



# The Affordability Imperative:

How AI Innovation Drives Revenue and Access

*January 2026*

# Agenda

- Introductions and state of the market
- Optimizing the patient revenue cycle
- Pre-service transformation: From estimates to payments
- Post-service payment challenges and solutions
- Key considerations in choosing a patient financing partner
- Q&A

# Who **We** Are



**Keith Bourne**

*Director - Strategic Accounts*



- Leverage technology to improve healthcare access & affordability
- Remove financial barriers to care for patients
- Unlock revenue while reducing complexity and friction for medical providers

# State of the **Market**

**Bad debt write-offs and uncompensated care continue to rise.**

Bad debt is 10% higher year -to-date compared to 2024. <sup>1</sup>



**Payment rates on patient self-pay balances are decreasing.**

The overall self-pay collection rate is now at 24%. <sup>2</sup>

**The regulatory environment is evolving and fragmented.**

From price transparency to financial assistance, new legislation continues to add complexity to revenue cycle operations.



**Staffing shortages are taking a toll, as many workflows are still manual.**

100% of hospital executives say non-clinical staffing shortages have significantly affected revenue cycle management and patient engagement efforts. <sup>3</sup>

# Deepening **crisis** of healthcare affordability



**75%** of survey respondents said that they fear not being able to afford unexpected medical bills.



**49%** of respondents say they've skipped out on preventative care visits



**39%** have postponed their care for more than a year



**49%** said the health problem they were waiting on treating worsened as a result

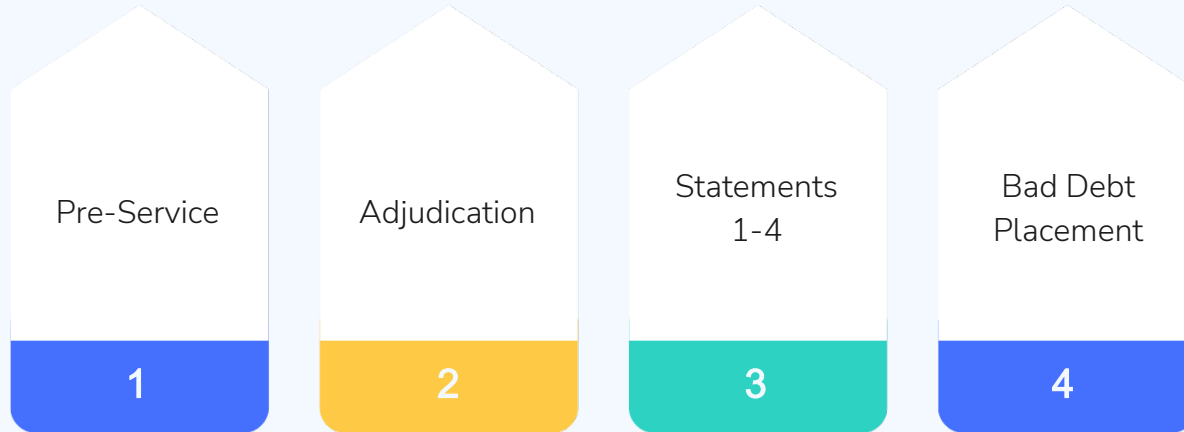
## Most Patients Want to Pay

**75%** of survey respondents say that having multiple options to pay over an extended period would make them more likely to pay

It's time to look at the **patient revenue cycle and affordability** .

