



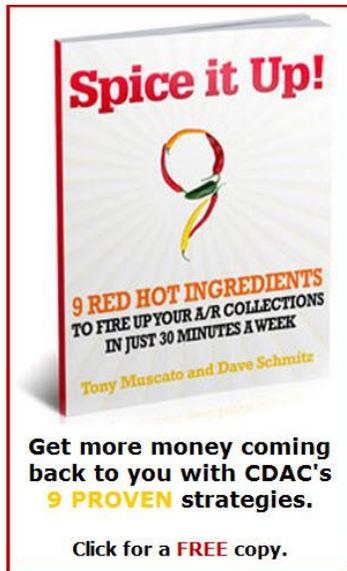
In last month's newsletter, we talked about how to improve collections at point of service. This month we continue the conversation with an article that I found in Pulse that discusses understanding the mindset of the patient....

Collection Tip of the Month

In ACA International's teleseminar, "Increase Health Care Collections," Irene Hoheusle, vice president of collections at Account Recovery Specialists, Inc. in Wichita, Kan., discussed how understanding the consumer's mindset and educating patients about their financial responsibility can increase the effectiveness of health care collections.

Understanding the Patient Mindset

In order to effectively collect from patients, collectors need to understand a patient's mindset. According to Hoheusle, many patients feel entitled to free health care and do not think of health care debt the same as other debts. "Most often, patients will receive their services and then walk out the front door without paying anything, or with just paying a small fraction of what they owe," Hoheusle said. "This just adds to their mindset that they can receive medical services and not have to pay for it." Hoheusle noted that this sense of entitlement for health care would not be acceptable in other service industries. When a person hires an attorney, he has to pay the attorney's fees. The same is true if someone hires a plumber, carpenter or a hair stylist. The list is endless for how many service providers exist where consumers are expected to either pay up front or when services are received. "For some reason, the mindset of paying right away or soon after for a service does not typically carry over to doctors or hospitals," said Hoheusle. Hoheusle also stated that many patients feel that, by carrying insurance, they have fulfilled their financial obligation to the health care provider.



According to Hoheusle, most patients understand that they have insurance because they pay the premium for it, but many patients believe that just because they have insurance, they are not responsible to pay anything more. "Our collectors are constantly reminding patients that health insurance helps them pay their medical bills, but it does not relieve them of their responsibility to pay for services," said Hoheusle.

Educating the Patient

By understanding the mindset of the patients, collectors will be in a better position to help explain to patients why an unpaid balance is due and how to overcome stalls and objections from patients. Collectors must understand that they are the expert while on the phone, not the consumer on the other end. In order to be an expert, collectors must know how to explain why the dollar amount remaining after insurance pays is the patient's responsibility. Patients are generally responsible for all of their out-of-pocket expenses, including co-pays and deductibles. Deductibles and co-pays are often confusing to patients; therefore, educated collectors should be prepared to explain how co-pays and deductibles apply to the patient's situation. Knowledgeable collectors can inform the patient how to read an Explanation of Benefits (EOB) and explain the reasons for insurance denials, as well as define the differences between primary and secondary or supplemental coverage.

Knowledge is Power

Katie Loudon, Communications Specialist Experts in the health collection field tend to be more productive and able to stop stalls from patients because

they are experienced in responding to patients' questions and concerns. According to Hoheusle, educated collectors are successful in collecting debt by using empathetic statements such as, "I understand medical bills can be expensive, and insurance rarely covers 100 percent, but the balance of your bill is still your responsibility. I'm sure there is a payment arrangement we can both agree on," or "I understand your frustration with your insurance. I

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can help explain key areas on your EOB so you understand what you are paying." Most patients are not experts when it comes to insurance because they do not understand their health care coverage. Collection partners can bridge the knowledge gap on health care for patients, while simultaneously benefiting providers by understanding the consumer's mindset and overcoming objections and stalls. "Collectors must expect to receive payment from the patient," Hoheusle said. "But they must also give the indication that they understand the patient's situation and want to help."

Associate Spotlight

This month we are featuring our Partner/VP of Operations, Ken Armstrong.

Ken just celebrated his 20th anniversary with CDA. Ken's many duties include finance, IT, training, and fixing anything that breaks in the office. He has been a longtime member of the Illinois Collectors Association Board of Directors and served as President in 2004-05. He was a member of the ACA National Board of Directors from 2007-10. He now serves on the ICA Education Committee.



Ken's favorite part of his job is implementing new programs and technology to make the collection process efficient and

successful for our clients.

Ken and his wife, Kelly, have four children and one grandchild. Ken enjoys spending time with his family, hunting, fishing, golfing, and rooting for the White Sox.

Industry News

The below article is good news. The better educated your patients are regarding their insurance coverage, hopefully the less work you will have trying to explain it to them and they should have a better understanding of their deductibles and self-pay obligations.

Insurance Companies and Employers Provide New Summary of Benefits and Coverage

To comply with requirements found in the Affordable Care Act, insurance companies and employers are now providing consumers in the private health insurance market with a brief summary of insurance policy or employer plan coverage, according to the Department of Health and Human Services.

Called the Summary of Benefits and Coverage (SBC), the document includes information about covered health benefits, out-of-pocket costs, and the provider network. The SBC also includes a comparison tool, which is modeled on the Nutrition Facts label required for packaged food. This tool helps consumers compare coverage options by showing a standardized sample of what a health plan will cover for two common medical situations--having a baby and managing type 2 diabetes.

In addition to the SBC, consumers will have access to a uniform glossary that defines insurance and medical terms using common language.

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 your 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

Dave's Favorite Italian recipe he stole from Lou Di Palo:

Spaghetti & Meatballs

1/4 cup olive oil
5 cloves garlic finely chopped
1 tbsp dried parsley
1 tbsp dried basil
2 28 oz cans whole peeled tomatoes
in juice, crushed Kosher salt and
freshly ground black pepper, to taste
1/4 cup sugar
10 oz ground pork
5 oz ground beef chuck
5 oz ground veal
1/3 cup shredded provolone
1/3 cup whole-milk ricotta
1/4 cup finely grated parmesan
1/4 cup finely grated pecorino,
plus more for serving
3/4 cup breadcrumbs
3 eggs, lightly beaten
1 lb spaghetti, cooked
2 tbsp finely chopped fresh parsley,
for serving

Heat 2 tbsp. oil and 3 cloves garlic in 6 qt. saucepan over medium heat; cook until lightly browned, about 3 minutes. Add dried parsley, basil, tomatoes, salt, and pepper; cook for 60 minutes. Add sugar; cook until reduced and

thick, about 20 minutes. Mix remaining garlic, pork chuck, veal, provolone, ricotta, parmesan, pecorino, breadcrumbs, eggs, salt, and pepper in a bowl; form into 2 1/2" meatballs, about 6 oz. each. Heat remaining oil in a 12" skillet over medium-High heat.

Working in batches, add meatballs; cook, turning until browned, about 10 minutes. Transfer to sauce; cook until cooked through, about 30 minutes. Serve meatballs and sauce over spaghetti; sprinkle with parsley.

All the best,

Tony Muscato, VP of Sales

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