

SEPTEMBER 2018

# GLOBAL PAYMENTS ARCHITECTURE

## REPORT

90%

of Americas-based  
businesses experienced  
**A LATE PAYMENT**  
from an overseas partner  
last year

– Page 17 (Deep Dive)

With an international student population of 18 percent,  
St. John's College embraces a wide range of payment  
options to reconcile international tuition payments

– Page 7 (Feature Story)

1 in 5 international students  
in the U.K. now come  
from China

– Page 11 (News and Trends)

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### **Receivables Platforms**

Roughly 90 percent of businesses in the Americas have experienced non-payment of international invoices. This edition of the Global Payments Architecture Report examines how receivables platforms help education, medical care and supply chain companies enjoy a more stable cash flow.

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### **ACKNOWLEDGMENT**

The Global Payments Architecture Report, powered by Flywire, examines how various players are enabling cross-border payments delivery, and how these developments are transforming the education, healthcare, import/export and other B2B industries.

# WHAT'S INSIDE

## MANY SMALL- AND MEDIUM-SIZED

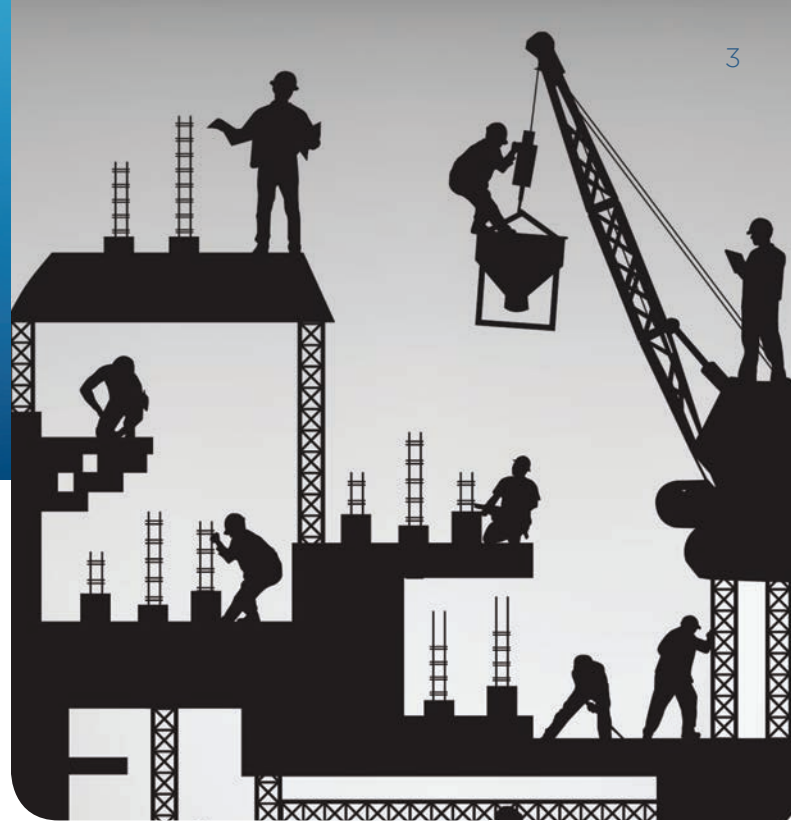
businesses (SMBs) have realized they need to think globally to expand their companies' reach and brand awareness.

They can encounter problems when entering the complex world of cross-border trade, however. SMBs that join the market often see international payments that arrive late or go unpaid. These issues can lead to cash flow gaps and leave them in bad financial shape.

It appears change may finally be coming to how businesses pay each other. Several technology providers recently launched solutions to help these businesses remain on steady financial footing, ease cross-border payment friction and smooth the breaks they encounter with overseas payments.

Among these providers is MarketInvoice. The firm, which recently [partnered](#) with U.K. bank Barclays, offers customers the opportunity to submit an invoice and receive funds into their accounts for a small fee. MarketInvoice collects funds from the buyer within 24 hours of the invoice confirmation.

Late payment issues are not unique to the U.K. market, however. Recent [research](#) found that 51 percent of U.S. businesses consider outstanding invoices uncollectible because a customer has declared bankruptcy. Meanwhile, late or unpaid invoices are so widespread in Europe that the European Commission introduced a directive specifically to fight the trend.



Invoice solutions provider POM is also looking to shield businesses from the harmful effects of late or unpaid invoices. Its [solution](#) targets customers directly and links them with mobile or digital payment solutions. The company believes digital invoices and electronic and mobile payment support will encourage customers to pay on time.

POM isn't alone in its fight, either. Several other companies are turning to a variety of digital payment tools to help businesses collect their international funds.

## GLOBAL SUPPLY CHAIN NEWS

Businesses want to be paid for their services in a timely manner, but those with limited resources need to be confident in digital payment technology's effectiveness before investing in it. They also need assurance that such options will not quickly become irrelevant.

