Patients’ Ability to Pay and Federal Healthcare Reform 
Are Greatest Challenges to Hospitals: MedAssist Survey

Demand for help managing revenue cycle is growing

Louisville, KY. – June 29, 2009 – Growing numbers of patients unable to pay their medical bills due to the economic downturn will be the greatest challenge to hospitals going forward, according to more than half (54%) of those responding to a survey conducted this month by MedAssist.

The survey, which polled healthcare executives attending HFMA’s Annual National Institute in Seattle, Wash., June 14-17, showed that one in three respondents believe the next greatest challenge facing providers will be changes to the American healthcare system as a result of President Obama’s healthcare reform.

Furthermore, 80% of those surveyed believe healthcare providers will need more assistance managing their revenue cycles in the coming year. Closely reflecting this wide consensus, more than 80% of respondents chose outsourcing financial/revenue cycle services and implementing new IT programs – over cutting fixed cost – as the best strategies to reduce hospitals’ administrative costs. At the same time, three out of four (75%) executives responding to the survey believe customer-facing functions (e.g., patient access services, financial counseling) should continue to be handled by providers’ staff.

“It’s clear that healthcare providers are facing a perfect storm that combines growing costs, declining revenues and industry reform,” said Michael Shea, president of global healthcare solutions and CEO of North America for MedAssist. “What’s also clear is that providers will need to become more innovative than ever in finding ways to boost economic efficiencies without lowering standards of care.”

“The survey confirms our belief that certain functions are core competencies that belong in the domain of healthcare centers, while other areas will continue to be addressed most effectively by experienced providers of financial and revenue cycle management services,” said Brenda Snow, executive vice president, strategic planning and analysis at MedAssist. “The question is how soon healthcare providers can make this transition.”

Asked which categories afford the greatest savings opportunities for hospitals, 29% of respondents pointed to improved technology (e.g., electronic health records, computerized physician order entry), while 26% mentioned preventative care and chronic disease management (e.g., asthma, diabetes). Survey participants also cited streamlining administrative costs and reimbursement contingent upon quality outcomes (both at 21%) as viable areas for cutting costs.

Survey Methodology

The MedAssist survey was conducted among a random sample of 107 decision-makers at the HFMA’s Annual National Institute, a healthcare finance conference held in Seattle, Wash., June 14-17, via an anonymous survey form.

MedAssist currently provides revenue cycle management solutions to more than 1,000 healthcare providers nationwide, including eligibility services, receivables management solutions, patient access services, complete business office outsourcing and collection services. Capitalizing on established economies of scale and the expertise of parent company Firstsource Solutions Ltd., a premier provider of business process outsourcing solutions, MedAssist offers healthcare providers a total business office solution.
About MedAssist

MedAssist, Incorporated, a Firstsource Company, is one of the nation’s premier providers of eligibility and revenue cycle management solutions. Recognized as an industry leader in delivering the professional excellence required for success, MedAssist’s comprehensive suite of innovative, technology-driven services includes Medicaid eligibility, account receivables solutions, business office outsourcing and collection services. MedAssist utilizes a proven operational strategy, focused on social services and a commitment to treating every patient with dignity, compassion and respect, while improving cash flow, maximizing reimbursement and reducing bad debt for healthcare providers nationwide. All of MedAssist’s major service lines are certified by HFMA’s Peer Review Process. (www.medassist.biz).

About Firstsource

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is a leading global BPO (business process outsourcing) service provider headquartered in India. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its clients include Fortune 500 and FTSE 100 companies. Firstsource has a global delivery model with operations in India, U.S., UK, Argentina and Philippines. (www.firstsource.com).

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