

The Untapped Opportunity in Healthcare Disbursements:

How Medical Providers Are Positioned to Turn the Patient Refund Problem into a Revenue Generator

Patient expectations are shifting in healthcare, prompted by digital-first expectations and the desire for seamless experiences. Still, the industry has been slow to accommodate in some instances, leading to patient frustration. For example, a recent JP Morgan study found that [44% of consumers cite slow refunds](#) as the most frustrating part of their healthcare experience. In a competitive market, where patients have options and expect digital-first experiences, clinging to antiquated refund methods is not just bad practice—it's a strategic liability.

In healthcare finance, the spotlight has long been fixed on inbound payments: collecting co-pays and deductibles. For Medical Providers, these tasks are complex and critically important. But on the other side of the ledger, outbound payments to patients remain a stubborn source of friction. Patient refunds are often issued via paper checks or outdated credit workflows, creating delays, administrative burdens, and frustrating experiences for patients. These inefficiencies strain internal resources, create unnecessary costs, and miss an opportunity to build trust and satisfaction at a critical point in the patient journey.

The Problem No One Wants To Own

Patient refunds are anything but simple. Overpayments occur frequently due to changing insurance calculations, duplicate payments, or simple administrative errors. When overpayments happen and money is due, the flurry of responsibilities sit with the Medical Provider— payment delivery, unclaimed property, reconciliation, and customer service.

What follows is a slow, risky, and error-prone process of cutting checks, licking stamps, and hoping the right patient gets their money... eventually.

It's inefficient. It's expensive. And in today's digital-first, consumer-driven world, it's increasingly unacceptable.



The Financial Foe—Checks

Traditional check-based refunds create high processing costs, long delays, and compliance and fraud risks. What's more, they lead to fragmented customer experiences and increased support inquiries. With the right technology partner, refund disbursements can be seamlessly embedded into existing workflows, enabling Medical Providers to automate patient refunds—and cut out checks—just as efficiently as they manage collections.

The Cost of Doing Nothing

For providers, the cost of doing nothing is climbing fast. Processing a paper check costs more than [\\$7 per transaction](#), not to mention the administrative overhead and risk of fraud, now a [\\$24 billion industry](#), according to a recent fraud survey. But the real danger is reputational.

[PYMNTS data](#) underscores the stark shift in patient expectations: while just 39% of patients preferred instant healthcare disbursements in 2023, that number nearly doubled (77%) in 2024. The sharp uptick is likely to continue in the digital-first era.

“86% of consumers choose healthcare based on brand reputation”

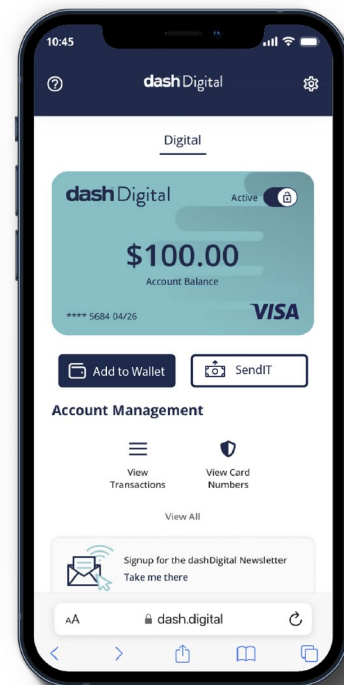
This sharp rise doesn't just highlight the growing demand for quicker, more transparent financial transactions in healthcare; it spotlights a major compliance issue. Refund delays can raise red flags with auditors, damage accreditation, and even lead to financial penalties. Providers must find a solution to this problem in a world where [“86% of consumers choose healthcare based on brand reputation”](#).

Medical Providers: From Trusted Payee to Trusted Payor

Forward-thinking and reputationally aware Medical Providers are beginning to see the opportunity for a better, more valuable way to manage patient payments—one that enables them to deliver funds in real-time with added context to their patients.

With embedded technology like Dash Digital with [SpendIT SendIT™](#)—healthcare providers can finally hit the “easy button” on patient refunds. Instead of shuffling files, slogging through paperwork, and knowing escheatment laws in all 50 states- you can simply enable instant or near-instant refunds through a flexible, patient-friendly experience. Refunds can be delivered via a digital card available for immediate online use, which can also be added to a digital wallet for in-person transactions. Patients can choose to transfer the funds—either partially or in full—to external accounts, including bank accounts, debit cards, Venmo, or PayPal. The healthcare organization can then manage the refund as part of the same ledger where the original overpayment was identified, streamlining processes.

This helps amplify a harmonious relationship between you and your consumers. Patients get a better experience, and providers offload a burdensome and expensive task to a reliable and HIPAA compliant payments vendor like Dash Solutions.



A Strategic Shift for Medical Providers

This is more than a feature; it's a competitive differentiator. In a tough market where industry consolidation has led to the dominance of vertically integrated health systems and [low public trust](#), the ability to offer integrated and convenient disbursement capabilities is a powerful way to stand out.

Imagine being the finance team that not only drives collections but also simplifies refunds—delivering compliance assurance, cost savings, and a better patient experience in one integrated package. That's value, stickiness, and a model that shifts the market.

Medical Providers that partner with payments organizations like Dash Solutions and leverage technology like Dash Digital with SpendIT SendIT can deliver real-time, compliant, and consumer-friendly refunds at scale without straying from their core competency. Providers can finally move beyond their legacy processes without adding complexity to their own workflows.

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The Time Is Now

Healthcare providers are under immense pressure to reduce costs and improve patient satisfaction, all while navigating razor-thin margins and increasing regulatory scrutiny. Solving the patient refund problem is no longer optional; it's essential.

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Providers and their finance teams that seize this moment will not only solve a longstanding pain point for their clients but will also elevate their own position in the healthcare value chain. Those that don’t? They risk being outpaced by more agile, tech-enabled hospital systems and competitors. The choice is clear: simplify both inbound and outbound patient payments and become a comprehensive financial partner to your patients. The opportunity is real, and the first movers will win.



**Learn how we replace an inherently expensive practice
with a compliant and reliant payment solution.**

[Discover More](#)