

# SMS TEXT MESSAGING IS REVOLUTIONIZING HEALTHCARE HERE'S HOW

## WHITE PAPER

With patients shouldering more financial burden than ever before, traditional paper billing methods aren't always sufficient—especially for younger patients who may not even be used to getting paper statements in the mail for their bills.



One of the most concerning challenges in the healthcare industry is...  
*the continuing increase of patient financial responsibility in healthcare*

Today's consumer—and patient—expects statements and reminders that meet them where they're at, and payments that can be made easily online without the hassle of having to mail in a check. While mailing patient statements remains a viable option, enhancing the billing process with digital communications can reduce delayed or missed payments, increasing revenues for providers and reducing hassle for patients.

In this white paper, we will discuss how **SMS text message communications and payments can enhance the patient experience**, decrease payment turnaround time for providers, and revolutionize healthcare collections.

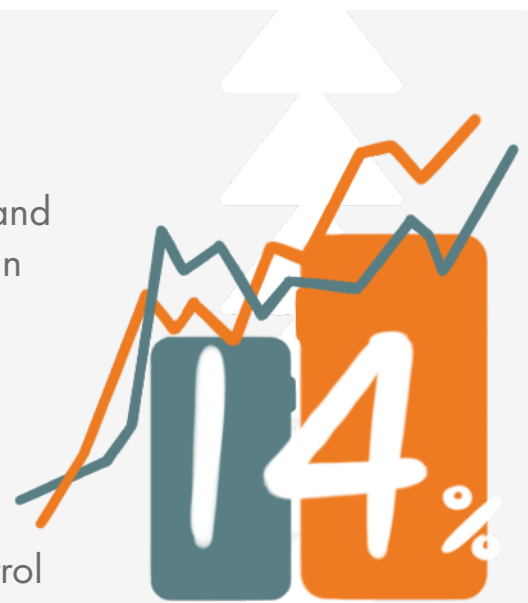
# Current Challenges in Healthcare Billing

We see two pressing concerns in patient collections that can be alleviated by SMS text messaging and payments.

## 1. Increased Patient Responsibility

High deductibles, increased out-of-pocket expenses, and inflationary trends across the economy as a whole mean that patients are paying more for healthcare than ever before, and also bearing a greater portion of their healthcare costs.

In a perfect world, the solution would be to reduce these expenses; unfortunately, providers have little control over the changes that are causing patients to bear more financial responsibility for their healthcare. Thus, the problem that must be solved is: how can healthcare providers collect revenue efficiently from patients who may not be able to pay at the time of service, or perhaps need payment plans so they can pay overtime.



Out-of-pocket expenses increased 14% since 2023  
According to CMS.gov



# 57%

Of consumers are concerned about their ability to pay a medical bill totaling less than \$1,000

According to Consumer Survey Report [info.accessonepay.com/consumer-survey-report](http://info.accessonepay.com/consumer-survey-report)

