

# Cedar snaps up medical billing rival OODA Health for \$450M—here's how these platforms benefit patients and providers alike

Article

Medical digital billing startup Cedar is [snapping up](#) rival OODA Health in a \$450 million deal.

- Cedar partners with health systems to provide patients with tech like personalized patient billing and digital registration forms.
- OODA Health focuses on improving the payments experience for over 20 large payers and provider organizations like **BCBS Massachusetts** and **CommonSpirit Health**.

**A unified payer-provider digital billing platform could clear up a lot of murkiness for patients throughout the medical payment lifecycle that perpetuates issues like missed or even surprise bills:**

- **Patients' poor medical financial literacy often leads to unpaid or delayed care.** Many US health consumers simply don't [understand](#) what health insurance terms like “copay” and “deductible” mean for their responsibility around medical payments—this confusion leads patients to avoid care altogether: Over [26%](#) of US residents say they've avoided getting treatment or visiting a doctor because they were unsure how much their insurance would cover. This is bad news for their long-term health, since chronic conditions (some of the costliest to care for) can go undetected or untreated without regular check ups.
- **Cedar and OODA Health's tech will streamline communication between providers and insurers to get patients a clearer understanding of their out-of-pocket costs.** Physicians [don't](#) always know how much their patients have to pay for care or meds until after the visit, since this is mostly left up to health insurers' reimbursement and coverage rates. As a result, patients have to go back and forth communicating between their insurer and provider to ensure they won't get any unexpected medical bills. It's ultimately a poor consumer experience. Combining payer and provider digital billing could eliminate confusion around what patients owe: About [28%](#) of consumers say they want their billing questions answered quicker.

**Digital billing platforms won't just help patients—payers and providers could also leverage the tech to better comply with the CMS' new price transparency regulations.**

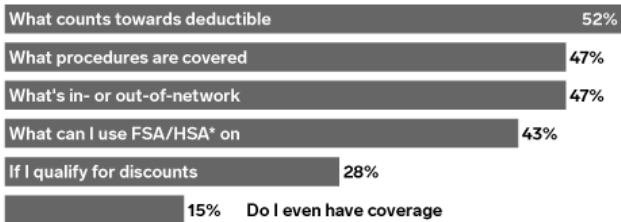
- **The CMS will likely begin penalizing hospitals that fail to [publicly share](#) their payer-negotiated rates with consumers.** The CMS recently [said](#) it's started sending out letters

warning hospitals of daily fines if they don't comply with the mandates.

- **Vendors like Cedar could help hospitals build online tools to share these rates and improve hospitals' relationship with patients.** OODA Health's co-CEO and cofounder Seth Cohen **indicated** now that OODA is under Cedar's roof, "Cedar is well positioned in the market as providers and payers come into compliance with federal price transparency regulations." Some large health systems like **Intermountain Health** are already implementing digital billing platforms like **VisitPay**, **reporting** higher payments compliance and boosted patient satisfaction.

### What Confuses US Healthcare Consumers the Most About Their Health Insurance?

% of respondents, Jan 2021



Note: \*Flexible Spending Account/Health Savings Accounts  
Source: Bend Financial survey conducted by OnePoll as cited in press release, Feb 3, 2021

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