

# What is the best payment financing strategy for your hospital?

Rethinking how to collect patient financial responsibility is imperative to providers in the shifting healthcare landscape. Hospitals can mitigate the impact of patient financial responsibility on hospital revenue with a variety of financing strategies. See the table below for a comparison of the three main strategies hospitals are considering today.

Program	Collection Results	Hospital Resources	Best Fit Hospitals	Program Pros	Program Cons
<b>Payment Plans</b>			<ul style="list-style-type: none"> <li>• Strong cash position</li> <li>• Expert revenue cycle department</li> </ul>	<ul style="list-style-type: none"> <li>• Comfortable</li> <li>• Self-administered by hospital staff</li> </ul>	<ul style="list-style-type: none"> <li>• Difficult to manage</li> <li>• May take years to recoup unpaid balances</li> </ul>
<i>No cash acceleration. Liabilities remain on hospital balance sheet.</i>					
<b>Recourse Lending</b>			<ul style="list-style-type: none"> <li>• Investment grade hospitals</li> </ul>	<ul style="list-style-type: none"> <li>• Cash acceleration</li> <li>• Lower fee vs. non-recourse lending</li> </ul>	<ul style="list-style-type: none"> <li>• Patient default exposure</li> <li>• Recourse reconciliation is painful</li> </ul>
<i>If the patient defaults, the hospital takes back the account balance</i>					
<b>Non-Recourse Lending</b>			<ul style="list-style-type: none"> <li>• All hospitals – no reserve required</li> </ul>	<ul style="list-style-type: none"> <li>• Cash acceleration</li> <li>• Higher netback vs. recourse lending</li> </ul>	<ul style="list-style-type: none"> <li>• Higher fee vs. recourse</li> <li>• Need to understand underwriting</li> </ul>
<i>If the patient defaults, the lender is on the hook, not the hospital</i>					

Contact iVitaFi today to discuss non-recourse patient payment financing options for your patient population or to request an analysis identifying the financial improvements that can be gained with a non-recourse lending program. iVitaFi provides zero interest, non-recourse payment plan programs that can grow with patients as they need care and can improve hospital balance sheet performance through algorithm-driven underwriting.



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