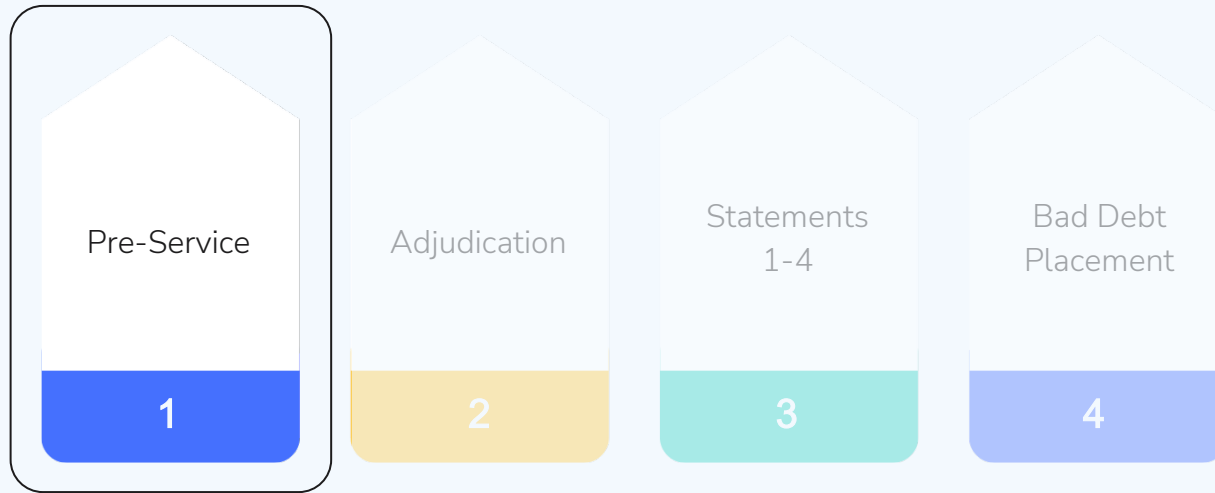
In light of this shifting landscape, revenue cycle leaders must evolve their strategies in key areas along the value chain to make a meaningful impact on their organization's financial performance.

# Optimizing the **Patient Revenue Cycle**





# Optimizing the **Patient Revenue Cycle**



# Audience Poll #1

**To what extent are you currently tying estimates and pre-service payments together?**

- A. We don't ask for a deposit or payment method when providing an estimate
- B. We ask for a deposit or payment method, but don't encourage them
- C. We encourage a deposit or payment method, but don't require them
- D. We require a deposit or payment method on file when providing an estimate
- E. I'm not sure

# Key Insight

To what extent are you currently tying estimates and pre -service payments together?

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In HFMA survey, those who answered C & D saw **21% higher pre -service collections** and **20% higher overall collections** than those who answered A & B!

# Pre-service workflows are rapidly evolving & present an opportunity



**<40%** of scheduled procedures involve an auto generated estimate



**>70%** of estimates are still delivered over the phone



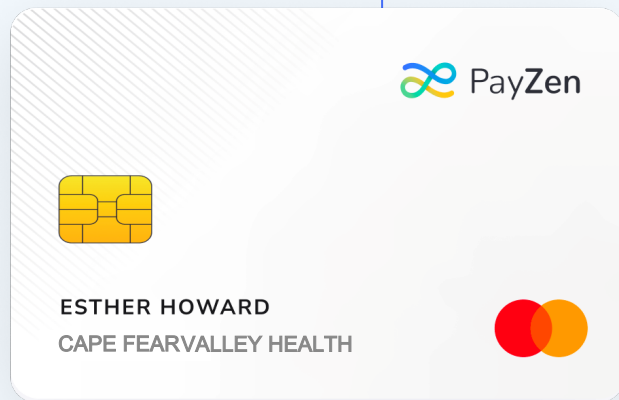
**30%+** increase in pre-service collections year-over-year



**16%** of patient payments are collected pre-service

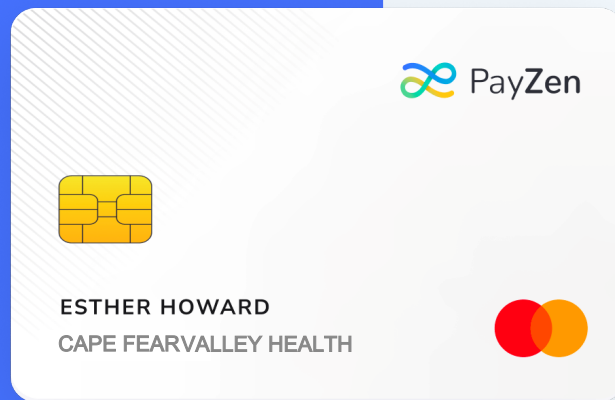
# Cape Fear Valley Health System's **Pre-Service Initiatives**

- Saw opportunity to prevent care avoidance when proactively offering estimates & requiring deposits
- Care Card can be used across all POS systems and billing portals and charges convert to interest-free, affordable monthly payments.
- Card is health system-branded and offered as an **exclusive benefit** to patients to drive loyalty.

