

# Accounting Challenges



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# 1. Introduction

The medical biller's job would be easier if accounts paid on time and insurance companies reimbursed the correct amount. Unfortunately, accounts build up balances and credits and insurance companies overpay, underpay, and demand "takebacks."

The sections below include step-by-step instructions for handling common accounting challenges. You will learn how to:

- Refund a personal balance
- Refund a bad check, reinstate the charge, and post a penalty fee
- Turn an account over to a collection agency
- Post an insurance interest payment
- Post an insurance overpayment
- Write-off a credit, turning it into revenue
- Handle an insurance refund or "takeback"

The instructions in these sections assume you have a solid, working knowledge of Partner's billing tools and basic configuration. For additional information, training, and assistance with these procedures, contact PCC support at [support@pcc.com](mailto:support@pcc.com) or 1-800-722-1082.

## 2. Refund Personal Credits

If a family paid you for a copay that they did not owe, or if they pay you twice for the same visit, you may need to issue them a refund. In some cases, you can leave the amount as a credit on the account and link it to the family's next visit. If the credit needs to be returned to the family, however, follow the procedure below.

**Note:** The steps below require a "Personal Refund" procedure in the Procedures table in the Table Editor (**ted**). Personal Refund should have an accounting type of "Receipt - Refund." You may also create other procedures for special refund or account adjustment types.

### Step 1: Run refund for the Account

Run **refund** from the Daily Operations window, or type **refund** at a command prompt. Find the account that has the credit.

**Note:** The **refund** program posts refunds and adjustments to the first patient on an account. You can specify with which patient the refund adjustment is associated by running **Refund** instead of **refund**. The **Refund** program finds accounts by asking for the patient name. Both versions of **refund** can be found in the Payments window in the Billing Functions window of Partner.

### Step 2: Post a Refund

Post a Personal Refund procedure for the amount you are refunding. Fill out the refund information and press [F1 -- Save].

POSTING ACCOUNTING ADJUSTMENTS Page 1 of 2

First Name: **Fred** Home Phone: **802-927-8050**  
Last Name: **Flintstone** Work Phone: **802-821-7264**  
Status: \_\_\_\_\_

Address: **479 Cocoa Avenue** Dependents  
City: **Plymouth** **Pebbles Flint**  
State: **VT** Zip Code: **05056** **Dino Flinston**

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 144.00CR	\$ 0.00	\$ 0.00	\$ 0.00	\$ 144.00CR	\$ 144.00CR
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Adjustment Type	Amount	Provider
02/08/06	Personal Refund	144.00	

**Save** Next Account Print A Bill Correct Mistakes Family Editor Acct History

### Step 3: Run oops

Run Correct Mistakes (**oops**) from the Daily Operations window, type **oops** at a command prompt, or just press the [F6 -- Correct Mistakes] key while in **refund**.

#### Step 4: Locate the Credit

The credit will appear in **oops** as an unlinked, open-item payment on the date it was posted. Use **Page Down** and **Page Up** to find the credit, and note the item number next to it.

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
168)	12/12/04	12/13/04	Claim (from Health America) to hamerica				
169)		12/13/04	Health America claim batched				
170)		Dino	Same	493.02	G	0.00	0.00
171)		12/13/04	Health America claim batched				
172)		12/13/04	Claim (from Health America) to hamerica				
173)	12/10/04	C Dino	OV Expanded Focus	382.9	D	48.00	0.00
174)		12/23/04	Ins Pmt -- Health America #1123	D		37.44	
175)		12/23/04	Ins Adj -- Health America #1123	D		0.56	
176)		12/11/04	Claim (from Health America) to enhamerica				
177)		12/11/04	ENVOY Accepted Claim:				
178)		12/10/04	TOS Cash Payment		D	10.00	
179)		12/10/04	Health America claim batched				
180)		Dino	Same	786.2	D	0.00	0.00
181)		12/11/04	Claim (from Health America) to enhamerica				
182)		12/10/04	Health America claim batched				
183)			TOS Receipt				
184)	11/05/04		Personal Check Payment #453		N	200.00	

Correcting Fred Flintstone. Balance is \$ 0.00  
There are no more charges or payments.

Jump to Item    Print TOS HCFA    Batch HCFA    Insurance Status    Visit Status    Unlink Payment    Relink Payment    Delete Item(s)

You may notice that the payment pays off a charge on the account, in which case **oops** will list the payment underneath the charge.

#### Step 5: Press [F7 -- Relink Pmt] and Choose the Credit

Press F7 and enter the number that appears next to the credit in the history:

183)			TOS receipt				
184)	11/05/04		Personal Check Payment #453		N	200.00	

Correcting Fred Flintstone. Balance is \$ 0.00  
There are no more charges or payments.  
Type in the numbers of payments/adjustments to relink: 184

#### Step 6: Select the Refund Procedure

From the list of outstanding charges, find the Refund procedure you posted in **refund**. Type the corresponding number and press **Enter**. If the payment pays off additional charges, and you are only refunding a part of it, link the payment to both the refund *and* the charges from the visit, as shown in the example below:

ALL DUE charges for Account: Fred Flintstone  
 Acct Status:

#	Date	Patient	P I Code	Procedure Name	Diag	Amount	Amt Due
1	10/17/05	Dino	G 99213	OV Expanded Foc	382.9	\$ 56.00	\$ 56.00
2	02/08/06	Pebbles	N	Personal Refund	-	\$ 144.00	\$ 144.00

There are 0 more charges for this patient.  
 Quit, or numbers to relink this 'Personal Check Payment' to:  
 > 1-2

Buttons: Quit, Print A Bill, Family Editor, Post A Refund

**Step 7: Confirm the Payment Links to the Refund and the Charges**

On the next screen, confirm that the payment you are refunding links to both the refund and any charges to which it should be applied. In other words, the payment should be fully accounted for, with no unlinked amount remaining. The Balance fields should be \$0.00.