Invoice solutions provider Teamleader is working to provide those assurances. Owner Pieter Reel recently [told](#) PYMNTS that many SMBs can benefit from eInvoicing, which can easily be integrated into back-end systems and is future proof. Hybrid eInvoice solutions can also help SMBs maintain local tax and eInvoicing regulation compliance.

Other companies are taking a mobile approach to SMBs' payment frictions. Invoice and account solutions provider VersaPay recently [launched](#) a mobile app for its accounts receivable (AR) platform, known as ARC. Its corporate customers can use the solution to view invoices, payments and credits from their mobile devices. The offering aims to streamline invoice payment processes by providing a self-service portal.

As more companies take their operations abroad, the demand for supply chain software solutions like these will likely fuel an expansive market. In fact, a recent [report](#) projected the global supply chain management software industry to grow at a compound annual growth rate (CAGR) of 11.2 percent through 2026, reaching a value of \$32 million. It pointed to growing demand for cloud-based technology, Internet of Things (IoT) adoption and machine learning as factors fueling the expansion.

## RECEIVABLE SOLUTIONS KEEP INTERNATIONAL EDUCATION ON TRACK

Over 1 million students from overseas enrolled at U.S. colleges and universities last year. In fact, international students now make up 5.3 percent of the total U.S. student population. With growing numbers of students coming to the U.S. to study, higher education institutions are embracing a wide array of payment and reconciliation tools. In this month's feature story, Michael Duran, treasurer and chief financial officer of [St. John's College](#), discusses how receivables solutions help the college resolve international tuition challenges.

## THINKING LOCAL FOR GLOBAL SUPPLY CHAIN ISSUES

The automotive industry must contend with its own challenges in the global supply chain. Original equipment



manufacturers (OEMs) rely on many suppliers to deliver parts, components and materials needed to manufacture a vehicle. One supplier, the [Haartz Corporation](#), which provides materials for vehicle interiors and convertible tops, has learned that, when engaging in the global supply chain, it pays to think locally. In this special sidebar, Doug Haartz, international sales manager, and Matt Williams, director of business development, describe how the company's global footprint enables it to deliver payments to their partners in their preferred currency.

## DEEP DIVE: GLOBAL RECEIVABLES PLATFORMS

Receivables platforms, which can streamline B2B payments reconciliations, automatically match invoice data with bank account information and deposit payments directly into accounts, are seen as potential solutions to businesses' issues with late and unreceived cross-border payments. This month's Deep Dive examines how such platforms could be used to ease frictions in international education, healthcare and supply chain operations.



