**Collecting Up Front**

The medical office is the only place of business that people think that they should not have to pay for services they will owe for at the time they receive them. Why is that? We have created this culture by allowing patients to pay after insurance is billed and their insurance company makes them responsible.

The medical practice has contracts with each of the insurance companies that they accept and have the right to know and bill patients for services that they know they will be responsible for prior to billing the insurance company. The problem is we do not find out what the patient will owe so we do not collect.

If we wish to collect up front, we must then change the way we do things in the office. Starting with new policies and standards in place and patient education given prior to patient visits.

Statistics show that every day that a patient balance goes uncollected that the actual dollar amount decreases. Why? When a balance due is not collected at the time of service it takes effort by office personnel or a billing service to collect it. If you are paying someone to collect after the fact you need to deduct what you have having to pay to collect the balance from what is actually owed to the practice.

In many cases the practices are losing money, for example, if a $10.00 copayment is not collected at the time of the visit and one statement is sent out the cost is most likely more than $10.00 to send that statement. It requires someone actually finding that the balance is due, then printing up a statement, using an envelope, stamp and return envelope and then waiting to see if the patient actually pays the $10.00.

If not, the process is repeated, and the practice loses even more money, this is a very bad business habit that needs to change. This list below will help you to understand what your current system is and what needs to change to collect up front.

If you have questions as how to start just email me at Tina@toppractices.com.

**Collecting Up Front: (Copayments, Deductibles, and Balances)**

* **Policies & Training:**
	+ What is the current process for collecting copayments, deductibles, and outstanding balances at check-in/check-out?
	+ Are front desk staff trained to explain patient financial responsibilities clearly?
	+ Do they have scripts or guidelines to handle patient objections regarding payments?
* **Verification & Communication:**
	+ How do you verify insurance benefits and patient responsibility before the visit?
	+ Do you collect balances and copays before the patient is seen?
	+ How do you handle patients who are unable or unwilling to pay at the time of service?
* **Monitoring & Compliance:**
	+ How do you track missed or uncollected payments at the front desk?
	+ Are front desk staff held accountable for collecting payments? Is there an audit process?
	+ What percentage of patients are leaving without paying their portion upfront?
* **Technology Use:**
	+ Does your practice use automated reminders for outstanding balances before appointments?
	+ Are payment options offered and monitored consistently? (Most offices do not offer payment plans just payment options, check, visa, MC, etc.)

**Patient Payments & Collections**

* **Billing Statements & Communication:**
	+ How often are patient statements sent out?
	+ What methods are used to communicate balances to patients (calls, texts, emails)?
	+ Are patients given multiple ways to pay (online, phone, in-person, payment plans)?
* **Collection Efforts:**
	+ What is the current collection rate for patient balances?
	+ How long does it take on average to collect from patients after the first statement is sent?
	+ What is the process for handling delinquent accounts?
	+ Do you work with a collection agency, and if so, at what point are accounts sent to collections?
* **Policies & Follow-Through:**
	+ Are financial policies clear and consistently enforced?
	+ Are patients educated about their financial responsibilities before receiving treatment?