ALL DUE charges for Account: Fred Flintstone Date of Payment: 11/05/04  
 Acct Status:

DATE	CODE	PROCEDURE	CHARGE	APPROVED	PAYMENT	ADJUST	BALANCE
10/17/05	99213	OV Expanded Focus	\$ 56.00	\$ 56.00	\$ 56.00		\$ 0.00
02/08/06		Personal Refund	\$ 144.00	\$ 144.00	\$ 144.00		\$ 0.00
					Unlinked:	\$ 0.00	
TOTALS:			\$ 200.00	\$ 200.00	\$ 200.00		\$ 0.00

Payment Type: Personal Check Paymen

Buttons: Save Payments, View Account, View Patient

**Step 8: Send the Family a Check and Add a Note to the Account**

Refund the money to the family. You should also record the details of this transaction on the Notes page of the Family Editor (**fame**).

### 3. Bounced Checks and Fees

When your bank returns a check, you should note it in Partner and re-bill the patient's family. You can also post a bounced check fee, in accordance with your office's financial policy. Follow the steps below to learn one method of managing a bounced check in Partner.

The steps below require two procedures in the Procedures table of the Table Editor (**ted**):

- A "Returned Check" procedure with the accounting type of "Receipt - NSF." You will use this procedure to offset the bad check.
- A "Returned Check Fee" procedure with the accounting type of "Revenue - Non Service." You will use this procedure to charge the account a penalty fee for the returned check. Set the price of the procedure to your practice's bounced check fee.

Contact PCC if you need assistance adding the above items.

When the bank returns a bad check, follow this procedure:

#### Step 1: Run refund and Find the Account

Run **refund** from the Daily Operations window, or type **refund** at a command prompt. Find the account that paid with a bad check.

#### Step 2: Post a Returned Check Procedure

Post the Returned Check adjustment procedure for the full amount of the original check.

The screenshot shows the 'POSTING ACCOUNTING ADJUSTMENTS' window in Partner software. The patient information for Fred Flintstone is displayed, including address (479 Cocoa Avenue, Plymouth, VT 05056) and dependents (Pebbles Flint, Dino Flinston). An aging table shows zero balances for Personal, Insurance, and Medicaid across all categories. A table below shows an adjustment entry for a 'Returned Check' on 02/09/06 for \$48.00. The 'Save' button is highlighted with a red circle.

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Adjustment Type	Amount	Provider
02/09/06	Returned Check	\$ 48.00	

### Step 3: Post the Returned Check Fee

Use **refund** to post the Returned Check Fee procedure. Your practice's default fee, as entered in the Procedures table in **ted**, will appear in the Amount field.

POSTING ACCOUNTING ADJUSTMENTS Page 1 of 2

First Name: Fred Home Phone: 802-927-8050  
 Last Name: Flintstone Work Phone: 802-821-7264  
 Status: \_\_\_\_\_

Address: 479 Cocoa Avenue Dependents \_\_\_\_\_  
 City: Plymouth Pebbles Flint \_\_\_\_\_  
 State: VT Zip Code: 05056 Dino Flinston \_\_\_\_\_

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 48.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Adjustment Type	Amount	Provider
02/09/06	Returned Check Fee	\$ 25.00	

Buttons: **Save** Next Account [ ] [ ] Print A Bill Correct Mistakes Family Editor Acct History

### Step 4: Run oops

Run the Correct Mistakes (**oops**) program from the Daily Operations window, press the [F6 -- Correct Mistakes] key while in **refund**, or type **oops** at a command prompt.

### Step 5: Locate the Check

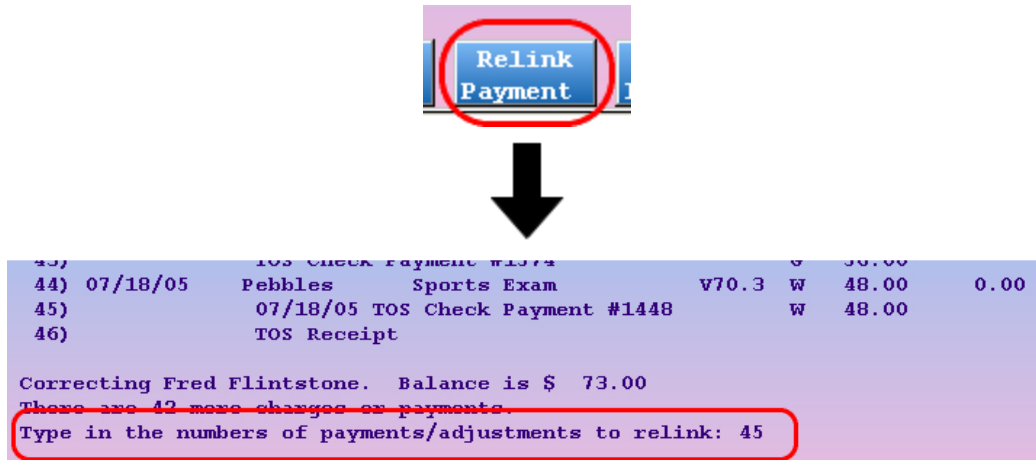
Use **Page Down** and **Page Up** to find the bad check. If posted correctly, it will be listed underneath the visit date for which the payment was originally intended. Note the number next to the item.

