

Billing and Collections

“Best Practices”



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Don't overlook important steps to the billing and collection process.

From the computer system, to the payment process, to follow-up, every step is vital to a smooth and effective billing system.

- Develop the skills of the staff in the department, including giving access to seminars, newsletters and books critical for their success.
- Assure that the computer systems capabilities are well-matched to the needs of the practice.
- Secure all critical information upon registration and keep it current with every visit and telephone encounter.
- Verify eligibility and obtain pre-authorization for consultations, procedures and surgeries.
- Systematically verify the requirements of the patient's insurance for referrals, labs, hospitalizations and ancillary services.
- Systematically capture all charges, including those for services performed outside the office.
- Submit claims electronically frequently and whenever practical.
- Expect people to pay co-pays and deductibles at the time of service.
- Offer credit cards as a payment option at all sites and on patient statements.
- Maintain cash controls to ensure that all money is accounted for daily.
- Age the accounts frequently (at least once a month) to enable prioritization of follow-up efforts.
- Make sure the patient statements are easy to read and informative.
- Prioritize follow-up efforts for claims pending, with first priority going to the largest and oldest accounts.
- Prioritize follow-up efforts for patient-pay receivables with first priority going to the largest and oldest accounts.
- Establish collection policies to direct staff efforts, including policies about when to write-off accounts.
- Use a collections module or similar system to track collections processes.
- Use off-bill comments to flag delinquent patients and help them resolve accounts before gaining access to new services.

***Cross your “t”s and
dot your “i”s.***

- Make sure the staff understands the inter-relatedness of patient registration, charge capture, gathering payments at the time of service, and bringing problem accounts to the attention of the collection manager for resolution.
- Write off accounts sent to collections, and discharge the patients from the practice with thirty days written notice. If collections are effective, reinstate the balance, then post the payment to clear it out.
- **OR...** Establish a charity fund within your practice to offset the losses of hardship cases. Use clear policies for who is eligible to receive charity, who has the authority to decide when it is to be applied, and what its limits are.