# 5 FIVE FAST FACTS

**\$32M**

Projected value of the global supply chain management software market by 2026

**9.4%**

Expected CAGR of the global online payment gateways market through 2026

**\$1.1T**

Estimated value of unpaid invoices among the 1,000 largest U.S. companies

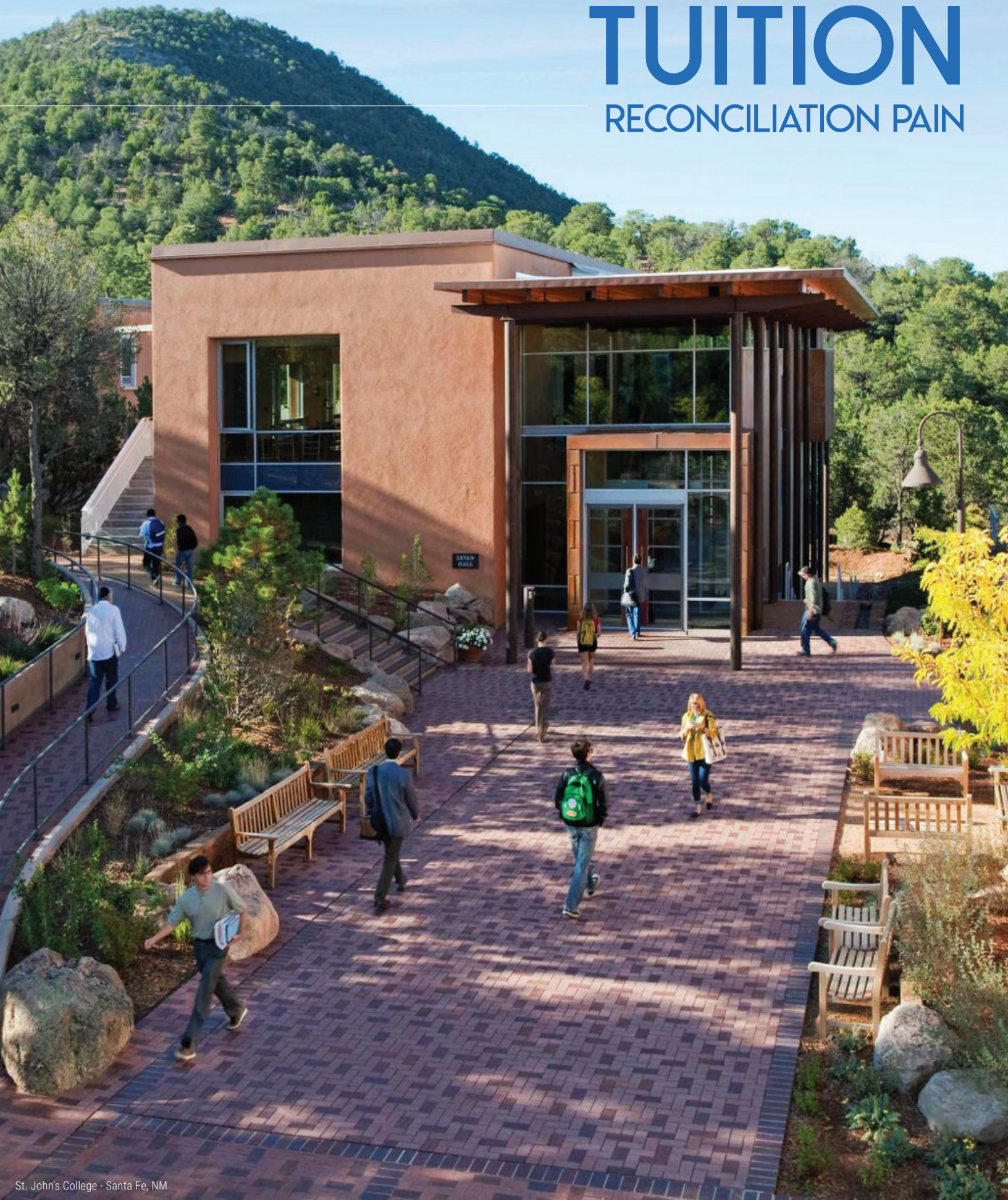
**3.4%**

Increase in international students enrolled in U.S. higher education institutions during the 2016 – 2017 school year

**87%**

Anticipated CAGR of the global blockchain supply chain market through 2023

# EASING CROSS-BORDER TUITION RECONCILIATION PAIN



## THE NUMBER OF INTERNATIONAL STUDENTS

on U.S. college and university campuses has been on an upswing over the last decade, [increasing](#) from 3.3 percent of total students in the 2007 – 2008 academic year to 5.3 percent in 2016 – 2017, according to the Institute of International Education (IIE).

These universities and colleges are adjusting their operations to address overseas visitors' financial needs as that number continues to grow. Some still struggle with reconciliation issues like matching tuition payments to the intended student. As such, many higher education institutions are turning to digital receivables to account for international tuition transfers, track and reconcile payments, expedite payment receipt and reduce outstanding debts.

Private liberal arts institution [St. John's College](#) is familiar with the challenges involved in addressing international students' financials. Such students make up 18 percent of the student population in both its Annapolis, Maryland, and Santa Fe, New Mexico, campuses.

The college specializes in Great Books teachings, focusing on the foundations of Western literature and culture and featuring seminar-style classes. According to Michael Duran, St. John's treasurer and chief financial officer, this curriculum is one of the key reasons international students choose to apply.

"It's a very rigid program that we provide, and it seems to be a very attractive one to our international students," Duran said.

In a recent interview, he discussed the college's method for handling overseas tuition payments and how receivables solutions help keep its budget in strong shape.

### PAYMENTS — AND STUDIES — BY THE BOOKS

Most of St. John's international students come from Asian nations, including China, South Korea and Nepal. They might need to use their local currencies to make tuition payments, so the college uses Flywire to receive

“ Being able  
to get the  
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cash flow.”

such overseas tuition transfers. Its global payments solution then converts foreign currency payments into USD.

"[This] eliminates the need for us to deal with conversion rates and the timing of conversion changes, rate changes and things like that," Duran said.

The system is designed to quickly receive and convert international payments, allowing St. John's to eliminate outstanding debt and improve its liquidity.

"Being able to get the money quickly, in a timely basis, helps our cash flow," he said. "Any time we can get cash fast into the bank and ... mitigate cash ups and downs throughout the year [is helpful]."

## A RECONCILIATION FIX

St. John's uses a wide array of solutions to receive tuition from its large population of international attendees. This includes wire transfer, which several students and their families still use to manage their payments.

Though used for years to transfer funds between borders, Duran noted that payments made via wire transfer can create reconciliation issues if information is missing or incomplete. For example, the college might have to scramble to determine where the money should be applied if the intended recipient information is missing.