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
30)	10/24/05	10/24/05	Cap Adjustment		W	87.00	
31)		10/24/05	Keystone HealthPlan claim batched				
32)		Pebbles	Same	477.9	W	0.00	0.00
33)		10/24/05	Keystone HealthPlan claim batched				
34)		Pebbles	Same	784.0	W	0.00	0.00
35)		10/24/05	Keystone HealthPlan claim batched				
36)		Pebbles	Same	959.01	W	0.00	0.00
37)		10/24/05	Keystone HealthPlan claim batched				
38)			TOS Receipt				
39)	10/20/05	Dino	OV Expanded Focus	382.9	G	56.00	0.00
40)		12/12/05	Patient Not Covered-Ins Pmt --		G	0.00	
41)		10/20/05	Keystone HealthPlan claim batched				
42)			TOS Receipt				
43)			TOS Check Payment #1574		G	56.00	
44)	07/18/05	Pebbles	Sports Exam	V70.3	W	48.00	0.00
45)		07/18/05	TOS Check Payment #1448		W	48.00	
46)			TOS Receipt				

Correcting Fred Flintstone. Balance is \$ 73.00  
 There are 42 more charges or payments.

Buttons: Jump to Item Print TOS HCFA Batch HCFA Insuranc Status Visit Status Unlink Payment Relink Payment Delete Item(s)

**Step 6: Press [F7 -- Relink Pmt] and Enter the Number Next to the Bad Check**



Enter the number that appears next to the check in the history.

**Step 7: Select the Returned Check Procedure**

From the list of outstanding charges, select the Returned Check adjustment procedure that you posted in **refund**. Enter the appropriate number and press **Enter**. If you have trouble picking the Returned Check adjustment procedure from a long list of unpaid procedures, look for a procedure with the same dollar amount as the bounced check.



**Step 8: Confirm Your Selection**

The next screen will confirm that the full dollar amount of the check will be linked to the Returned Check adjustment procedure. The Unlinked amount should be \$0.00.



ALL DUE charges for Account: Fred Flintstone Date of Payment: 07/18/05  
 Acct Status:

DATE	CODE	PROCEDURE	CHARGE	APPROVED	PAYMENT	ADJUST	BALANCE
02/09/06		Returned Check	\$ 48.00	\$ 48.00	\$ 48.00		\$ 0.00
				Unlinked:	\$ 0.00		
TOTALS:			\$ 48.00	\$ 48.00	\$ 48.00		\$ 0.00

Payment Type: TOS Check Payment

Save Payments View Account View Patient

Press [F1 -- Save Payments] to finish linking. Back on the main **oops** screen, you will notice that the balance of the original charge is now reinstated. It will be listed under the original date of service. At the top of the history, you will see today's record of the bounced check and the check fee:

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
1)	02/09/06	Pebbles	Returned Check	-	N	48.00	0.00
2)			07/18/05 TOS Check Payment #1448		N	48.00	
3)		Pebbles	Returned Check Fee	-	N	25.00	25.00

**Step 9: Record Your Actions and Contact the Family**

Add a note about the check on the Notes page of the Family Editor (**fame**). Contact the family or send them a form letter. When the account sends you a new check, simply run the Posting Payments (**pam**) program and apply the new payment to both the original charge and the Returned Check Fee.

## 4. Turn an Account Over to Collections

With a firm financial policy and good use of Partner's personal billing tools, you should have very few accounts that require a collection agency. When you need to use one, however, you should indicate in Partner that the account is in collection.

PCC has two recommended procedures for turning an account over to a collection agency in Partner. Your office should consider both possibilities and create your own collection policy.

**What Charges Should be Turned Over to Collection?** You can review accounts with high personal balances using **persview**, and **srs** can produce a list of accounts with charges that have been billed over and over again. Contact PCC support for help learning these reports.

### 4.1. Option A: Adjust Off the Charges

The easiest way to turn charges over to collection is to post an adjustment against those charges. The charges will no longer generate a bill, and the amount due will be removed from your accounts receivable.

The steps below require a bad debt adjustment in the Payment Types table in the Table Editor (**ted**). You could name the payment type "Bad Debt Adjustment (Collections)" or "Sent to Collection".

Follow these steps to turn an account over to collection:

#### Step 1: Print Charge Information for the Collection Agency

Use the Collection Report (**coll**) or the Account History (**tater**) to produce a summary of outstanding charges for the collection agency.

#### Step 2: Run **pam** for the Overdue Account

You can run **pam** from the Daily Operations window or by typing **pam** at a command prompt. Find the account you are turning over to collection.

#### Step 3: Post the Bad Debt Adjustment and Link it to the Overdue Charges

Enter the bad debt adjustment information, including the date you are turning the account over to collection, the bad debt adjustment name, and the total amount of the charges you are sending to collection:

POSTING PERSONAL PAYMENTS Page 1 of 2

First Name: Fred Home Phone: 802-927-8050  
 Last Name: Flintstone Work Phone: 802-821-7264  
 Status: \_\_\_\_\_

Address: 479 Cocoa Avenue Dependents: \_\_\_\_\_  
 City: Plymouth Pebbles Flint \_\_\_\_\_  
 State: VT Zip Code: 05056 Dino Flinston \_\_\_\_\_

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 133.00	\$ 133.00	\$ 133.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Payment/Adjustment Type	Amount	Check #	Provider
04/28/06	Bad Debt (Collection)	\$ 133.00		

Buttons: Save, Next Account, Post A Refund, **Special Payments** (circled), Print A Bill, Correct Mistakes, Family Editor, Acct History

Press [F4 -- *Special Payments*] and link the bad debt adjustment to the procedures listed that you wish to turn over to collection. To learn more about **pam** and the Special Payments key, read *Post Personal Payments and Adjustments*.

