Personal A/R Management

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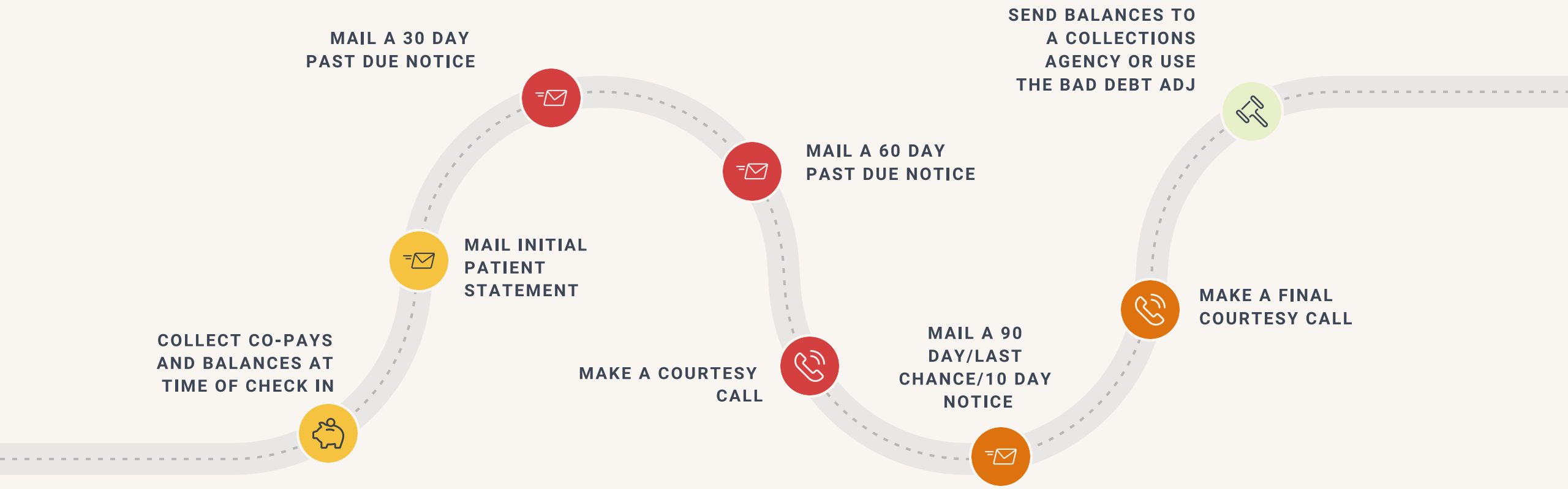
The Challenges to Managing Personal A/R

1. **DECIDING ON A COLLECTION PROTOCOL**
2. **COORDINATING WITH FRONT DESK STAFF**
3. **HANDLING QUESTIONS ABOUT PERSONAL BILLS**
4. **MANAGING AGING BALANCES**

First, Stick with the Collection Basics



CONSIDER YOUR ADDITIONAL OPTIONS

- CCOF
- TOS Payment for High Deductible Plans
- TOS Payment for Self-Pay
- Budget Plans
- Late Payment Fees
- Missed Appointment Fees
- Collections

Let's Look Closer

- **CCOF**

  Run upon receipt of the EOB or at the 30 day mark to keep your personal balances in check.

- **TOS PAYMENTS**

  Discount charges for Self-Pay if paid at TOS. For High Deductible Plans, consider a flat fee to be paid at TOS.

- **BUDGET PLANS**

  Decide whether you want these balances paid in 3-6 months and keep a CCOF to run automatically.

- **FEES**

  Missed appointment fees and late payment fees. Do they help?

- **COLLECTIONS**

  To send or not to send.

Sample CCOF Policy

This policy is designed to:

- Help avoid all billing-related fees
- Streamline the billing process in our office and eliminate the expenses related to handling overdue accounts
- Focus our time on your children and their medical care

The card information is stored electronically in an encrypted form and cannot be viewed by our staff. Your signature will authorize the card to be used only when your balance becomes past due.

How the policy works:

1. We bill your insurance carrier, as a courtesy, for all charges related to the visit.
2. When we receive an explanation of benefits (EOB) from your insurance, we will send you a statement. If no payment has been received in 30 days, we will charge the credit card on file for the balance due.

Please remember that this policy does not restrict your right to appeal any charge made to your credit card. Should you feel we have charged you in error, contact our office ASAP. If a mistake has been made, we will reverse the charges.