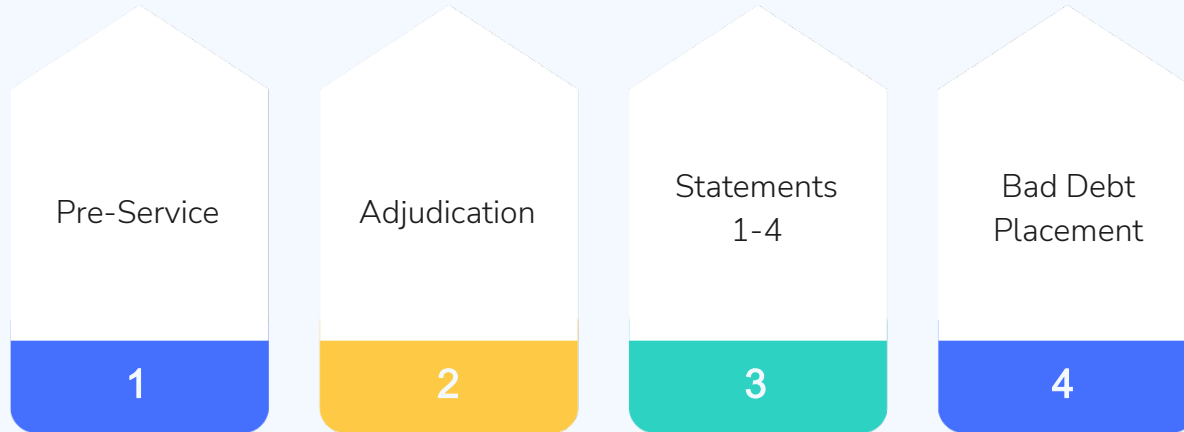


## Cape Fear's Approach: **Enabling Flexible Payments**

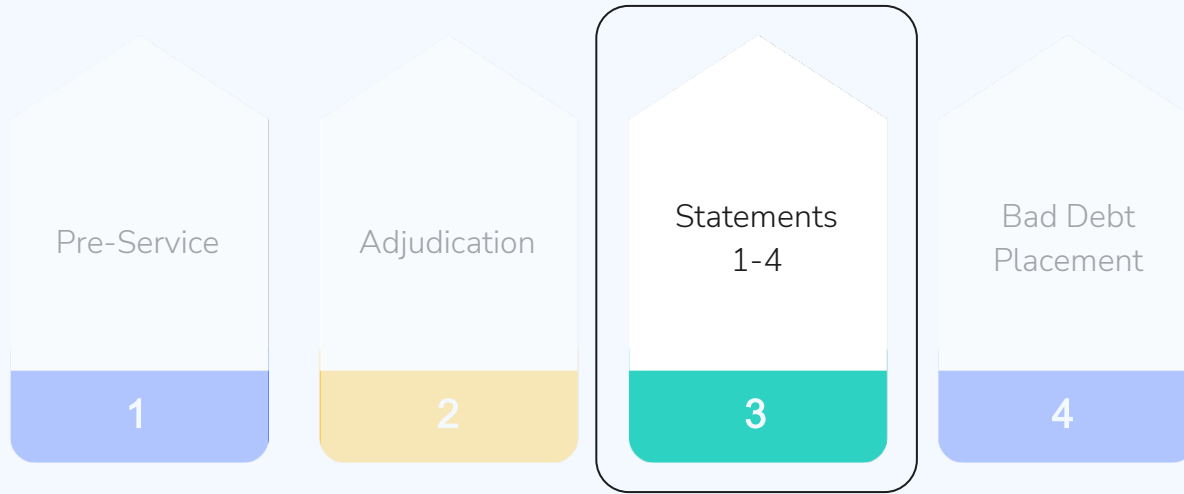
In a YOY analysis, Cape Fear's **pre-service collections increased by 23%** since launching with PayZen!