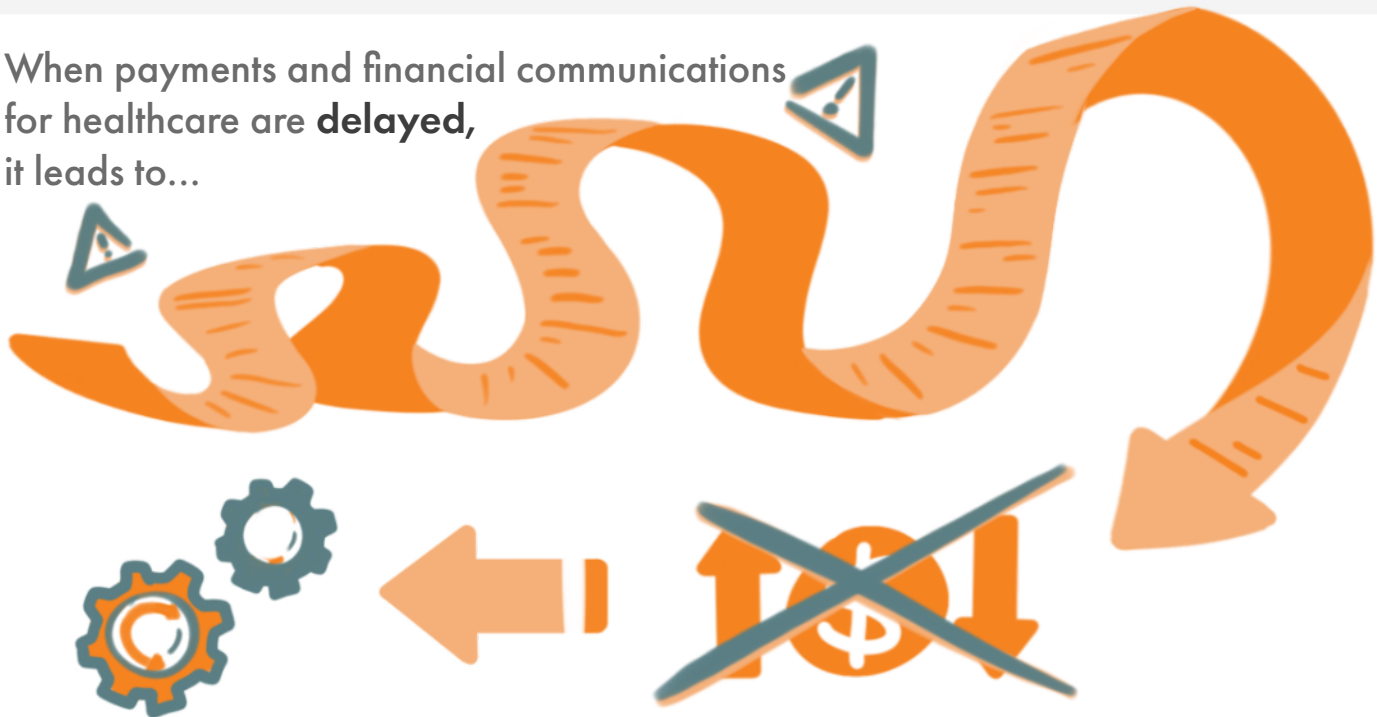
## 2. Inefficiencies in Traditional Billing

Sending bills via traditional mail is not only slow but also costly. The **rising costs** of USPS services—**more than 20% in the past five years**—coupled with increasing wages and burnout experienced by billing staff, make paper-based billing processes more susceptible to frequent cost increases.



Setting aside the costs of mailing and personnel required for paper billing, patients may not prioritize or even notice paper bills, particularly **younger patients who are accustomed to using autopay options for recurring bills and paying everything else online**. This leads to a disconnect in communication between provider and patient. The delays associated with traditional billing methods can ultimately result in increased administrative burden, as staff spends more time chasing after payments, and prolonged collection cycles for healthcare providers.

When payments and financial communications for healthcare are **delayed**, it leads to...



Operational inefficiencies

Cash flow issues for providers



Adding to administrative workload, **preventing staff** from using their time in ways to improve the patient experience.



# SMS Text Messaging in Healthcare Collections: An Overview

SMS text messaging is transforming the way healthcare providers **communicate with their patients**—reminding them of their appointments, prompting them to check in before they arrive, and notifying them when prescriptions have been sent to their pharmacy. When it comes to billing, this technology offers a wide range of applications, **from billing reminders to convenient text-to-pay options**, making the entire payment process more efficient and user-friendly.

## Billing Alerts & Notifications

SMS messages can reach patients in real-time, prompting quick action and ensuring they understand their financial responsibilities. Unlike the delays associated with traditional mail—where bills can be lost, overlooked, or forgotten—**SMS alerts are instantaneous and direct.**

*Instant* updates, alerts, and reminders



## Text-to-Pay Options

Allowing patients to **pay directly through a text link** accelerates the payment process and reduces the steps needed to complete a transaction, making payments seamless for patients. By simplifying the payment journey, providers shorten their revenue cycle; text-to-pay options not only **lead to quicker payments**, though—they also translate to more complete payments.

# Benefits of Text Payment Collections Communications: Healthcare Provider Perspective

SMS provides a **fast, convenient, and effective** approach to managing collections, addressing many of the shortcomings of traditional methods. Benefits to healthcare providers include:

## Revenue Increase

The immediacy of SMS payments contributes to **quicker revenue collection**. With fewer delays and a more streamlined payment process, providers can maintain a healthier cash flow.

According to research from AccessOne, **32% of patients will pay their bill within 5 minutes of receiving a text reminder**. This is faster than even mobile apps (30%), email (25%), and patient portals (25%).