#### Step 4: Record Your Actions in fame

Run **fame** for the account and add details to the Notes page. Record which charges were sent to collection. You should also add a "Sent to Collection" status flag to the account.

When you receive a payment from the collection agency, you can post it in one of two ways:

- Delete the adjustment you posted above and post the payment using a payment type that indicates the payment was from a collection agency.
- Post a "Collection Income" adjustment in the **refund** program and then post a Collection Payment against that adjustment using **pam**.

Whichever method you use, be sure and carefully note your actions on the notes page of the Family Editor.

## 4.2. Option B: Pend the Charges to a Collection Agency

You can pend charges to a collection agency just as you would pend them to an insurance company. The family will no longer receive personal bills from your practice, and the collection agency will bill the account directly. The advantage of this method is that the charges you turn over to the collection agency will remain as balances on the patient's account.

For this procedure to work, you will need two items in your Partner tables:

- An insurance group named "Collections"
- An insurance company called "1. Collections." While you can name the insurance company anything, giv-

ing it a number at the beginning of its name will make it easier to find and apply charges towards.

INSURANCE PLAN INFORMATION		Entry 1 of 3069
Insurance Group:	Collections	
Insurance Plan Name:	1. Collections	
Short Name:	1. Collections	
Address:		Phone:
City:		
State:	Zip:	

Follow these steps when an account is turned over to collection:

**Step 1: Print Charge Information for the Collection Agency**

Use the Collection (**coll**) report or the Account History (**tater**) to produce a summary of outstanding charges for the collection agency.

**Step 2: Run oops**

Run Correct Mistakes (**oops**) from the Daily Operations window, or type **oops** at a command prompt.

**Step 3: Locate the Procedures to Turn Over to Collections**

Use **Page Up** and **Page Down** to browse the account history and find the procedures that should be passed to collection.

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
17)	12/13/05	Pebbles	Medication Follow Up	314.01	W	87.00	0.00
18)	12/13/05		Cap Adjustment		W	87.00	
19)	12/13/05		Keystone HealthPlan claim batched				
20)			TOS Receipt				
21)	12/04/05	Pebbles	Medication Follow Up	314.01	W	87.00	87.00
22)			TOS Receipt				
23)	11/28/05	Pebbles	OV Detailed H&E	309.81	W	87.00	87.00
24)		Pebbles	Same	477.9	W	0.00	0.00
25)		Pebbles	Same	784.0	W	0.00	0.00
26)		Pebbles	Same	959.01	W	0.00	0.00
27)			TOS Receipt				
28)	11/24/05	Dino	OV Expanded Focus	382.9	G	56.00	56.00
29)	01/16/06		Patient Not Covered-Ins Pmt --		G	0.00	
30)	11/24/05		Keystone HealthPlan claim batched				
31)			TOS Receipt				
32)	11/08/05	Pebbles	Influenza Vac 36m + o	493.00	O	15.00	0.00
33)	12/09/05		Ins Pmt -- Keystone HPC #017767		O	10.10	

Correcting Fred Flintstone. Balance is \$ 438.00  
There are 714 more charges or payments.

Jump to Item	Print TOS HCFA	Batch HCFA	Insuranc Status	Visit Status	Unlink Payment	Relink Payment	Delete Item(s)
--------------	----------------	------------	-----------------	--------------	----------------	----------------	----------------

**Step 4: Press [F4 -- Insurance Status] and Enter the Procedure Numbers**





```
33) 12/09/05 INS PNC -- Keystone NPC  
Correcting Fred Flintstone. Balance is $ 438.00  
There are 714 more charges or payments.  
Type in the numbers of items to edit 21, 23, 28
```

Enter the number adjacent to each procedure you are sending to collections.

**Step 5: Press [F5 -- Make All Insurance]**

On the Changing Insurance Information screen, press **F5** and choose "Some Other Insurance."

Changing Insurance Information Page 1 of 1  
Fred Flintstone

DATE	PATIENT		SUM DUE
21 12/04/05	Pebbles	+ Keystone HealthPlan \$0/0 CHIP	
Acc: No	Insurance	- ~No Insurance	87.00
23 11/28/05	Pebbles	- Health America HMO \$10/20	
Acc: No	Insurance	- BCBS \$15 OV&WC-other	87.00
28 11/24/05	Dino	Some Other Insurance	56.00
Acc: No	Insurance:	Copay:	

Buttons: Save Changes, Make All Insurance (circled), Make All Personal, Make All Medicaid, Make All Not Med

**Step 6: Choose "1. Collections"**

The collections insurance will appear at the top of the list. Press **Enter** to select it.

```
1. Collections  
Access MA  
Aetna EPO $10 Box 91522/P.O. Box 91522/Arlington/TX/76015-0022  
Aetna EPO $15 Box 91522/P.O. Box 91522/Arlington/TX/76015-0022  
Aetna MC $10 Box 1125/PO Box 1125/Blue Bell/PA/19422  
Aetna MC $15 Box 1125/PO Box 1125/Blue Bell/PA/19422  
Aetna MC $15;Full WC/PO Box 1125/Blue Bell/PA/19422  
Aetna MC $25/PO Box 1125/Blue Bell/PA/19422  
Aetna MC $5 Box 1125/PO Box 1125/Blue Bell/PA/19422  
Aetna PPO $0/PO Box 981106/El Paso/TX/79998-1106
```