"We'll sometimes get the name of the uncle who sent the money, but it doesn't say who the student is," he said. "So, it might take a little bit of research to figure out where the money belongs so we can put it in the correct student's account."

Wire transfers may create reconciliation and receivables issues, but its low fees make it appealing to some students and their families.

## CREATING A SMOOTHER PATH TO US-BASED EDUCATION

Making cross-border tuition payments can be challenging for international students, overseas families and receiving institutions, but emerging receivables solutions are now reducing friction. In addition to tuition, St. John's also works to help these students address the paperwork they need to pursue U.S. studies.

Visa applications can be "cumbersome," Duran said. The college has stepped up its efforts to help international students with the process, ensuring documentation is in order and that they are prepared for interviews at U.S. embassies. This kind of assistance can make a U.S.-based college or university like St. John's seem more appealing to prospective international students.

"Being able to provide assistance to [international students] is one of the big things that has helped us to attract [them] and make it easier to study in the U.S.," Duran added.

For students leaving their home countries to pursue education abroad, documentation and tuition support can give them more time to focus on classroom lessons. They are there to become experts in their fields of study, after all, not in the nuances of international payment challenges.



# HAARTZ CORP. THINKS LOCAL

## TO ADDRESS GLOBAL SUPPLY CHAIN ISSUES

**F**ew industries encounter global supply chain complexities more than automotive, as OEMs often rely on components, parts, labor and materials from many global regions to manufacture the vehicles in their lineups.

One such supplier is Acton, Massachusetts' Haartz Corporation, which provides materials for vehicle interiors, exteriors and convertible tops. Founded in 1907, the company has developed a wide global footprint that includes manufacturing and warehousing facilities in the U.S., Germany, India and China.

That international reach gives Haartz an advantage in the global supply chain, enabling it to engage with trading partners in their preferred local currencies. Cross-border payments are "relatively simple" with such a foundation in place, noted international sales manager Doug Haartz.

"Most funds are transferred via wire transfer at this point," he explained. "Every country or region has its own nuance, but, for the most part, international trading is a daily event."

**T**he company typically communicates via email to request missing information and ensure payments are correctly applied, Haartz added. European OEMs can pay in euros for materials from its German facility, while Asian companies often conduct business with those in China or India.

"Haartz provides the option to purchase from the U.S. and pay in U.S. dollars or purchase materials from Germany and pay in euros," he said. "That might make it easier for the customers to do business with us."

The localization of operations and payments can also help automakers reduce costs related to cross-border payments and shipping.

"It all comes down to dollars and cents," said Matt Williams, director of business development. "Our customers are constantly under price pressure from their customers, the OEMs."

**H**aartz can reduce customers' logistics and foreign exchange costs with localized operations, he added, including automotive material warehousing and manufacturing. That strategy has also helped avoid significant fallout from the U.S.-China trade war. While it is willing to see how U.S. efforts to renegotiate trade terms ultimately play out, Williams acknowledged the "tit-for-tat" nature of the conflict as concerning.

"We don't want to see a back and forth where both parties say, 'You did this, so I'm going to do that in retaliation,'" he said. "We don't see that ending anywhere good. That's where all parties probably lose in the end."

For now, it seems a local presence in global markets is helping the automotive supplier keep its supply chain moving as efficiently as possible.

# NEWS AND TRENDS

## SMBs AND BUSINESS RECEIVABLES

### eINVOICING OPENS SMB DIGITIZATION DOOR

Choosing a digital payment system can be intimidating for SMBs. These smaller firms often have limited funds and want to feel confident that the digital payment technology they select is both affordable and worth the investment. They also fear shifting to new services, according to Pieter Reel, product owner at SMB

software-as-a-service (SaaS) provider Teamleader. Many are concerned about future-proofing their solutions, for example, or that the integration process might disrupt their everyday operations.

SMBs could benefit from [eInvoicing](#), an industry which saw 29 percent growth in Teamleader's home area of Europe between 2015 and 2016. Even larger increases are expected in B2B and business-to-government, according to the European eInvoicing Service Provider Association. Hybrid eInvoice solutions generate both XML and PDF formats, can boost local tax and eInvoicing regulation compliance and are easily integrated into back-end systems, Reel explained. The benefits include more efficient supplier payments and the ability to easily share and analyze data.

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### INVOICED, GOCARDLESS PARTNER ON PAYMENT ACCEPTANCE

Digital invoice and AR solutions provider Invoiced has formed a partnership to improve business payments. It recently [announced](#) it will work with U.K.-based direct debit solutions firm GoCardless to streamline the acceptance process. The partnership enables Invoiced to support direct debit payments when businesses invoice customers, and the solution is being enhanced to support global businesses both in and outside of the U.S.