# 48%

of providers are challenged by staffing shortages and increased labor costs

According to JP Morgan  
[jpmorgan.com/insights/payments/payment-trends/healthcare-payment-trends](https://www.jpmorgan.com/insights/payments/payment-trends/healthcare-payment-trends)

## Improved Operational Efficiency

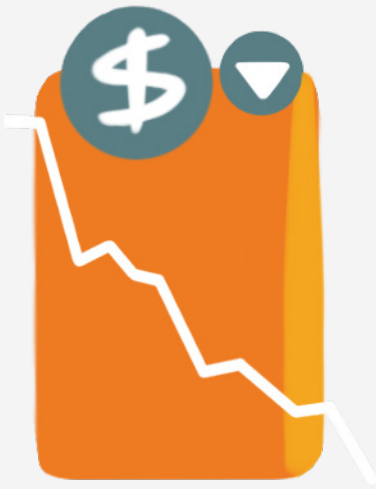
Integrating SMS into billing practices allows healthcare providers to significantly streamline their operations. **Automated SMS messaging reduces the need for manual intervention** (e.g., phone calls, paper reminders) and also minimizes the potential for human error. Outsourcing routine billing work gives staff the time to focus on tasks that require more human oversight.

Aside from improving workflow and efficiency, **the opportunity to work on higher-level tasks increases job satisfaction for employees**, making their work more meaningful.

# Benefits of Text Payment Collections

## Communications: *Patient Perspective*

While the benefits are clear, without patient buy-in, the transition to SMS text communication and payment would be a failure. The good news is that using SMS billing reminders and text-to-pay is a win-win proposition, as **patients also experience a number of benefits.**

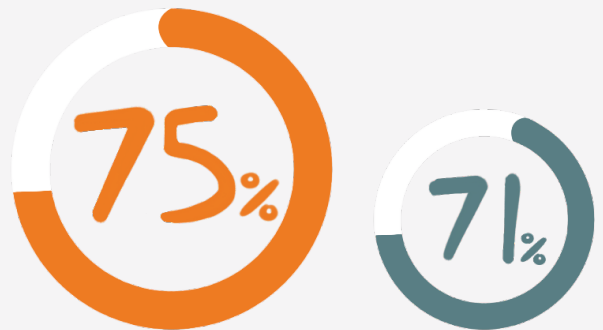


### Cost Reduction

SMS communications provide a **sizable cost reduction compared to traditional mail** sent via USPS. With the costs of paper, postage, and labor rising, SMS text message communications and text-to-pay options help healthcare providers save money, directly impacting their bottom line. **These savings can then be reinvested into enhancing patient care or upgrading technological infrastructure** to future-proof the practice.

### Enhanced Experience

SMS communications offer a **more user-friendly experience**, enabling patients to manage their healthcare payments easily. The convenience of digital payments means patients can settle their bills at their own pace and in locations that suit them best—whether that’s at home, at work, or on the go.



**Of consumers want to pay their healthcare bills online, yet 71% still collect using paper bills and manual processes.**

According to JP Morgan  
[jpmorgan.com/insights/payments/payment-trends/healthcare-payment-trends](https://jpmorgan.com/insights/payments/payment-trends/healthcare-payment-trends)

## Improved Communication

Patients appreciate the clarity and immediacy of SMS communications, in contrast to paper billing statements, which can be confusing and are easy to forget about. Receiving healthcare billing information directly on their devices reduces the risk of missed notifications and **ensures they are aware of their financial obligations**. Plus, should a patient overlook the first SMS notification they receive, sending follow-ups is much less expensive (and immediate) than paper reminders.



## Timely Payments

With **quick access** to billing information and multiple payment options, patients are more likely to make their payments on time. While this is important for providers' revenue cycles, **timely payments also enhance patient satisfaction**, reducing the stress associated with managing healthcare expenses. When patients feel in control of their financial obligations, their overall experience within the healthcare system improves.

## Conclusion

Incorporating SMS text messaging into healthcare collections brings **significant benefits for both providers and patients**, making it a worthwhile investment. Indeed, text messaging is one of the most powerful tools available for enhancing the collections experience thanks to its ability to address operational efficiencies and communication challenges.

**Modernizing patient billing through SMS** and other digital platforms leads to streamlined operations, reduced costs, and most importantly, increased patient satisfaction.