**Step 7: Press [F1 -- Save Changes]**

Changing Insurance Information Page 1 of 1  
Fred Flintstone

DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
21 12/04/05P	Pebbles	Medication Follow Up	314.01	W	87.00	87.00
Acc: <b>No</b>	Insurance: <b>1. Collections</b>	Copay:				
23 11/28/05P	Pebbles	OV Detailed H&E	309.81	W	87.00	87.00
Acc: <b>No</b>	Insurance: <b>1. Collections</b>	Copay:				
28 11/24/05P	Dino	OV Expanded Focus	382.9	G	56.00	56.00
Acc: <b>No</b>	Insurance: <b>1. Collections</b>	Copay:				

After saving your changes, press **F12** to quit **oops**.

**Step 8: Record Your Actions in fame**

Add a note to the Notes screen of the Family Editor (**fame**), add a "Collection" status flag to the account, and send the account a collections notification form letter.

**Run insaging:** Periodically, run Insurance Accounts Receivable Summary (**insaging**) to review the outstanding balances in collections. The amounts should appear in the Collections insurance group.

**Run inscoar:** Periodically, run Insurance Accounts Receivable Detail (**inscoar**) for the Collections insurance group to review each individual account's collection amounts.

When you receive a payment from the collection agency, you can post it in the **pip** program, selecting an appropriate payment type. You should also update your note on the notes page of **fame**.

# 5. Post Insurance Interest Payments

Occasionally, insurance carriers will pay you interest for charges they have failed to pay in a timely manner. How can you record that interest in Partner, without throwing off your Accounts Receivable? An interest payment is unexpected revenue that should not be posted against the original charges. Is there a "correct" way of keeping track of the income in Partner? The procedure below will teach you one common method.

For this process to work, you will need:

- An "Insurance Interest" procedure in the Procedures table in **ted**. The procedure should have an accounting type of "Revenue - Non-Service."
- An "Insurance Interest" payment type in the Payment Types table in **ted**.
- An "Insurance Interest" account and dependent patient for the interest payments. You can create a dummy account and patient for all interest payments, or create one account for each insurance or group, as needed.

Contact PCC support for help configuring the items listed above.

Follow the procedure below when you receive an interest payment:

## Step 1: Run refund For the Insurance Interest Account

Run **refund** from the Daily Operations window or by typing **refund** at a command prompt. Find the account you are using to store the interest payments.

## Step 2: Post the Insurance Interest Adjustment Procedure

In **refund**, post an Insurance Interest procedure for the amount of interest paid by the insurance company. This procedure is the offset, used to balance the insurance interest payment.

POSTING ACCOUNTING ADJUSTMENTS Page 1 of 2

First Name: **Insurance** Home Phone: \_\_\_\_\_  
Last Name: **Interest** Work Phone: \_\_\_\_\_  
Status: \_\_\_\_\_

Address: \_\_\_\_\_ Dependents: \_\_\_\_\_  
City: \_\_\_\_\_ Insurance Int: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Adjustment Type	Amount	Provider
03/20/06	Insurance Interest Fee	14.88	

**Save** Next Account **Print A Bill** **Correct Mistakes** **Family Editor** **Acct History**

### Step 3: Run pam for the Insurance Interest Account

You can run **pam** from the Daily Operations window, by typing **pam** at a command prompt, or by pressing [F4 -- *Post Payments*] while you are in **refund**.

### Step 4: Post the Interest Payment and Link it to the Interest Adjustment

Post an "Insurance Interest" payment for the amount of interest paid.

POSTING PERSONAL PAYMENTS Page 1 of 2

First Name: **Insurance** Home Phone: \_\_\_\_\_  
Last Name: **Interest** Work Phone: \_\_\_\_\_  
Status: \_\_\_\_\_

Address: \_\_\_\_\_ Dependents: \_\_\_\_\_  
City: \_\_\_\_\_ Insurance Int: \_\_\_\_\_  
State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 14.88	\$ 0.00	\$ 0.00	\$ 0.00	\$ 14.88	\$ 14.88
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Payment/Adjustment Type	Amount	Check #	Provider
03/20/06	Insurance Interest Payment	14.88		

Buttons: Save, Next Account, Post A Refund, **Special Payments**, Print A Bill, Correct Mistakes, Family Editor, Acct History

Press [F4 -- *Special Payments*] and link the payment to the adjustment you posted in the steps above. To learn more about **pam** and the Special Payments key, read *Post Personal Payments and Adjustments*.

### Step 5: Record Your Actions

Run the Family Editor (**fame**) for the Insurance Interest account. Record information about the interest payment on the Notes page.



# 6. Post Insurance Overpayments

Insurance companies sometimes pay you more than the allowable amount for a charge, or pay you more than the remaining balance due for a charge. Since you can not post more money than was due, how can you track the extra money in Partner? The guide below illustrates one possible solution to this problem.

For these steps to work, you will need:

- An "Insurance Overpayment" payment type in the Payment Types table in **ted**.
- An account and patient for posting the overpayments. You can create one dummy account to hold all overpayments, or multiple accounts for each insurance group. You could also create a single account for all overpayments and then create a dependent patient for each insurance group.

Contact PCC support for help creating the items above.

When you receive an insurance overpayment, post the contractual or allowed amount against any related charges, and then follow this procedure:

## Step 1: Run pam for the Overpayment Account

Run the Posting Payments (**pam**) program from the Daily Operations window or by typing **pam** at a command prompt. Find the Overpayment Account.

