

EXTENDED PAYMENT OPTIONS

WHY HOSPITALS STRUGGLE WITH COLLECTIONS

1. Increasing percentage of patient-funded medical expenses
2. 32% of Americans unable to pay \$400 emergency expense in full¹



WHY PATIENTS DON'T PAY

<15%

Typical hospitals collect less than 15% from all self-pay balances²



LEVEL 1 FACTORS

- Bills are confusing
- Unable to see and self-manage medical expenses
- Poor communication

LEVEL 2 FACTOR

Lack of extended payment options

HOW HOSPITALS CAN OFFER EXTENDED PAYMENT OPTIONS

TWO ROUTES:

HOSPITAL-MANAGED EXTENDED PAYMENT OPTIONS

High potential for recapture, but hospitals:

- ▶ May lack the personnel and expertise to manage the program efficiently
- ▶ Managing payment plans can be time-consuming and cost-prohibitive
- ▶ Without careful oversight, payment plan durations can become burdensome

PARTNER-MANAGED EXTENDED PAYMENT OPTIONS

Recapture shared with partner, but the right partner:

- ▶ Improves collection rates
- ▶ Accelerates cash flow
- ▶ Reduces in-house debt management
- ▶ Smooths cash-flow and forecasting volatility



PAYMENT PARTNERS: DIFFERENT AND UNEQUAL PATHS

THREE TYPES OF EXTENDED PAYMENT PARTNERS

GOOD

RECOURSE LENDER

- ✓ Extends payment terms to patients
- ✓ Pays hospital only when patient makes payment
- ✓ Uncollected debts remain hospital's responsibility
- ✓ Takes on no amount of bad debt risk

BETTER

LIMITED NON-RECOURSE LENDER

- ✓ Extends payment terms to patients
- ✓ Pays upfront to permanently acquire debt from hospital
- ✓ Uncollected debts are lender's responsibility
- ✓ Takes on limited amount of bad debt risk

BEST

FULL NON-RECOURSE LENDER

- ✓ Extends payment terms to patients
- ✓ Pays upfront to permanently acquire debt from hospital
- ✓ Uncollected debts are lender's responsibility
- ✓ Takes on all bad debt risk

IVITAFI EXTENDED PAYMENT OPTIONS

With our extended payment plans and no-interest patient financing programs, we help our partner hospitals:

- Improve cash flow
- Reduce patient bad debt
- Improve patient payment collections
- Increase patient satisfaction



A COMPLETE SOLUTION

- Full non-recourse lending: line of credit funds paid quickly and in full to the provider
- Self-service, patient-centric payment experience
- Multiple, payment options available:
 - o One-time payment
 - o Provider payment plan
 - o Non-recourse, 0% interest, reusable line of credit



WHO ARE THEY FOR?

iVitaFi's program extends credit:

- To ALL credit profiles
- With no hard credit check to apply
- Toward new or prior healthcare costs
- For up to 36 months

PATIENT PRAISE

Extended payment options improve patient satisfaction. What do patients like best about iVitaFi?

- ▶ "Affordable Payments"
- ▶ "Easier than paying hospital all at once"
- ▶ "Wonderful customer service"
- ▶ "Easy to understand and complete"
- ▶ "Interest-free"
- ▶ "Everything is online"

If you are a hospital seeking to improve patient collections, cash flow and patient satisfaction,

CONTACT IVITAFI TO LEARN MORE
WWW.IVITAFINANCIAL.COM

SOURCES:

- 1 Report on the Economic Well-Being of U.S. Households in 2018 – May 2019, Federal Reserve, May 23, 2019 (<https://www.federalreserve.gov/publications/files/2018-report-economic-wellbeing-us-households-201905.pdf>)
- 2 iVitaFi Data Study Findings