NEW POLL REVEALS PATIENTS DISSATISFIED WITH HOSPITAL BILLING PROCESSES ARE TWICE AS LIKELY NOT TO RECOMMEND THE HOSPITAL TO A FRIEND

Study Shows Link between Patient Satisfaction with Billing Experience and Clinical Satisfaction

WALTHAM, Mass. – March 15, 2011-- When it comes to patient satisfaction, how loyal a patient is and how willing they are to refer the hospital to others is influenced significantly by how they are treated during the billing process, post care. According to a recent Connance Consumer Impact Study, an online survey of more than 500 Americans, 23% of hospital patients who received bills for services expressed discontent with the billing processes following their recent healthcare events. While a third (33%) of all patients said they would seek customer support to resolve billing questions, 70% of those who did felt they received adequate resolution.

Among uninsured patients, four out of five (76%) thought the amount they owed the hospital was incorrect. Billing problems are just as frequent among patients who have payment responsibility after insurance, as more than half (55%) said they were not certain the amount of the bill was accurate.

Billing issues appear to directly impact customer satisfaction with the hospital and affect a patient’s willingness to refer the hospital to a friend -- a measure proven in consumer businesses to be connected to customer loyalty and correlated to customer lifecycle profitability. According to the study, overall satisfaction with the hospital billing processes remains low, with 20% giving billing processes a top mark. This service perception appears to be impacting the patient’s view of their clinical experience. Of patients who were satisfied with their hospital billing experience 93% of them were satisfied with their clinical treatment they received. By comparison, among patients who were dissatisfied with the billing experience only 63% were satisfied with clinical treatment.

“The issues and their impact are very clear,” says Steve Levin, Chief Executive Officer of Connance. “There is a major opportunity to improve the total patient experience by improving the billing processes. The insights from this research confirm what consumer products companies recognized years ago and have leveraged to transform their business models and profit equations.”

Across healthcare -- as a result of both growing uninsured populations and increased responsibilities associated with co-payments, deductibles, and co-insurance-- more and more patients have some form of payment liability for their healthcare treatments. According to the May 2010 America’s Health
Insurance Plans’ (AHIP) annual census research report, high deductible health plans and health savings accounts now cover more than ten million lives, up from only 1 million in 2005.

“With the rapid growth in lives covered by high deductible health plans and health savings accounts, the short term cash at risk and long term customer loyalty issues suggested by this research are only going to increase,” says Levin. “Providers need to start now to build their organizational competencies. It takes a long time to truly become consumer-centric and first movers tend to realize lasting advantage.”

About the Survey and Methodology
The Connance Consumer Impact Study focused on understanding patient behavior, satisfaction, attitudes and perceptions towards healthcare bills. The survey was conducted via an internet survey in November 2010 with 502 adults across the United States who had recently received hospital services. The survey sampling quotas were designed to be representative of US adults ages 26 and above who do and do not have health insurance. The data has a tolerance of +/- 4.4%.

About Connance, Inc.
Connance addresses the daily cash flow issues facing the healthcare business office, particularly relating to self-pay. Patient-responsible revenue, already one of the fastest growing and hardest to collect revenue in the business office, is becoming more complex with increased scrutiny regarding charity eligibility and patient treatment during collection. Combining FICO™’s world class technology and the experiences of leading healthcare networks, Connance’s products are bringing new ideas and performance standards to healthcare receivables and are helping providers realize cash improvement of 20-30% or more. Connance is headquartered in Waltham, MA. For more information, visit www.connance.com or call (781) 577-5000.

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