I have reviewed the Credit Card on File Policy and agree to provide my credit card information for the sole purpose of payment for my child(ren)'s medical care. I have the right to cancel this process and use another form of payment. Signature_____ Visa____ MC____ AmEx_____ Last 4 digits _____

FAQs About Credit Card on File

When do I have to pay for services?

Any time you receive medical care, you are expected to pay in full for your services until your deductible is met. Our contract with your insurance expects us to collect the patient portion at the time of service. If during the claim adjudication process we receive unexpected information regarding your payment responsibility, we will promptly notify you to give you an opportunity to address this with your insurance before we charge your credit card.

Why am I being singled out? I always pay all my bills.

All patients are required to keep a credit card on file.

What about identity theft and privacy?

Under HIPPA, we are under strict rules in terms of protecting patient privacy and the credit card is considered protected health information. Because of HIPPA rules, our medical office is far more secure than most retail establishments as it relates to identity theft. We use a secure gateway that is completely compliant, as required by law. The staff has no access to your actual credit card number once it's stored in the gateway.

FAQs on Credit Card on File continued

This is not the same as “signing a blank check”

What we are doing is no different than a hotel or rental car company does at each check-in. All credit card contracts give cardholders the right to challenge any charge against their account. If we make a legitimate mistake, we will reverse the charge immediately.

This is NOT the same as “balance billing”

“Balance billing” is asking the patient to pay the difference between our normal fee and the insurance company's normal payment. That is a breach of our managed care contracts. What we charge to the patient's credit card is the portion the insurance company determined is not covered by the company.

I don't have a credit card.

You are welcome to leave a HSA or Flex Plan card on file or pay with cash or a check for the visit in full. If you do not have a credit card we will work out a payment plan with you.

Develop a Clear Financial Policy

PUT IT IN WRITING

Have the guarantor sign the financial policy.Create separate documents for budget plans and CCOF.

REMINDERS!

Update signature yearly if you use CCOF. Many states require an annual authorization.

Sample Financial Policy

Patient Balance is billed monthly. Your remittance is due by 30 days. Any account balance outstanding beyond 30 days will be paid with the credit card on file (see policy.) If there is no contact made to the office about a payment and the CCOF declines, the account will be charged a $30 re-bill fee for each monthly cycle. Any balance outstanding longer than 90 days will be forwarded to a collection agency. If the account is sent to collections a 50% fee on the balance will be added. **(initial) _____**

Self-pay accounts are expected to be paid in full at the time of service. We offer a 30% discount for all self-pay services paid in full on the day services are rendered. If payment cannot be made that day, a budget agreement can be made to have paid within 90 days with the first payment due at the TOS. A CCOF will be required. **(initial) _____**

Co-pays are required by insurance to be collected at the time of service. Failure to collect co-payments puts the responsible party and the practice in default of the insurance contract. A $25 service fee will be charged in addition to the co-payment if the co-pay is not made by the end of the business day. **(initial) _____**

Missed Appointment Fees. Broken appointments represent a cost to us, you and to other patients who could have been seen in the time set aside for you. Cancellations are required 24 hours prior to the appointment. Those appointments not cancelled at least 24 hours in advance will result in a $75 “No Show” fee and potentially dismissal from the practice. This payment must be made before a new appointment is scheduled. **(initial) _____**

Returned Checks. A $50 fee will be charged for any checks returned for insufficient funds. **(initial) _____**

Medicaid. If your child has medicaid and is also covered under a private health insurance plan, we are required by law to file claims with the private insurance policy first. Medicaid is always considered secondary. If Medicaid is not informed that your child has private insurance, they have the right to retract payment from a previously paid claim. If this occurs, the entire balance will the the responsibility of the parent/guardian on file. **(initial) _____**

FACT:

You will never be in a better position to collect a balance than at scheduling or check-in.

Leverage the Front Desk Staff

EDUCATE

Provide general understanding of commercial insurance plans with deductible, cost share, and co-pays to help FD staff field basic questions from parents about their bill.

TRAIN

Teach FD to respond to flags in the EHR. If there is a balance or insurance information required, FD can address that at check-in or scheduling.

PRIORITIZE

The morning huddle is a chance to run eligibility and an authorization on CCOF before the parent arrives for check-in. Consider calling to update either to speed check-in.

PLAN AHEAD

Have FD staff make appointment reminder calls or texts and include information about a balance due.

Get Ahead of Parent Questions About Their Bill

Offer a new parent letter that includes examples of common scenarios, highlighting the difference between well and sick visits.