Businesses can issue invoices and request payments in multiple currencies through the partnership, and



companies can also create separate legal entities for their out-of-market subsidiaries. Invoices issued by the Invoiced system are compliant with local regulations, the company noted. Approximately 4.2 billion U.K. transactions were conducted using direct debit, according to 2018 “U.K. Payment Market Report” data.

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## SOLVING SMBS’ BIG RECEIVABLES PROBLEM

Payments inefficiencies remain an ongoing issue for businesses in the global economy, and the payment cycle has become longer as the economy has expanded. The average time from invoice to payment has [increased](#) from 45 to 66 days in the U.K. market, according to MarketInvoice CEO Anil Stocker. Larger firms can take even longer to deliver payments to suppliers – sometimes 90 to 120 days – meaning the SMBs that do business with them can experience “receivables lumps,” or gaps in cash flow, which could necessitate additional planning.

MarketInvoice aims to remedy this issue. The company’s customers can submit an invoice and receive funds into their accounts for a fee, typically

1 to 3 percent, depending on invoice size and risk. MarketInvoice then requests and collects funds from the buyer, usually within 24 hours of the buyer confirming invoice receipt. The solution could further expand across the U.K., thanks to a recent partnership with Barclays. The arrangement will see the FI acquiring a minority stake in MarketInvoice and providing the solution to its 1 million-plus SMB customers.

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## VERSAPAY DEBUTS AR MOBILE APP

Meanwhile, invoice and account solutions provider VersaPay recently [launched](#) a mobile app for its ARC AR platform, enabling corporate customers to view invoices, payments and credits from their mobile devices. It aims to provide businesses with a self-service portal to streamline customers’ invoice payment processes, according to VersaPay CEO Craig O’Neill, and allows workers in the field to use the ARC platform while on the go. The company also formed a partnership with the Royal Bank of Canada (RBC) last year to enable the FI’s corporate clients to connect to the ARC solution.



## BECTRAN ADDS AR, COLLECTION TO CLOUD-BASED PLATFORM

Another payment solutions provider is adding a payment offering for businesses of all sizes. Cloud-based B2B trade credit solutions firm Bectran recently [introduced](#) AR and collection management functionalities to its platform to help businesses address cash collection, billing, invoicing, payments and other credit issues. Its broad goal is to reduce the likelihood of credit defaults and minimize collection costs.

Bectran's new features engage with customers early in the billing cycle to get ahead of potential financial pitfalls. The company provides a self-service online portal enabling businesses' customers to manage their invoices and payment disputes, provide documentation and schedule electronic invoices, and offers analytics tools to analyze their AR according to several risk metrics. This can help companies make more informed decisions related to developing market conditions.

## SUPPLY CHAIN DEVELOPMENTS

### SUPPLY CHAIN FINANCE PROGRAMS CALLED INTO QUESTION

U.K. construction firm Carillion's recent troubles are having a wide-ranging impact on the U.S. and European Union construction industries. A Fitch Ratings [report](#) is calling the role of supply chain finance (SCF) programs into question, naming the practice an accounting loophole. That loophole enables companies using SCF – also known as reverse factoring – to extend their days payable outstanding through third-party supply chain financing, which does not have to be classified as debt. This essentially allows companies to keep that debt hidden.

"The magnitude of this unreported debt-like financing could be considerable in individual cases, and may have negative credit implications," Fitch said in the report.

The practice enables corporate buyers to operate with a lack of transparency in their finances, it further added. Carillion suffered a high-profile bankruptcy earlier this year, and SCF engagement reportedly contributed to its downfall.

### CENTRUM GROUP SEEKS L&T FINANCE DIVISION PURCHASE

In another business relationship development, India-based financial services company Centrum Group is expanding into the global supply chain market. It recently [purchased](#) L&T Finance Holding's supply chain business division, which provides working capital and short-term lending services for manufacturing supply





companies. Centrum will also add roughly 60 board executives from L&T to its own ranks.

The move will help Centrum expand its business lending presence in both retail and wholesale loans. It expects to have outstanding loan balances of approximately Rs 900 crore (roughly US\$1.3 billion) for its supply chain business with the acquisition in place. The deal also enables L&T to [divest](#) away from supply chains and instead focus on the retail and housing segments.

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## SUPPLY CHAIN BY THE NUMBERS

### A PAIR OF SUPPLY CHAIN INVESTMENTS

Cash flow solutions provider Tradewind has closed a \$6 million export factoring facility for a Chinese-based seafood processor and exporter. The unnamed company sells to large, global wholesalers and distributors, according to a [news release](#) announcing

the deal, and Tradewind's investment will go toward operating expenses and fulfilling orders. It will also help Tradewind expand to new markets and avoid being impacted by trade tariffs. Roughly 80 percent of the seafood exporter's balance included AR and inventory, and a lengthy turnover period was putting a strain on its cash flow. Tradewind purchased that AR balance and funded it to the company's buyers upon delivery.

