



The Art of Collecting Your Due

By: Monte Zwang

It's sometimes the elephant in the room with you and your patient: money. You provide a service and you should be paid for your professionalism, expertise and time. However, collecting the money you're due is often not easy and too often months go by before you receive payment. While insurance procedures can complicate the collections process, your practice does not have to bear the weight of money owed; there are steps you can take to insure the efficient collection of money.

Define Expectations and Be Consistent

Collections are a vital part of managing any business. Traditional healthcare providers and alternative providers alike face challenges when collecting money. Slow collections have unfortunately become the status quo. Collecting money requires physicians and caregivers take a preventive and thorough approach to establishing their collection protocol. One tenet of this approach is open communication: the more a patient knows about what is expected of them prior to their appointment, the less problem you will have collecting money. For example, prepare their chart and verify insurance information prior to their appointment. If there is an issue with coverage, contact the client and discuss. If there is no insurance coverage or their insurance will not cover the charge for your service, let them know of your policy of payment due at time of service.

Consistency is important too; don't change procedures from client visit to client visit. Have a system that is simple and clear: pre-registration, collection at time of service and consistent, timely invoicing. Also, make it a goal to invoice daily and manage accounts receivables weekly. Know the status of the last payment before scheduling another appointment.

Establish Relationships with Insurance Companies.

It's much easier to work with insurance companies than to fight them, so establish a professional and clear relationship with the insurance companies you work with and know how they need their transmittals to look. Understand their expectations and do it their way. Establish a rapport with someone who works at each insurance company, and contact them with questions; it's in your best interest to become an insurance expert by knowing the codes and response time for claims. Know the insurance companies better than your patients do and be sure to know what the client is responsible for and collect this at time of service.

Be Informed and Stay Involved

While you have a lot to do as a business owner, it's important to remember the only person looking out for the well-being of your practice – is you – so, schedule time to review your client accounts. Know where you are with accounts receivable, and take an active role in keeping them less than 30 days past due.

If You Don't Ask – You Won't Get

Be proactive about payments – you can't get paid if you don't invoice. Don't be afraid to ask for money you are owed from your patient. Collect balances not covered by insurance, deductibles and co-pays at the end of the appointment. You charge a fair price for services rendered and you are entitled to timely payment.

Keep in mind, collecting money is easiest when an organized procedure is in place and expectations are clearly defined. How effectively you collect payment depends on the organization of your business management systems. While collecting money is not the reason you are in business, it is a necessary requirement to stay in business. Your service is valuable and you deserve to be paid for it.

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