Awkward Encounters: Best Practices for Collecting Payments

Laura J Watkins, FACMPE

Changes in Reimbursement

• Reimbursed nearly the entire amount charged
• Began paying average of 80% of allowable or less so either secondary insurance or the patient were responsible for balance
• Along came copays and deductibles
• Primary insurance payment was equal to or larger than primary allowed so no need to make any additional payment
• Contracts allow up to a percentage of Medicare allowable

Today

• The result of these changes --- Now the patient’s portion can be as large as 30 percent of a practice’s income
• So while the patients are at the practice, the front desk must attempt to collect this increased portion from the patient
• If a patient leaves the practice without paying, the likelihood of collecting decreases by 30 percent


Healthcare Business is the Customer Service Business

• Patients are return customers
• Healthcare is not optional
• Affordability is a low priority when sick
• No ability to pre-plan expenditure
• Access to quality healthcare is a community expectation
• Public relations crucial to the pursuit of bad debt

Financial Policy and Expectations

• Must have financial policy and set expectations
  – How and when copays, deductibles, coinsurance and non-covered services are to be collected (TOS)
  – Patient’s responsibility
  – Provides information for contacting the billing department
  – Participation and billing for insurance companies

Opportunities

• Opportunities to educate
  – Initial call when scheduling appointment
  – Scheduler is leader of sales, business growth and patient access
  – Reminder call about appointment
  – Mail to patient prior to appointment
  – Review when patient arrives
AR Control

• As the patient responsibility continues to increase and finances are tighter, the AR can quickly get out of control without a focused approach
• Deferring payments to physicians is one way patients can attempt to stretch their income when they could actually pay
• Require deposit if patient has no insurance coverage

Processes

• Create process to collect not only copay but also deductible and coinsurance
  – Balance due for that day’s service should be collected at check in
  – If patient has a past due balance with another appointment scheduled, contact to remind but also attempt to clear balance
  – If payment arrangements are needed, patient may be referred to patient counselor

Technology and Services

• Explore new technology and vendor services to improve collections
  – Efficient eligibility verification
  – Access patient responsibility estimation and/or benefit details
  – Patient check-in kiosks
  – Allow patients to receive and pay balances online
  – Automated withdrawals and/or payments for scheduled patient payment plans

Effective Communication

• Professional, patient focused, and confident
• Approach must be logical and not emotional
• Monitor tone and delivery
• Stay in control

Effective Communication

How will you be paying? Will that be cash, check or credit card? Clear your balance?
– Stop and listen
– Empathize - don’t have to agree
– Ask for ideas to resolve account - problem solve

Oh the Excuses...

“The check is in the mail.”
• “When was the check mailed?”
• “Where was the check mailed to?”
• “What is the check # and the amount?”
**Oh the Excuses...**

“The insurance company is responsible.”

- If an insurance payment has not been received, research and offer explanation.
- Has the insurance company denied their claim? Why?
- Does the balance represent their portion?

**Oh the Excuses...**

“I left my checkbook at home.”

- “No problem! We take credit and debit too.”
- Indicate a nearby ATM machine.
- Give them a return envelope to mail outstanding balance, and SET A DUE DATE!

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**The Cycle of Conflict**

**Difficult**
- Rude
- Obnoxious
- Loud
- Arrogant
- Demanding
- Rigid
- Crazy

**Nice**
- Defensive
- Frustrated
- Loud
- Withdrawn
- Confused
- Crazy

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**Controlling**

- Tanks
  - Behaviors: Pushy, abrupt, and may even be hostile
  - Intent: Get it done
  - How to help: Listen for the problem, hold your ground but do not attack back, state your opinion forcefully - “from my point of view” or “looks like we see it differently”

- Snipers
  - Behaviors: Sarcastic, vocal, roll eyes
  - Intent: Get it done
  - How to help: Do not ignore, ask about intent and relevancy, solve the problem if any exists

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**Attention Seeking**

- Grenades
  - Behaviors: Tantrums, storm out, verbally attack, may cry or look silently enraged
  - Intent: Get appreciated
  - How to help: Give time to run down, show you take them seriously, reduce intensity, identify and solve problem
Summary

- Increase in patient responsibility for healthcare costs requires changes in a practice’s collection focus
- Significance of effective communication when collecting from patients
- Understanding difficult behaviors and how to respond

Laura J Watkins, FACMPE
Medical Practice Services
Office: 615.377.1999
Cell: 615.970.9979
Laura.Watkins@svmic.com