In other investment news, liquidity solutions provider Versant Funding has [announced](#) its own \$5 million factoring facility for a specialty chemicals supplier operating in the oil and gas industry. A new release noted the investment enabled the also-unnamed company to increase its sales in a short period of time.

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### GLOBAL SUPPLY CHAIN SOFTWARE MARKET WELL-POSITIONED FOR GROWTH

Investment in global supply chain software is also on track to increase. A recent Transparency Market Research [report](#) found the industry's management software market is projected to grow at a CAGR of 11.2

percent, reaching roughly \$32 million in value by 2026. Supply chain platforms can offer real-time insights into how products are moving. The report noted increased demand for cloud-based offerings, IoT adoption and machine learning, among other technologies, across supply chain planning, transportation management, warehouse management and procurement systems.

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## FIGHTING LATE PAYMENTS BY EASING INVOICE PAYMENTS FRICTION

The invoice payment solutions market is also well-positioned for growth due to late or unpaid invoices. Late payment issues [afflict](#) most U.S. businesses, with 51 percent of them forced to declare outstanding invoices as uncollectible because a customer has declared bankruptcy. Research from credit insurance and debt collection agency Atradius found many U.S. vendors are now denying trade credit terms to overseas clients, and data from the Hackett Group found the largest 1,000 U.S. companies face \$1.1 trillion in unpaid invoices.

Late or unpaid invoices are also an ongoing issue for European merchants, a group which has seen the European Commission introduce a new directive to fight such payments. Thousands of SMBs go bankrupt waiting for late payments to arrive, the directive noted, a trend that can cost jobs and harm entrepreneurship. Invoice solutions provider POM is looking to address these frictions by directly targeting customers and linking them with mobile or digital payment-friendly solutions – including suppliers not onboarded to POM. The company believes certain solutions, like digital invoices and electronic and mobile payment support, will encourage customers to pay on time. It recently raised \$960,000 for its invoice payment solution.

## BLOCKCHAIN-BASED SUPPLY CHAIN SET TO GROW

Another supply chain market segment is headed for strong growth. A new research [study](#), “Global Blockchain in Supply Chain Market,” projects it to see a CAGR of 87 percent between 2018 and 2023. The report indicated the blockchain-based supply chain solutions market is on track to reach \$3.3 billion in value by 2023, and pointed to a rising demand for transparency as well as a need for improved security measures.

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## LEARNING FROM INTERNATIONAL STUDENTS

### CHINESE STUDENTS MAKE UP LARGEST SHARE OF U.K. INTERNATIONAL STUDENTS

Not all exports fit neatly into the global supply chain, however. Take, for example, the international students who travel to pursue education opportunities. The U.K. is seeing an influx of such students, notably from China, according to a recent [report](#) from Universities UK International (UUKi). It found that more than 95,000 Chinese students were studying in the U.K. during the 2016 – 2017 academic year, a 4.2 percent increase from the previous year.

The report cited data from the Higher Education Statistics Agency, noting that U.S. students made up the second-highest international student population, followed by Hong Kong, India and Malaysia. Twenty-seven percent of them are pursuing business and administrative studies, far more than those studying engineering and technology.

## UK IS TOP GLOBAL DESTINATION FOR INTERNATIONAL STUDENTS

Boasting 20 percent of the students coming from overseas, the U.K. is now the top global destination for international students, according to the Organisation for Economic Co-operation and Development's (OECD) annual "Education at a Glance" [report](#). This gives the country one of the largest international student populations in the world, possibly attracting such a high number through its "generous" financial aid for visitors. The U.K. government recently endeavored to improve the education system by increasing the repayment threshold, potentially saving graduates up to £360 a year.

That influx in international students could also indicate that receivable solutions providers might soon look to increase their presence there.



DEEP DIVE:

# Global Receivables Platforms

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**90%**  
OF AMERICAS-BASED  
**BUSINESSES**

experienced  
a late payment from  
an overseas partner  
last year.

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**C**ompanies entering the global trade arena quickly learn the risks that can arise when collaborating with international trading partners. Among the most concerning are delays and, in worst cases, receiving no payments for their services.

A recent [survey](#) found 75 percent of U.S. SMBs walked away from an international business opportunity due to non-payment anxieties. That same survey found 57 percent of respondents said their current strategies to ensure payments receipt limit their ability to expand across borders. Data on B2B invoice payments indicates these fears are founded, though, with 51.4 percent of businesses in the

Americas — the U.S., Canada, Mexico and Brazil — having experienced foreign invoice non-payment. That figure is up slightly from the 50 percent noted in 2016.

Late payments are also plaguing cross-border businesses. An Atradius [report](#) found that a near-universal level, 90 percent, of businesses in the Americas had experienced a late payment from an overseas partner in the last year.