# Optimizing the **Patient Revenue Cycle**



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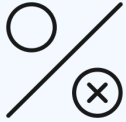




# Hospital payment plan terms are **generally limited...**



**7%** of providers offer no in-house payment plans



**28%** cap in-house payment plans at 12 months or less



**58%** offer in-house plans with a maximum term of 24 months or less

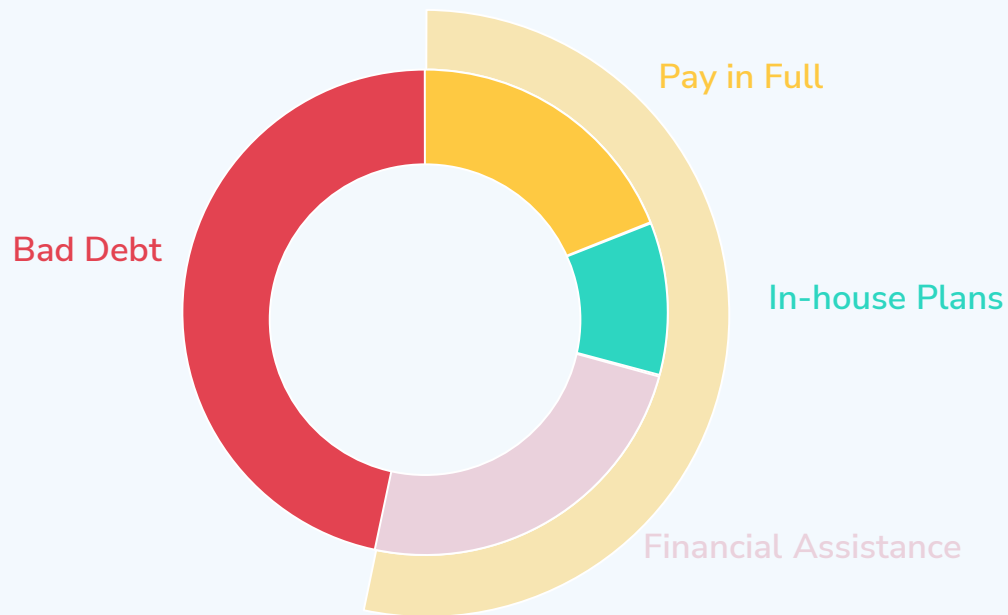


**62%** do not work with third-party financing partners to offer extended-term payment plans

... so they send more patients to **bad debt collections** than necessary

- On average, Americans can only allocate **\$97 per month** toward medical expenses
- Many can afford much less. **21% of respondents said they could only afford \$15 -30 per month** .
- Assuming that \$97 per month is feasible:
  - A 12-month payment plan only supports a medical bill up to \$1,200 before becoming unaffordable.
  - A 24-month payment plan accommodates a bill up to \$2,350, beyond which a patient risks defaulting.