## Step 2: Post the Insurance Overpayment

Post the overpayment using the payment type of Insurance Overpayment.

The screenshot shows the 'POSTING PERSONAL PAYMENTS' screen. At the top right, it says 'Page 1 of 2'. The form contains several fields for patient information: First Name: Insurance, Last Name: Overpayment, Status: (blank), Home Phone: (blank), Work Phone: (blank), Address: (blank), City: (blank), State: (blank), Zip Code: (blank). There is a 'Dependents' section with 'Insurance Ove' listed. Below this is an 'AGING' table with columns for age groups and balances.

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 24.12	\$ 0.00	\$ 0.00	\$ 0.00	\$ 24.12	\$ 24.12
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Below the table is a table with columns: Date, Payment/Adjustment Type, Amount, Check #, and Provider. A red circle highlights the entry: Date: 03/20/06, Payment/Adjustment Type: Insurance Overpayment, Amount: \$ 24.12.

Date	Payment/Adjustment Type	Amount	Check #	Provider
03/20/06	Insurance Overpayment	\$ 24.12		

At the bottom, there are several buttons: Save, Next Account, Post A Refund, Special Payments, Print A Bill, Correct Mistakes, Family Editor, and Acct History. A red circle highlights the 'Save' button.

**Use the Check Number Field:** You can use the Check # field to record information about the overpayment. For example, you can store the account number or the EOB's check number. If the insurance company requests a takeback, you will then have an easier time locating the overpayment.

**Step 3: Record Your Actions in fame**

Run **fame** for the Overpayment account and add details about the overpayment to the Notes page. You may also want to add a note to the account that the insurance company overpaid.

# 7. Write-Off Outstanding Credits

Sometimes a credit should be written off and counted as income for your practice. If a credit remains on your books for several years, the credit should be written off and considered revenue. You may choose to write off old insurance overpayments as well, recording them as income. To write off credits, post an adjustment in **refund** and then link the credit to that adjustment. Follow the procedure below.

For the steps below to work, you will need a "Credit Write-Off" adjustment procedure in the Procedures table of **ted**. You can create different procedures for writing off different kinds of credits, such as "Credit Write-Off (Personal)" and "Insurance Overpayment Write-Off". All adjustment procedures for writing off a credit should have the accounting type of "Revenue - Non-Service."

Follow these step to write off a credit:

## Step 1: Run refund For the Account With a Credit

Run **refund** from the Daily Operations window, or by typing **refund** at a command prompt. Find the account with the credit. If you are writing off a credit from an insurance overpayment, it may be on the Insurance Overpayment account.

## Step 2: Post the Credit Write-Off Procedure

Using the Credit Write-Off procedure (with the accounting type of "Revenue - Non-Service"), post the full amount of the credit that you wish to turn into income.

The screenshot shows a software window titled "POSTING ACCOUNTING ADJUSTMENTS" with "Page 1 of 2" in the top right. The window contains the following information:

**Patient Information:**  
First Name: Fred  
Last Name: Flintstone  
Status: \_\_\_\_\_  
Address: 479 Cocoa Avenue  
City: Plymouth  
State: VT Zip Code: 05056  
Home Phone: 802-927-8050  
Work Phone: 802-821-7264

**Dependents:**  
Pebbles Flint  
Dino Flinston

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5.00CR	\$ 5.00CR	\$ 0.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

**Adjustment Entry:**

Date	Adjustment Type	Amount	Provider
04/28/06	Credit Write-Off	\$ 5.00	

**Buttons:** Save (circled in red), Next Patient, Print R Bill, Correct Mistakes, Family Editor, Acct History

## Step 3: Run oops

Run Correct Mistakes (**oops**) from the Daily Operations window, type **oops** at a command prompt, or just press the [F6 -- Correct Mistakes] key while in **refund**.

#### Step 4: Locate the Credit

Use **Page Down** and **Page Up** to locate the credit you are writing off. Note the item number next to it.

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
1)	04/28/06	Dino	Credit Write-Off	-	N	5.00	0.00
2)	08/03/05	C Dino	OV Expanded Focus	110.4	G	56.00	0.00
3)		04/28/06	Ins Pmt -- Aetna 1125		G	45.23	
4)		04/28/06	Ins Adj -- Aetna 1125		G	5.77	
5)		08/04/05	Claim (from Health America) to hamerica				
)			Part of payment #13		G	5.00	
7)		08/03/05	Health America claim batched				
8)		P Dino	Same	692.89	G	0.00	0.00
9)		08/04/05	Claim (from Health America) to hamerica				
10)		08/03/05	Health America claim batched				
11)			TOS Receipt				
)			Part of payment #13 (open)		G	5.00	
13)			@TOS Check Payment #1429 (#6, #12)		G	10.00	
14)	07/25/05	C Pebbles	OV Detailed H&E	911.8	C	87.00	0.00
15)		08/15/05	Ins Pmt -- Health America #1184		C	63.23	
16)		08/15/05	Ins Adj -- Health America #1184		C	13.77	
17)		07/26/05	Claim (from Health America) to hamerica				

Correcting Fred Flintstone. Balance is \$ 0.00  
There are 43 more charges or payments.

Jump to Item    Print TOS HCFA    Batch HCFA    Insuranc Status    Visit Status    Unlink Payment    Relink Payment    Delete Item(s)

You may notice that part of the payment is linked to a charge on the account. The payment listing will use line numbers to indicate where portions of it are applied. In the example above, a \$10 check pays off a \$5 copay, leaving a \$5 credit open and unlinked.