With such a significant payments share received late or not at all, receivables platforms are now gaining steam as a potential solution. They can be integrated into businesses' operations to streamline the B2B payments reconciliation process,

automatically match invoice data with a bank account and directly deposit remote payments.

Receivables platforms are also demonstrating the potential to solve common issues in certain industries. The following deep dive examines how they are being put to use in the healthcare, international education and supply chain industries.

## FIXING THE GLOBAL SUPPLY CHAIN WEAK LINKS

Global supply chain businesses are turning to receivables platforms to make the international payment process more

transparent and efficient. A growing number of firms are using SCF platforms to connect different transaction elements and ensure that payments and purchases are being delivered on time.

A supplier can use SCF to send invoices to the buyer for approval, for example, and the invoice data can be automatically uploaded to the platform. The supplier can then log in via a digital portal to see if, and when, its invoice was approved.

The SCF model appears to be playing a greater role across a wide range of industries, too. A recent [survey](#) found that the solutions are in place among consumer goods (21 percent of respondents), automotive (14 percent), communication and IT (14 percent) industrial manufacturing (11 percent) and transport and logistics firms (7 percent).

Cash flow is the most popular reason for implementing a SCF solution, according to the survey's results. Forty-two percent of respondents who invested in them cited cash access as their most important driver, followed by suppliers' liquidity needs (18 percent), building better supplier relationships (18 percent) and wanting to stabilize a supply chain (12 percent).

## TEACHING STUDENTS ABOUT INTERNATIONAL TUITION PAYMENTS

Products and supplies are hardly the only situations requiring smooth payments across borders, however. International students pursuing studies abroad can

also be counted among those who need to ensure on-time payments delivered in the correct amounts.

The [number](#) of international students attending higher education institutions in the U.S. increased during the 2016 – 2017 academic year. This brought the total number to 1.07 million, a jump of more than 35,000 compared to the prior academic year.

Higher education institutions can encounter the same late payment issues experienced by many businesses, though. Many have policies to notify students and families if a tuition payment is late or when an account has gone into delinquency. These policies can include late fees of approximately \$15, as well as negative impacts on students' academic

goals and families' financial standing with the university.

As such, the influx of overseas students brings increased demand for payment solutions that ensure tuition payments are received and reconciled accordingly. Student-focused payment receivables platforms can be used to help students and their families manage tuition payments, loan collections and manage delinquent accounts. They can also automate payment schedules and deliveries, tailor payment plans based on students' situations or offer more flexible payment schedules. Lastly, payment receivables solutions can reconcile overseas payments to ensure tuition bills issued in one currency are paid in full when the payee authorizes a transfer in his or her own local currency.



These solutions should help all parties in the international education arrangement — students, families and even colleges or universities — have an easier time remaining financially healthy.

## CARING FOR MEDICAL-RELATED PAYMENTS

Speaking of healthy, the medical care industry can also put receivables solutions to use to keep medical care providers financially sound.

Healthcare [accounts](#) for roughly 19 percent of the total U.S. gross domestic product (GDP). Related medical payments are often made using third-party payees, including Medicare, Medicaid or private insurance providers such as HMOs and PPOs.

A patient visiting a hospital or a clinic might incur a \$1,000 bill for his treatment. This bill is then sent to a third-party payee. If one party enters a wrong code or if incorrect information is transmitted, however, a smaller share of funds might be transmitted. Such a problem could put the medical facility on shaky financial footing if it becomes more widespread.

The healthcare industry is also often beset by late payments and overdue bills. Roughly 16 percent of healthcare business assets are stalled in AR, by some [reports](#). These problems can cause challenges across the broader industry, as patients frustrated with the billing process might avoid seeking medical care. Medical professionals can also be financially hurt by late or non-payments.



Receivable solutions could help avoid these situations by correctly reconciling patients' treatments with their correct billing information. They can also be kept current on the latest healthcare regulations and changes, thereby ensuring that all billing requirements are also up to date.