# The Patient Revenue Cycle **Today**



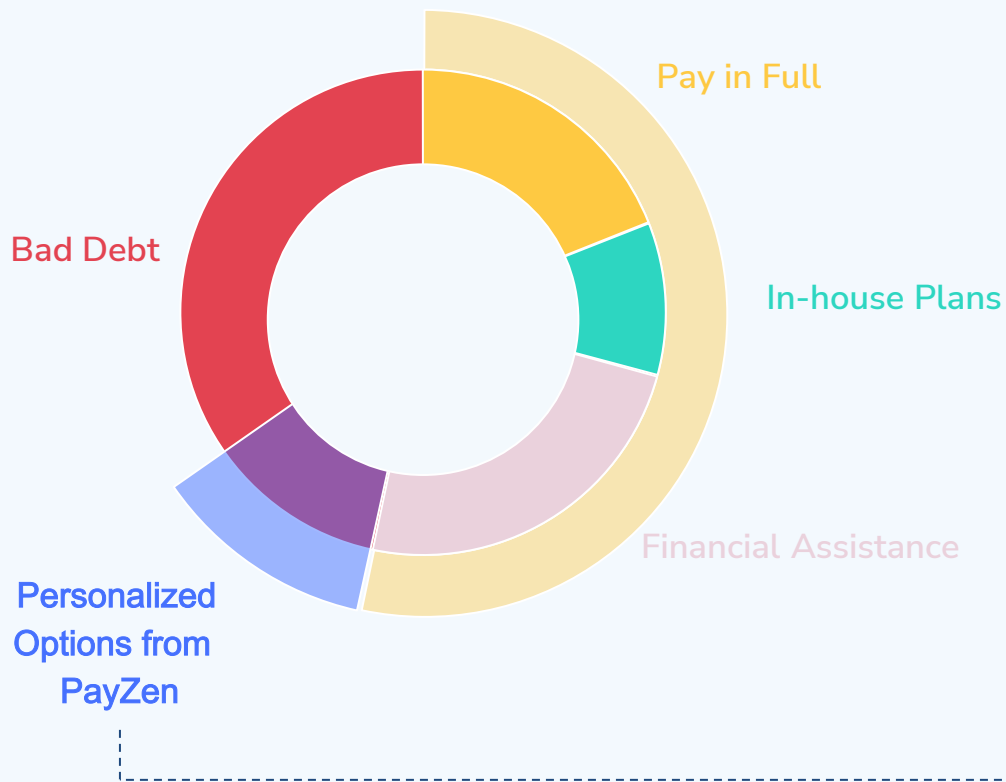
**20-30%**

Average Collections

**90**

Average days in A/R

# Drive incremental revenue with **extended, flexible options**



**32%** Average Collection Lift  
**+50%** Patient Satisfaction

# Making Affordability Work **at Scale** with PayZen

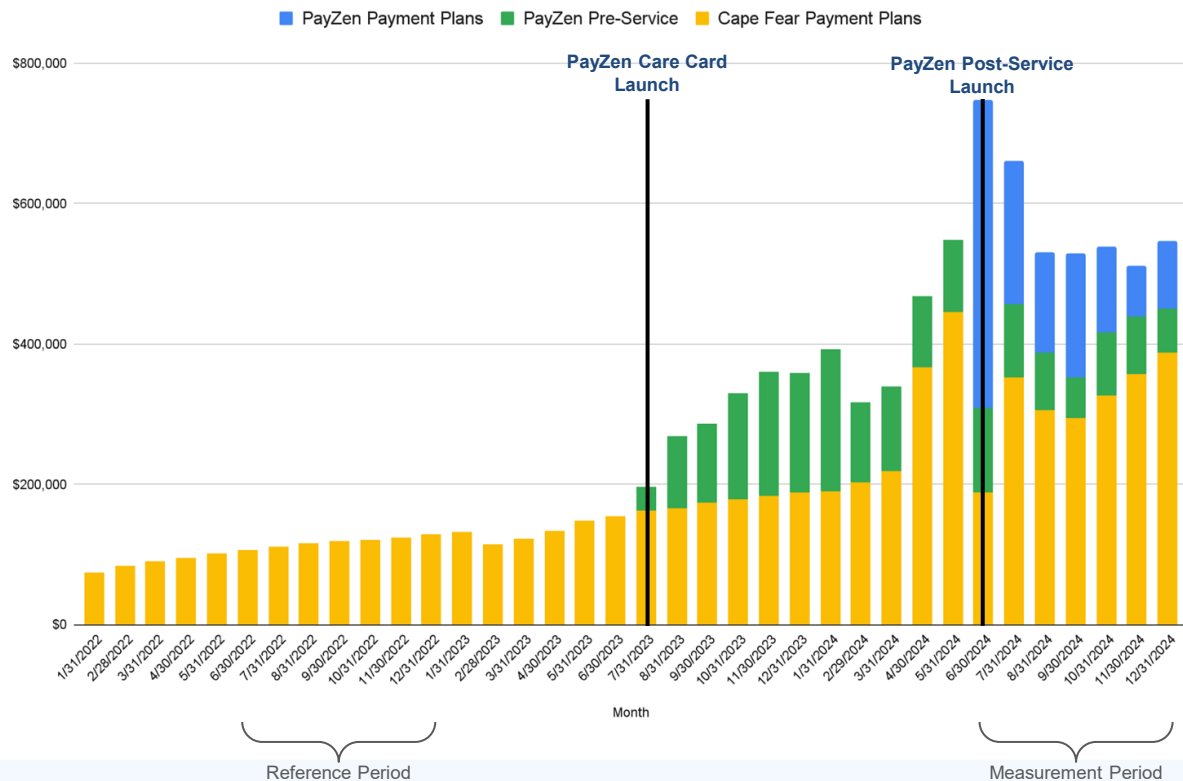
- Offered to patients who require **extended payment options**
- Terms are **personalized** to patient's ability to pay, up to 60 months
- **100% of patients are approved** for an **interest-free** monthly plan
- Fully embedded Epic experience and **automated** patient engagement
- **Non-recourse cash acceleration**