Create a flier for parents explaining that anything abnormal addressed during a well check may not be covered with the well visit.

Offer a template for an appeal letter for parents who wish to appeal screenings put to PR during well checks.

Sample Flier: Understanding Your Insurance Benefits

We practice medicine using evidence-based medicine and *Bright Futures Guidelines* set forth by the American Academy of Pediatrics. Insurance companies do not always agree, and therefore, do not always cover the typical costs associated with a visit. Depending on your contract, the insurance may simply not cover a procedure or add it to patient responsibility. Once added to patient responsibility, we *cannot write-off a charge*. Because of the differences amongst each plan, we cannot know what will and will not be covered. The following are a list of commonly used CPT codes during well and sick visits. You can call your insurance company before your child's visit to find out what is covered in your insurance contract.

Vision Instrument Screener: 99174
Lead Questionnaire: 96160
Lipid Pane: 80061
Behavioral Assessment: 96127
Developmental Screenings: 96110
Hemoglobin: 85018
Dental Varnish: 99188

Sample Flier: Understanding Your Insurance - When a Well Check Includes a Sick Visit

There may also be times when a child needs a service that is not considered preventative on the same day as a Well-child visit. If a child is not well or if a problem needs to be addressed during the checkup, the physician will need to provide an additional office visit service (called a *sick visit*) to care for the child. This is a **different service** and is required to be billed to your health plan in addition to the preventative services provided on that day. **If your insurance requires you to pay a co-payment, coinsurance, or deductible amount for office visits or health care services, our office must charge you these amounts in accordance with our contract with your health plan**. We value your time and want to make the most of each appointment for your child. This is why we offer the opportunity to address any problem that needs a doctor's care during Well-child visits so that only one trip is needed.

Services that may be provided and billed in addition to preventative services include the doctor's work to address more than a minor problem, which must be billed as an office visit. For example, the doctor might give a prescription, orders tests, or change the care plan for a known problem. Medical treatments such as breathing treatments or a procedure (removing splinters, ear wax or wart removal) are additional services. Tests ordered and performed in the office that are not included in the Bright Futures Guidelines are also considered an additional service to the well check.

Our office does not want you to be surprised by a bill but must always bill your health plan based on the actual services provided, as described in our Financial Policy. Please feel free to ask questions about services that may not be paid in full by your health plan on the day of your visit.

Don't Be Afraid to Call

Personal Calls on Overdue Balances Can Make a Difference

#1: CALL ON 60 DAY AND LAST CHANCE

- Leave a Message
- Use Non-Judgemental Tone
- Offer a Budget Plan
- Follow with an email

#2: CONSIDER HAVING FRONT DESK STAFF CALL

- If staff is known by parent
- In very unusual situations, the provider can call to discuss an overdue balance with a parent

Don't Let It Age...

Consider using a collections agency for larger balances.

Any balance under $50 will go through the entire letters and call process, then move to Bad Debt. Flag the account as Bad Debt in the EHR so it's visible in the demographics section.

Before You Write it Off...

Remember that a balance put to patient responsibility should not be written off unless the service is not covered and the full balance is the responsibility of the member. In that case, a provider may adjust off the charge completely, or offer a reduced rate. When the balance is put to deductible, cost share or co-pay, it cannot be written off, per the provider's contract with the payer.

For special circumstances, have a **Financial Hardship Policy** with income parameters in place and stick to it. This will ensure fairness across your parent population.

Manage Credits and Refunds

Check State Guidelines for a timeline required to refund any credit balances.

Tips and Tricks for Getting Paid

TAX TIME

Take advantage of tax season to make personal calls on overdue balances.

COLORED ENVELOPES

Mail a very overdue bill in colored envelope, hand addressed with no return address.

EMAIL

Use email to ask for updated CCOF information, PCP or COB updates, or an update on newborn eligibility to get quick results.

SET A TASK

During a well check, if there is a new condition requiring treatment, set a task in EHR to prompt the front desk to collect a copay at check-out.

Highly Recommended Best Practices

- Use CCOF
- Encourage parents to use patient portal for payments
- Use the appointment reminder to include balance due
- Take advantage of scheduling and check-in for payments
- Make use of huddle sheet to verify Elig., CCOF & Balance
- Use the Recurring Billing feature in your CC Portal
- Call/Email for COB and Newborn Denials
- Call/Email for Declined CCOF or New Insurance Info
- Create specific flags and set up pop-up alerts in EHR
- Confirm at registration who primary contact should be
- Get copy of insurance card and parent driver's license

Have more questions?

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