



Collection Tip of the Month

This month's tip comes from Lucien W. Roberts, III. He has been a healthcare administrator for over 20 years. He submitted this article to Physician's Practice newsletter. I wanted to share his views with you as they are very similar to the best practices we discuss in our E-Book (get your copy below).

We are in an era of higher co-pays and deductibles, patient payments continue to grow, becoming a larger percentage of your total payments. Effective patient collections are more critical to the financial health of your practice with every passing day. Here are several tried and true steps for getting more of what you are due from your patients.

1. Copay collections

- Your goal should be to collect 100 percent of co-pays and deductibles every day in every office.
- Let patients know — via your website, your portal, appointment reminder calls, etc., — of your "No Copay, No Visit" policy, and reschedule all but acutely ill patients who arrive without their copay.
- Track collection rates by office and/or staff member. Ask each staffer who collects co-pays/deductibles to complete an "If Not, Why Not?" report each day for the monies they do not collect.
- Improve the "Ask." You will find that some employees are instinctively better at collecting patient payments. Have other employees observe their techniques. If you have a small staff, consider having your front-office personnel take a field trip to another office to learn.

2. Know what they owe

- Check insurance eligibility on every patient prior to every visit to: 1) Identify what copay and/or deductible are due; and 2) Ensure the patient's insurance is active.
- Again, let your patients know what payment you will expect at the time of their visit. Eliminate potential patient excuses, such as, "I didn't know the cost of today's appointment will apply to my deductible."
- Many eligibility checking products permit you to do real-time eligibility/benefit status verification at the time of service.

3. Patient statements

- Remove the aging buckets (e.g., 0-30 days, 31-60 days, 61-90 days) from the bottom of your patient statements. Aging buckets are an invitation to patients to wait another 30 days to pay you.
- Patient statements should go out at least weekly.
- Your initial statement should simply state, "DUE NOW."
- Your second statement should state, "PAST DUE."
- The next step should be either a phone call or a final-notice letter giving the patient 15 days to pay before his balance is sent to collections.



4. Payment plans

- Set up payment plans for those patients who don't have the money and indicate that they are willing to pay their bill in installments.
- A payment plan should be documented in writing and signed by the patient. I have been burned too often by verbal agreements for payment plans.
- The payment plan should spell out what will happen if the patient misses a payment; this is critical in my opinion.
- Payment plans should not extend beyond six months.

5. Payment options

- Patients are creatures of their own habits. Make sure you have payment options that make it easy for them to pay you.
- Accept cash, checks, debit cards, and credit cards. I have a colleague who writes a check for everything whereas I never carry checks and rarely carry cash. More payment options mean more time-of-service collections.
- Accept payment through your patient portal.
- Accept payment through your website.
- Explore a "credit card on file" program. Some practices — particularly those with high dollar services or recurring treatments — use a third-party vendor to keep their patients' encrypted credit-card information secure and "draw" payments that are due from the patient's credit card.

Insurance companies and employers purchasing health insurance both accept the premise that higher deductibles and co-pays will lead patients to be more responsible for their health and their healthcare decisions. This movement, however, puts more pressure on medical practices to collect patient payments in a timely manner, as these payments represent an ever-increasing part of our overall revenue. Only a diligent effort on the front end will ensure our collection percentages remain strong.

Independent Physicians Advisors Meeting

The IPA is a group of independent physicians that meet on a

monthly basis to discuss various healthcare issues. It is a great way to network with your peers who are facing same issues that you are.

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The goal of the IPA is to improve core business operations for independent healthcare providers through shared learning and support. Their members provide key strategy and operational services that foster sustainable growth and enable the physician and practice owners to focus on patient care. The next meeting will be held on Thursday, November 13th, starting at 7:30 a.m. Location is the Redstone American Grill in Oakbrook Terrace. You can sign up by clicking on the following link: <http://www.ipamd.com/seminars.php> . If you have any questions, please do not hesitate to call me.

Associate Spotlight

This month's associate spotlight is on Dave Schmitz (sitting), Ken Armstrong (passing out papers), and myself (the one talking with his hands). This photo



was taken at a seminar we conducted for an American Association of Professional Coders chapter. If you would like us to speak to

your group/office, see below.

How Can I Earn CEU's By Attending a CDA Seminar?

Many of you belong to various professional medical office management associations and are looking for industry professionals to conduct a seminar at your local or state meetings. CDA is now offering a free seminar called "9 Red Hot Ingredients to Fire Up you're A/R Collections in Just 30 Minutes a Week?" for your medical or office managers association. We just conducted the seminar for the American Association of Professional Coders and they received 1.5 CEU's towards their professional certification for attending. Also, we were approved by the American Academy of Medical Administrators are allowing their members 1.5 CEU's for attending a live seminar or webinar.

You can view a short video on the seminar by going to <https://www.cdac.biz/spiceitup>

If you are interested in learning more about how you can bring our seminar to your association, please call Dave or Tony.

Thank You For Your Trust!!

We are looking to help more clients like you. The greatest form of flattery is when one of our clients refers us to one of their colleagues. If you know someone that can benefit from our services, let us know and we will be glad to follow up.

Chef Dave's Kitchen

Caramel Corn

- 2 cups light brown sugar
- 2 sticks of butter
- 1/2 cup white Karo syrup
- 1/2 tsp baking soda
- 1/2 tsp vanilla
- 6 quarts popcorn

Mix brown sugar, butter, & Karo syrup. Cook to a boil - "soft boil" temperature. Remove from heat. Add baking soda & vanilla. Stir. Pour over popcorn. Bake at 250 degrees for 1 hour. Stir every 15 minutes. Separate on wax paper and let cool.

All the best,

Tony Muscato, VP of Sales

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