The image shows a smartphone displaying the PayZen mobile application interface. At the top, the Cape Fear Valley Health logo is visible, followed by the text 'Monthly Payments by PayZen'. The main heading reads 'Break your bill into affordable monthly payments'. Below this, a sub-header states 'There's no interest, fees, or application. To get started simply enter your information below.' There are two input fields: 'Patient Last Name' and 'Patient Date of Birth'. A prominent blue button labeled 'Review my bill' is positioned below the form. Underneath the button, a line of text says 'By continuing, I agree to the [Terms of Service](#).' At the bottom of the form area, there are three icons: 'HIPAA COMPLIANT', 'American Hospital Association', and 'Privacy & security PROTECTION'. The footer of the app displays 'Questions? Call 888-849-7647' and a yellow circular icon with a speech bubble.

# PayZen Delivered a **Significant Lift in Collections**



# Payments from Plans Increased 299% Since Launch



- Short-term plans increased 167% once PayZen was launched
- PayZen drove incremental collections with no cannibalization

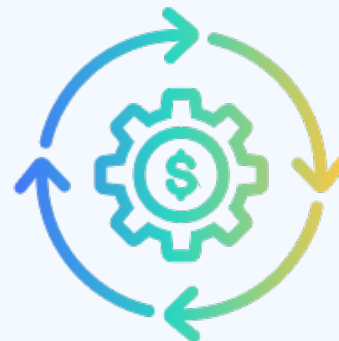
# The All-In Cost of **In-House** Payment Plans



Default Rates



Capital Costs



Administrative Costs



# The All-In Cost of In-House Payment Plans

## In-House Payment Plans

Default Rate	30-35%
Cost of Capital	6-13%
Administrative Cost	6-8%
Bottom Line Costs	42-56%
Cash Acceleration	None
Financial Risk	Provider
Staffing Burden	Significant
Key Considerations	Constrained by balance sheet capital, internal revenue cycle resources, A/R policies, expertise


## Audience Poll #2

**Are you using or have you considered using a patient financing solution?**

- A. We have not considered using a patient financing solution
- B. We have considered using a solution, but have not come to a decision
- C. We have considered using a solution, but decided against it
- D. We have used a solution in the past, but have since stopped using it
- E. We currently use a patient financing vendor
- F. I'm not sure


# Key Considerations in **Choosing a Solution**

How will it **increase the number of paying patients**?

- 
1. Automation & integration with existing technology & workflows
  2. Patient access and ease of use
  3. Patient affordability



How will it **improve my balance sheet**?

- 
1. Patient repayment success
  2. Cash acceleration
  3. Reduction in financial complexity (recourse vs. nonrecourse)



# Key Takeaways

1. In a changing healthcare landscape, revenue cycle leaders must evolve their strategies in key areas along the value chain.
2. Coupling estimates with flexible payment options can prevent care avoidance/deferment and increase pre-service collections.
3. Hospitals and health systems benefit from adding extended payment options and technology solutions to affordability.
4. Traditional patient financing approaches come with tradeoffs. Consider the full end-to-end impact, not just headline pricing.



# Q&A

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Thank you!

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