Taming the Accounts Receivable Beast
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Is This Your Accounts Receivable?

Step 1: Understanding Your Compliant Fee System

You Are Likely Already Discounting
When a patient that has insurance enters your office for care – they are bringing another “person” to the relationship

Avoid Dual Fee Schedules
- Charging more to insurance companies than you do to cash patients
  - Illegal in many states
  - Misrepresents charges to carriers
  - False Claims Act violation
  - May violate provider agreements
  - Triggers investigations
Step 2:
Identify Which Kind(s) of Payment The Patient Will Use

Payment Systems and Methods

It’s Simple!

- Ask the right financial questions at the first contact.
- Identify which payment methods will be used.
- Implement steps to establish financial payment plans.
- Deliver financial information to the patient.
- Automate your treatment and financial plan systems.
- Update the financial plans as necessary.
Step 3: Prepare and Deliver Reports for Financial Responsibility

Goals of Insurance Verification

- Confirm eligibility of the patient and their method of coverage
- Determine what the patient’s responsibility might be
- Use this data regarding coverage to assist with FROF
- Clarify what codes are covered and if there are any specific requirements or exclusions
- Create templates for efficiency

Major Medical Verification

- Typical verification questions
- Verification of eligibility
- Checking for medical review policy
- Set up templates for most typical insurance plans

Define Your Policy

It is the policy of this office to only offer legal Professional Courtesy arrangements. In keeping with the policy, we adhere to the following guidelines:

- The policies listed below are offered to all members of the stated groups without regard to volume or value of referrals.
- May include only those services regularly offered to the practice.
- Are included in written policy and have been approved by top practice management.
- Cannot be offered for copies services unless the insurance company paying the bill is informed in writing or there is documented and verified financial hardship, and
- Does not violate anti-fraud laws or other submission rules and regulations.
Clear Understanding of Hardship Fees

- Establish a hardship fee schedule
- Your hardship agreement can co-exist with other fee schedules
- Set the standard up front, have qualifying factors, and verify eligibility.
- Utilize a standardized form and system

Mistakes and Blunders

- Likely NOT a financial hardship?
  - No insurance
  - High deductible
  - I don’t wanna pay that much
  - My other doctor didn’t charge my co-pays
  - I just want to give discounts
- Don’t confuse it with a contractual discount - That’s what CHUSA is for!

Financial Report of Findings

- Review the benefits or lack thereof
- Review the plan they just got from the doctor
- Estimate to the best of your ability
- Explain your processes
- Visit by Visit vs. payment plan

Ways to Collect

- Pay per visit
- Payment plans
- Billing after the fact
Risk Areas To Avoid

- Giving away or discounting services to beneficiaries of federally funded programs is an inducement and can expose you to fines and penalties.

Step 4: Implement the Patient’s Choices for Payment

Payment Plans

- Establish legal and correct payment plans.
- Collect according to your plan.
- Regular schedule with Credit/Debit info so YOU control collections.
- PCI Compliant system for maintaining credit/debit card info
- Follow-up Systematically

Payment Card Industry (PCI) Data Security Standards

- Mandatory compliance program resulting from a collaboration between credit card associations to create common industry security requirements for cardholder data.
The Financial Touch Base

- Typically between visit 4 – visit 10 the patient has less pain, and can better concentrate on the financial details you will review.
- Your team has also had time to build rapport and trust.

Components of Any Financial Touch Base

- Review EOB’s if any or show an example that’s redacted
- “Sally, sometimes the insurance company sends you information, and they forget to send us a copy. Please bring in any correspondence for my review.”
- Reassure that you’ll advise the patient about changes if any

Responsibility

- Doctor to Patient
- Staff to Doctor
- Staff to Patient

Step 5: Organizing the “Beast”

Billing Timelines

- Can vary by carrier
- With Electronic Billing can be very quick
- Paper billing takes longer
- EFTs mean your money gets to you faster
General Team Member Admin Time

• Insurance Follow Up
• Posting Payments
• Reactive and Proactive Calls
• Verification
• Collections Calls
• Recalls
• Doctor’s PRN or Monthly Duties

Patient Finances

Four Categories of Organization

Items Not Your Responsibility Go Away
Checks and ‘zero pays’ to post and process
Items which need a phone call to resolve
Items which need an action to resolve

Patient Finances

Successful Follow Up is an A-R-T

• Follow this recipe for success:
  – A = Attack Immediately
  – R = React Proactively
  – T = Tickle Relentlessly

Patient Finances

A = Collections and Follow Up Start Here
With Folders 2, 3, & 4

• The insurance company returns an Explanation of Benefits (EOB)
• Sometimes it is paid correctly and sometimes not
• If incorrect….ATTACK IMMEDIATELY!

Patient Finances
Multiple Concerns

Posting Payments Generates Reactive Items

Posting Items

Requires Call to Resolve

Requires Action to Resolve

Requires Follow Up

Pending or Tickled

End of Day Bundle

End of Day Balancing

Reactive Calls Include A/R Aging

• Not all money comes back in without any effort.
• Unpaid claims list must be worked
• Reasons bills go unpaid:
  – Never received
  – Pending information from the insured
  – Denied and you didn’t get the denial notice

Helpful Scripting

• Get straight to the point: “I’m calling to follow up on an unpaid/incorrectly paid bill”
• “I’m unclear about the validity of this denial”
• “By when can I expect a check?”
• “What other options do I have to speed up the decision making process?”
• “Can I fax this directly to you so that you can give me an estimated date of payment?”
• “I’m sorry that we’re having difficulty communicating. May I please speak to your supervisor?”

Proactively Work it!

• Work the aging/unpaid claims list according to payer class
• Sort by carrier if you can
• Sort by highest balance if you’re just starting to work these lists
• Systematically move through these unpaid claims

End of Day Balancing Checksheet

• Total of claims (Add machine tape with total)
• Total of claims paid (Add machine tape with total)
• Total of claims denied (Add machine tape with total)
• Total of claims endorsed (Add machine tape with total)

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Develop a Tickler System

- Follow up on your follow up
- This is the crux of a system
- It’s not person dependent
- It’s your brain in a box
- Electronic/Outlook
- Card file/hanging file

Why Appeal?

- Not appealing looks like you are billing fraudulently
- Appealing improves the practice’s bottom line
- Improves communication between providers and insurance companies
- Defends your services

Patient Statements

- Schedule time in your calendar once a month to send patient statements of past due balances or pick a common day

Month One

- Start in the same place for everyone.
- Send bills to all account due
- Expect phone calls and be prepared to handle them
Patient Excuses For Paying

- If your patients do not pay for the products and services provided, it is NOT THEIR FAULT.
- IT IS YOUR FAULT!!
- Be one step ahead of them.
- Be prepared.

Month Two until Paid or Resolved

- Affix stamp, sticker or notice to all balances that were billed last month, but remain unpaid
- Keep track of who was billed with notice in a notebook or digital file
- Report to doctor and/or office manager monthly

Make Time for Contact

- Call patients to collect via telephone
- Develop scripts for common circumstances

Practice Makes Perfect

- The more confident you are in yourself and the policies and procedures of your office, the more effective you will be at collecting.
- Be confident, smile, be firm and look them in the eye.

Questions?
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