#### Step 5: Press [F7 -- Relink Pmt] and Choose the Credit

Press **F7** and enter the number that appears next to the credit in the history:



Correcting Fred Flintstone. Balance is \$ 0.00  
There are 43 more charges or payments.  
Type in the numbers of payments/adjustments to relink: 13

#### Step 6: Select the Credit Write-Off Procedure

From the list of outstanding charges, find the Credit Write-Off procedure you posted in **refund**. Type the corresponding number and press **Enter**. If the payment pays off other charges, and you are only writing off part of it, link the payment to both the Credit Write-Off procedure *and* the charges it is paying off, as shown in the example below:

ALL DUE charges for Account: Fred Flintstone  
Acct Status:

#	Date	Patient	P I Code	Procedure Name	Diag	Amount	Amt Due
1	08/03/05	Dino	G 99213	OV Expanded Foc	110.4	\$ 56.00	\$ 5.00
2	04/28/06	Dino	N	Credit Write-Of	-	\$ 5.00	\$ 5.00

There are 0 more charges for this patient.  
Q)uit, or numbers to relink this 'TOS Check Payment' to:  
> 1-2

Buttons: Quit, Print A Bill, Family Editor, Post A Refund

### Step 7: Confirm the Credit Links to the Write-Off

On the next screen, confirm that the payment you are writing off links to both the Credit Write-Off procedure and any charges to which it is also applied. In other words, the payment should be fully accounted for, with no unlinked amount remaining. The Balance fields should be \$0.00.

ALL DUE charges for Account: Fred Flintstone Date of Payment: 08/03/05  
Acct Status:

DATE	CODE	PROCEDURE	CHARGE	APPROVED	PAYMENT	ADJUST	BALANCE
08/03/05	99213	OV Expanded Focus	\$ 5.00	\$ 5.00	\$ 5.00		\$ 0.00
04/28/06		Credit Write-Off	\$ 5.00	\$ 5.00	\$ 5.00		\$ 0.00
					Unlinked:	\$ 0.00	
TOTALS:			\$ 10.00	\$ 10.00	\$ 10.00		\$ 0.00

Payment Type: TOS Check Payment

Buttons: Save Payments, View Account, View Patient

### Step 8: Record Your Actions in fame

Run the Family Editor (**fame**) for any affected accounts. Record your actions on the Notes page.

## 8. Insurance Refunds ("Takebacks")

From time to time, insurance companies will ask you to reimburse them for an overpayment. Sometimes, the company will ask you to send them a refund check. Sometimes, they will underpay you for more recent charges in order to make up for the overpayment on an old charge.

To handle insurance refund requests or "takebacks," you will need a procedure in the Procedures table in **ted**. You can create an "Insurance Takeback" procedure for money that needs to be reapplied to another account, or simply use an "Insurance Refund" procedure. Whatever procedures you use, they should have the accounting type "Receipt-Refund."

**Where is the Money?** When an insurance company informs you of an insurance refund or a takeback, you must first determine where the money is. Did you receive an insurance overpayment and post it to an Insurance Overpayment holding account? Or was the requested money posted against a charge on a family's account? Use the EOB and your own records to figure out where the money being refunded or "taken back" is located.

### 8.1. Insurance Takeback of a Payment You Posted to Another Account

You may have posted the original payment against charges on an account, not recognizing that it was an overpayment. This is a big challenge for a billing department: how do you record that part of the payment for a new visit was actually paid by an overpayment, which is currently applied to an older charge on a different account? You need to move part of an old payment and apply it towards a more recent charge.

In this situation, you will post an Insurance Takeback procedure (with the accounting type "Receipt-Refund"), link the original payment to both it and any charges the original payment was supposed to pay off, decide what to do with the remaining balance on the old account, and then post the taken back amount towards charges on a new account (or mail the insurance company a check). Follow the steps below:

#### Step 1: Run refund for the Account from which Money is Taken Back

Run **refund** from the Daily Operations window or by typing **refund** at a command prompt. Find the family account to which you originally posted the money.

#### Step 2: Post the Insurance Takeback

Post an Insurance Takeback procedure for the amount that is taken back.

POSTING ACCOUNTING ADJUSTMENTS Page 1 of 2

First Name: Fred Home Phone: 802-927-8050  
 Last Name: Flintstone Work Phone: 802-821-7264  
 Status: Budget

Address: 479 Cocoa Avenue Dependents  
 City: Plymouth Pebbles Flint  
 State: VT Zip Code: 05056 Dino Flinston

AGING:	0-30	31-60	61-90	Over 90	Old Bal	New Bal
Personal:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 138.00	\$ 138.00	\$ 138.00
Insurance:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 70.00	\$ 70.00	\$ 70.00
Medicaid:	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Date	Adjustment Type	Amount	Provider
03/21/06	Insurance Takeback	19.33	

**Step 3: Run oops For the Account From Which Money is Taken Back**

Run **oops** from the Daily Operations window, by typing **oops** at a command prompt, or by pressing [F6 -- *Correct Mistakes*] while in **refund**.

**Step 4: Locate the Insurance Payment**

Use **Page Down** and **Page Up** to find the insurance payment that the insurance company is taking back. Note the number adjacent to the payment.