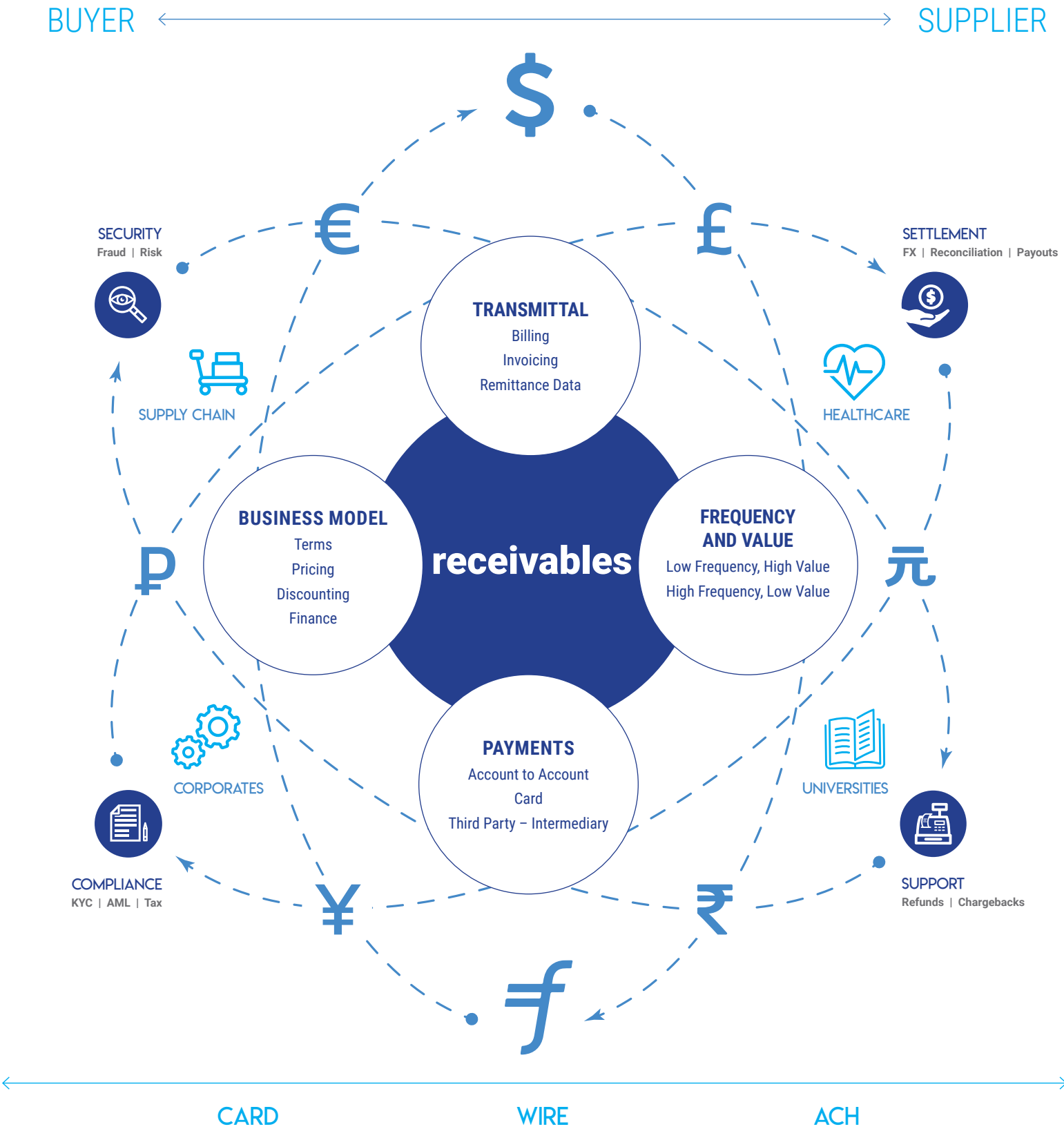
## ADDITIONAL B2B PAYMENT TOOLS

There are other B2B payment options businesses might want to consider. Virtual credit cards, for example, enable accounts payable professionals to issue single-use payment cards for specific expenses. These can be handled like a traditional invoice.

Self-service portals, meanwhile, offer all sides of a transaction access to a web-based platform to track and pay invoices, avoid losing invoices and streamline the payment process. Some companies, including Mastercard, have even launched a mobile-based payment app to make it easier for businesses to manage their payments.

As more companies enter the world stage, more patients seek medical care and more students travel to study abroad, receivables platforms and other B2B solutions will play a large role in ensuring business can continue to run smoothly.

# GLOBAL PAYMENTS ARCHITECTURE



# about

## PYMNTS.com

[PYMNTS.com](https://pymnts.com) is where the best minds and the best content meet on the web to learn about “What’s Next” in payments and commerce. Our interactive platform is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of this dynamic sector and make news. Our data and analytics team includes economists, data scientists and industry analysts who work with companies to measure and quantify the innovation that is at the cutting edge of this new world.



Flywire is a provider of global payment and receivables solutions, connecting over 1,400 businesses and institutions with their customers on six continents. The company processes billions in payments per year around the world. Flywire’s offerings include a comprehensive suite of products including OnPlan, a domestic billing and payment solution for pre-collection and payment plans. The company also supports its clients with end-to-end customer support including multilingual servicing via phone, email, and chat, as well as 24/7 online payment tracking. Flywire is headquartered in Boston and has offices in Chicago, London and Manchester (UK), Valencia (Spain), Shanghai, Singapore, Tokyo, Cluj, and Sydney. For more information, visit [www.Flywire.com](https://www.flywire.com).

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