

Perspective

Leigh Polk, MBA
Marketing and Business
Support Services Specialist
Change Healthcare

Polk manages the Change Healthcare market analysis program and coordinates marketing services for customers to enable them to further develop their strategic growth initiatives. Through her tenure with Change Healthcare, McKesson, MED3000 and PSA, LLC, Polk has served as a champion for physicians in both the pathology and laboratory segments.

7 Ways to Help Create a Sustainable Competitive Advantage

Strategies to grow referrals and optimize revenue

Today's healthcare providers are facing increasing revenue pressure from declining reimbursement, fixed costs, and growing patient responsibility. Labs are no exception.

Maintaining existing business while growing new referral sources is essential to long-term viability. It is also important for supporting investments into new technology and systems that will help labs stay competitive. And competition is increasingly a factor as lab groups nationwide are targeting one another's clients as part of their own growth strategies.

It is also important to identify opportunities to improve revenue cycle efficiencies. Growing your business will have a greater impact if you have the tools to help facilitate faster reimbursement and optimal patient payments.

The following strategies can help in your journey to long-term growth and sustainability.

1. **Know your market.** It's important to understand which types of clients and specialties bring you the most revenue and which services you offer that they value most. It is equally important to understand the types of providers you don't want to target and why. It may be because they are owned by a hospital, perform procedures in house, or use a competitor. You should also identify your main competitors and how their offerings compare. This information will help you as you position yourself and your unique strengths.
2. **Leverage your resources.** Business development is no longer just a marketing and sales function. Couriers, pathologists, and lab staff impact your relationship with referring physician



practices. Create an atmosphere of customer service in the lab and make the couriers feel like an important part of the team. Couriers are the eyes and ears out in the field and can provide valuable information.

3. **Ask questions.** You can identify upsell opportunities by asking existing clients detailed questions, such as: Do you ever have to use another lab for any reason? How is our turnaround time? Are you ever visited by other laboratories? May I use you as a referral? Conducting client satisfaction surveys is another great way to gain insight into a client's current satisfaction level, as well as any problems.
4. **Brand services and expertise.** Physician offices typically experience a high rate of staff turnover. It's important to make yourself and your lab's services known to new associates. Develop a unique approach for each client by identifying

the services they value most. Consider creating customized requisitions, promoting subspecialty expertise, or offering one-stop shopping. Don't assume practices know what services and expertise you provide or are familiar with your insurance contracts.

5. **Set specific goals—and track them.** Setting detailed goals for client maintenance and business development will help keep you on track to achieving your long-term growth strategy. Be sure to include opportunities for upselling and reducing leakage. Having realistic monthly objectives and quarterly goals can help ensure obstacles are identified and resolved quickly.
6. **Improve lab efficiencies.** It's important to remember the role of revenue cycle efficiencies in your journey to growth and sustainability. Reducing paper and inefficient manual

processes can lower costs and increase staff efficiencies. Tools such as real-time eligibility verification can help reduce denials, and claim-scrubbing tools can minimize rejections. Improving revenue cycle efficiencies can also help facilitate faster reimbursement so you can focus on growing your business.

By simplifying patient payments, you can help optimize cashflow and help reduce the cost of collections and write-offs.

7. Make it easier for your patients to pay.

Patients with high deductible health plans can experience 'sticker shock' when they receive a bill for more than they expected. Offering them estimates of their responsibility at the time of service can help both you and the patient understand what is owed. This enables you to request a payment or arrange a payment plan before the patient leaves your lab. Offering an online payment portal can also help make it easier for patients to pay. By simplifying patient payments, you can help optimize cashflow and help reduce the cost of collections and write-offs—all important elements to long-term sustainability.



About Change Healthcare

Change Healthcare is inspiring a better healthcare system. Working alongside our customers and partners, we leverage our software and analytics, network solutions and technology-enabled services to help them improve efficiency, reduce costs, increase cash flow, and more effectively manage complex workflows. Together, we are accelerating the journey toward improved lives and healthier communities.

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