



# THE INS AND OUTS OF DIGITAL PAYMENTS

## A Q&A GUIDE FOR HEALTHCARE ORGANIZATIONS

Whether you're a payer, provider or life sciences manufacturer, payments are an increasingly critical component of your day-to-day operations. Offering a variety of payment options improves reporting and cash flow, reduces administrative costs, and boosts customer and patient satisfaction.

With expectations for digital payment options in the healthcare industry growing, we ask our experts in making and taking payments, Rupert French and Marc Jorgensen, about the role of fintech in the healthcare industry.



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### **Q: Why are payments more important than ever for healthcare companies?**

**Rupert French:** Evolving customer and patient expectations and a more competitive market are making payments a big priority for healthcare companies. Consumers are no longer content to wait weeks or even days for their claims to be processed, so a superior user experience relies on prompt payout at the moment of need.

**Marc Jorgensen:** Healthcare companies rely heavily on plan premiums and co-payments for cash flow and can't afford for the collection and settlement process to falter. To maintain a steady flow of funds into your business, you need to keep payment processing errors and delays to a minimum.

### **Q: What makes healthcare payments challenging?**

**RF:** Manual payment methods like checks have long held back the industry and stopped healthcare companies from paying out as quickly as customers and patients would like. The payment stage of the claims process can take a considerable amount of time, in stressful moments of life when people most need the money.

Additionally, healthcare companies that digitize the check disbursement system benefit from lower processing costs, reduced fraud, and time savings for more important matters. According to PYMNTS, 64% of healthcare and medical CEOs said digitization is at least a very important strategy to improving balance sheets.<sup>1</sup>

**MJ:** The challenge is less about cost and more about giving customers, patients, and vendors choice and flexibility. Healthcare customers, patients, and vendors want to pay for their bills, premiums, and medical services in the most convenient way possible; anytime, anywhere, on any digital device and with their favorite payment method. But with hundreds of alternative payment methods (APMs) now available, not every healthcare company can support all these options along with traditional payment types like checks and phone payments.

### **Q: How can digital payment systems help reduce costs and improve the customer and patient experience?**

**RF:** Every digital payment means one less check to send. Instead, healthcare companies can capture payments or settle claims at the click of a button and give customers, patients, and vendors faster access to their money with less effort all around.

By digitizing and automating repeatable payment processes, you can rapidly reduce expensive administrative tasks, save money and make more cost-effective use of your team's talents. For healthcare customers, patients, and vendors, digital payments mean no more waiting for the mail or queuing at the bank. By paying bills and settling medical claims more quickly and seamlessly, you will significantly boost satisfaction and loyalty.

**MJ:** At the same time, you can now offer your customers a greater range of ways to pay for healthcare services, by allowing them to pay with any card or APM from their computer or phone. And with a simple, secure and compliant payment gateway on – or linked to – your own website, you can provide an exceptional payment experience every time.

<sup>1</sup>Paper Checks Still Prevalent for Consumers' Health Insurance Claim Payouts, PYMNTS, February 13, 2023.

**Q: Can digital systems support instant payouts?**

**RF:** Yes, the best digital systems can make payments in near real time, directly to a customer's bank account or – if they prefer – their credit or debit card.

Whatever way the customer or patient has chosen to pay (e.g., by card or direct debit), the healthcare company can store the details on the system. Then once a payment has been authorized, it can be sent automatically to the right place over a card or bank network – without requesting the card or account number all over again. Of course, data security and providing a PCI compliant process that protects card data and customer information is critical.

**Q: That sounds great, but how does a healthcare company access bank and card networks?**

**RF:** You should be able to leave the whole process to your payment provider. At FIS®, we have longstanding relationships with bank and card networks around the world. Our systems can therefore connect directly with these networks on our clients' behalf.

**Q: With digital payments constantly evolving, won't keeping systems up to date make more work for healthcare companies?**

**MJ:** Not if you future-proof your systems by working with the right payment provider. For example, we are constantly adding new payment capabilities to our systems, which currently accept more than 300 payment types around the world, including mobile and digital wallets and many other APMs.

**Q: Are digital payment systems secure?**

**RF:** Third-party payment providers work hard to keep their digital systems secure, which makes them a much safer option than sending checks or processing payments directly yourself.

Checks, for example, increase fraud risk by revealing valuable information about your firm. And when you process payments directly, you must also capture and store sensitive payee data, creating more risk and extra resource costs.

With a third-party digital payment system, you can make secure payments without revealing your company's details or having to collect and store personal customer data.

**MJ:** The same high levels of security should apply to your collection processes and can be achieved with a payment gateway. A gateway allows you to accept card and online payments securely on a website or over the phone and will make it safe for customers to pay by meeting the Payment Card Industry Data Security Standard (PCI-DSS).



Many gateways also use security technologies like encryption and tokenization to further protect sensitive payment data from hackers and fraudsters. This is especially useful when you need to store payment information for repeat payments or recurring payments. Rather than having to repeatedly ask customers for these sensitive details, you can use a gateway to store “tokens” that can only be used by you in the future.

**Q: Is it possible to make and take digital payments in multiple countries and currencies?**

**RF:** Absolutely. Wherever you operate around the world, the right digital technology provides fast, convenient and simple ways to make in-country payouts. With same-day or next-day payments made locally, customers can receive their claim payment in the currency and bank (or card) account of their choice.

For example, we can process payouts locally in more than 30 countries, with around 15 more to be added over the next two years. And because the payments are domestic, you avoid any of the costs and delays associated with international wires.

**MJ:** As we hold card acquiring and banking licenses for territories around the world, our systems will also allow your customers to pay for premiums locally in their own currency.

With a single digital payment partner, you get one-stop access to global payment infrastructure and banking networks, plus all your gateway and acquiring services in one place. This not only simplifies your payment operations but also keeps down costs.

Ultimately, modern, scalable technology will equip you for ongoing growth and expansion into new markets. And by processing all payments with one provider, you could optimize cash management and cash flow analytics – and make reconciliation much easier, too.

**Transform payments for your healthcare organization. Contact us now to find out more.**



## About FIS

FIS is a leading provider of technology solutions for financial institutions and businesses of all sizes and across any industry globally. We enable the movement of commerce by unlocking the financial technology that powers the world's economy. Our employees are dedicated to advancing the way the world pays, banks and invests through our trusted innovation, absolute performance and flexible architecture. We help our clients use technology in innovative ways to solve business-critical challenges and deliver superior experiences for their customers. Headquartered in Jacksonville, Florida, FIS ranks #241 on the 2021 Fortune 500 and is a member of Standard & Poor's 500® Index.



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