

Patient Collections: Retaining Patients, Even When They Owe

M. Kempton

Let's face it, times are tough. With co-pays, deductibles and non-covered charges on the rise, physician groups are increasingly faced with the task of collecting from their patients while simultaneously trying to retain them as patients.

When your practice chose to accept the assignment of insurance benefits, it opened itself up to an excess of potential scenarios. Assuming that insurance billing has occurred and assuming no denials from improper coding, untimely billing, untimely rejection posting, or untimely remittance posting has occurred, there are still many areas that can swell your receivables.

For example, a fee schedule that has been improperly setup may not only fail to make contractual adjustments but throw off reporting as well. Here are some areas to examine that may create higher satisfaction in this area.

Set Policies and Standards

If you do not currently have a written financial policy for patients, create one immediately. Let patients know what to expect by clearly informing them of your policies. Train staff on what is expected of them and what it means to the practice if they do not carry out the policies set forth.

During appointment-setting, both patient and insurance information should always be obtained from new patients and/or verified for existing patients. It is extremely beneficial to verify the co-pay amount and modes of payment at this time.

One of the major issues that accounts for high patient receivables is poor timing on the part of the practice. Mislplaced encounter forms, for example, can ultimately waste time, resources and money. This sets attention on inaccurate patient receivables.

Provide Customer Service

During check-in, thank patients. Keep signs demanding payment polite, straightforward and to a minimum. The service patients receive at the desk and the condition of the waiting room set the tone for what's to come.

Often times patients are simply unable to understand the EOB or patient statement. Don't expect your patient to remain on hold or be happy about being transferred around the office because the person answering the phone thinks it isn't his/her responsibility to answer those types of questions. Don't leave your patient with a bad feeling because they are not confident that what they are paying you is really what they owe. Nothing is more professional than a statement that clearly states the basics.

Work Collections by Age

In the simplest terms, collections work this way: Run an aging report (usually 45 days) by dollar amount. Start with those bearing the highest dollar amount. Send letters. Make phone calls at day 60. Give patients payment options. Follow up with payment arrangements.

Most software systems provide a collections tool that is more than adequate to perform these functions. Handling patients by the book, with the caring attitude of a practice that's running a business will gain their respect.

Train Staff in Federal and State Collection Laws

There will always be a certain percentage of patients who won't pay, even when your best efforts are presented. Staff should be versed in federal and state collection laws as well as HIPAA regulations as these can affect more than just the collection of healthcare receivables and patient relationships. If you're considering a professional collection agency, understand that each account should be researched before turning it over to collections.

Agencies generally collect by mail and phone, monitor payments, and handle credit bureau reporting. This should include clearing patients when billing is satisfied. Check with neighboring practices, medical societies, and hospitals. Ask which agencies they use and which ones they've used in the past. Expect to pay anywhere between 18% to 50% of collected monies.

You can run the agency name through the Federal Trade Commission or the county court system for violations, complaints, or lawsuits against it to the Fair Debt Collection Practices Act or state collection laws. Most states require collection agencies to be licensed. Make sure it is licensed if required by law. Check their certifications. While certification may not be required by law, affiliations can be very telling.

The Bottom Line

An effective patient collections process requires a proactive approach. Set policies and make sure everyone knows and follows them. Starting with your initial patient contact combined with easy to read statements and direct collection efforts on the back-end can make a world of difference.

Source: www.pmimd.com