**Step 5: Press [F7 -- *Relink Payment*] and Select the Payment**

	DATE	PATIENT	PROCEDURE NAME	DIAG	P	AMOUNT	SUM DUE
1)	03/21/06	Pebbles	Insurance Takeback	-	N	19.33	19.33
2)	06/17/05	C Pebbles	OV Detailed H&E	911.8	C	87.00	0.00
3)	07/08/05	Ins	Pmt -- Health America #1184		C	63.23	
4)	07/08/05	Ins	Adj -- Health America #1184		C	13.77	
5)	06/18/05		Claim (from Health America) to hamerica				
6)	06/17/05		Visa Card Payment		C	10.00	
7)	06/17/05		Health America claim batched				
8)		Pebbles	Same	E849.0	C	0.00	0.00
9)	06/18/05		Claim (from Health America) to hamerica				
10)	06/17/05		Health America claim batched				
11)		Pebbles	Same	E917.0	C	0.00	0.00
12)	06/18/05		Claim (from Health America) to hamerica				
13)	06/17/05		Health America claim batched				
14)			TOS Receipt				
15)	06/11/05	C Dino	OV Expanded Focus	079.99	W	56.00	0.00
16)	06/24/05		Ins Pmt -- Health America #1179		W	37.44	
17)	06/24/05		Ins Adj -- Health America #1179		W	8.56	

Correcting Fred Flintstone. Balance is \$ 19.33  
There are 38 more charges or payments.

Buttons: Jump to Item, Print TOS HCFA, Batch HCFA, Insuranc Status, Visit Status, Unlink Payment, **Relink Payment**, Delete Item(s)



Type in the numbers of payments/adjustments to relink: 3

Enter the number adjacent to the payment.

**Step 6: Choose the Insurance Takeback Procedure and the Procedures Originally Paid Off**

From the list of all due charges, select the Insurance Takeback procedure you posted in **refund**. If only part of the payment is being taken back, you should link the payment to both the takeback and the original charge(s), as shown.

ALL DUE charges for Account: Fred Flintstone  
Acct Status: Budget

#	Date	Patient	P I Code	Procedure Name	Diag	Amount	Amt Due
1	06/17/05	Pebbles	C P 99214	OV Detailed H&E	911.8	\$ 87.00	\$ 63.23
2	03/21/06	Pebbles	N	Insurance Takeb	-	\$ 19.33	\$ 19.33

There are 0 more charges for this patient.  
Quit or numbers to relink this 'Ins Pmt -- Health America' to:  
> 1-2

Press **Enter** to continue.

**Step 7: Distribute the Payment to the Takeback and the Original Charges**

On the next screen, enter the full amount of the takeback next to the Insurance Takeback procedure. If only part of the original payment is being taken back, adjust how the remaining amount is distributed among other charges.



ALL DUE charges for Account: Fred Flintstone Date of Payment: 07/08/05  
 Acct Status: Budget

DATE	CODE	PROCEDURE	CHARGE	APPROVED	PAYMENT	ADJUST	BALANCE
06/17/05	99214	OV Detailed H&E	\$ 63.23	\$ 63.23	\$ 43.90		\$ 19.33
03/21/06		Insurance Takeback	\$ 19.33	\$ 19.33	\$ 19.33		\$ 0.00
					Unlinked:		\$ 0.00
TOTALS:			\$ 82.56	\$ 82.56	\$ 63.23		\$ 19.33

Payment Type: Ins Pmt Current Insurance: Health America HMO \$1

Buttons: Save Payments, View Account, View Patient, [ ] [ ] [ ] [ ]

Press [F1 -- Save] to finish.

### Step 8: Decide What to Do About the Remaining Balance

Since you are taking money back from a family account, there will now be a balance due. You can use **oops** to repend and rebatch the amount remaining on the charge to a secondary insurance company or Medicaid. Or, you can use **pip** or **spam** to adjust off the remaining balance. You could also send the account a personal bill for the balance.

### Step 9: Reapply the Money Taken Back

Since you have now adjusted off the takeback amount, you can apply the money elsewhere. You may mail a check to the insurance company, or post the amount towards an account listed on the EOB that announced the takeback.

### Step 10: Record Your Actions in fame

Run **fame** for each of the accounts affected by the takeback. Add notes to the Notes pages. Indicate what was done and how the money was moved.

## 8.2. Insurance Refund from a Holding or Overpayment Account

You may have posted an overpayment to a holding account, such as an "Insurance Overpayment" account. If so, you can post an Insurance Refund procedure (with an accounting type of "Receipt-Refund") on the account, link the credit to the refund, and then post the amount towards the new account or mail the insurance company a check. Follow the steps below:

### Step 1: Post the Insurance Refund on the Overpayment Holding Account

Run **refund** from the Daily Operations window or by typing **refund** at a command prompt. Find the Insurance Overpayment account to which you originally posted the money. Post an Insurance Refund for the amount taken back.

**Step 2: Run oops and Relink the Payment to the Insurance Refund**

Run **oops** for the Insurance Overpayment account and use [**F7 -- Relink Payment**] to link the original overpayment to the Insurance Refund you posted in **refund**.

**Step 3: Reapply the Money Taken Back**

Since you have now adjusted off the refund, you can apply the money elsewhere. You may mail a check to the insurance company, or post a payment on an account listed on the EOB announcing the refund.

**Step 4: Record Your Actions in fame**

Run **fame** for any accounts affected by the refund. Add notes to the Notes pages. Indicate what was done and how the money was moved.

**Note:** Insurance takebacks and refunds do not show up on the **deposit** report. The EOB that reported the takeback will increase the day's **deposit** total by the amount of the takeback, but **deposit** can not list a negative payment. You should note the variance and share your actions with the other billers in your office. You can review insurance takebacks on the **daysheet** report. Run **daysheet**, choose the "wide" report, and check the payment column.