EMPHASIZE PREVENTION AND WELLNESS

Healthcare organizations are tasked with focusing their attention on wellness and less on illness. Since the Affordable Care Act (ACA) went into effect in 2010, approximately

**137  
MILLION  
PEOPLE**

have received no-cost coverage for preventative care services, despite the fact that awareness of the incentive is low. As of 2015, only

**43%**

of the population were aware that the ACA eliminated out of pocket expenses for preventative care.



Your hospital could help by advocating for preventative care. Preventative services might include: Evidence based screening and counseling, routine immunizations, preventative services for children and youth such as vaccines, and preventative services for women such as mammograms.

# 4

## BASE FEES ON SLIDING SCALES

While a sliding scale model might not work for all healthcare providers, it is a viable option for large or non-profit hospitals or health systems. Many of these organizations are supplemented through grants, subsidies or private donations, making a sliding scale more attainable.

**A sliding fee scale is intended for those who are uninsured or underinsured, providing them with lower costs on most services if they qualify.**

This means the less money a patient has, the less they're required to pay as long as they can meet the minimum fee. Typically, qualification is based on annual household income and proof of gross annual income.



By introducing this type of payment model to your hospital or health system, you are in a sense giving back to your community. You're offering care to those who otherwise might not have access at all.

# 5

# LEVERAGE TELEMEDICINE TO LOWER COSTS

Telemedicine is cost effective and convenient for many Americans with expensive health insurance plans and trouble accessing a primary care physician.

A recent article in Forbes argues that telemedicine is empowering healthcare consumers to seek treatment outside of the emergency room (where many patients without a PCP seek regular treatment).

A TELEMEDICINE  
VISIT CAN COST  
AS LITTLE AS

\$40

whereas a visit to the emergency room  
(for non-emergency care) can cost

THOUSANDS  
OF DOLLARS



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Q:

WHAT CAN  
MARKETERS  
DO TO HELP?

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A:


**RAISE  
AWARENESS**

Your hospital or health system might already have one or two of these programs in place, but have fallen short promoting them. Raising awareness for these programs could help create greater access to healthcare for those underinsured or uninsured consumers.

If not, bring these concerns up the ladder. Talk to members of the C-Suite about the reality of healthcare costs and how getting out front can help your brand's reputation.

Help establish your hospital or health system as an organization that is willing and able to help consumers without great coverage.





If you're not sure how to get started or need a bit more convincing, please feel free to give us a call. It's part of our mission to help make healthcare brands better.

**+1-518-272-2800**



KEEP CALM AND LEARN MORE ABOUT THIS TOPIC

**DOWNLOAD**

Download the white paper "[6 Reasons to Market Affordable Healthcare](#)" to receive more information about why it's important to provide affordable care.

**SMITH  JONES**

# SOURCES

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