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MEET THE PRESENTER

Sunjanel Avecilla
On the topic:
EFFECTIVE COLLECTION SKILLS
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EFFECTIVE COLLECTION SKILLS
Presented by:
Sunjanel Avecilla, CMC, CMIS, CMOM, CPC
Faculty, Practice Management Institute

OBJECTIVES

• Review Statistics

• Lay the Ground Rules
  – Practice
  – Patient

• Put the Plan in Motion
PATIENT COLLECTIONS

The difficulties and extra effort required to get paid for services rendered is increasing.

It’s time to reassess your patient collection process!

WHY?

- Economic factors
- Consumer-directed health care plans
- Patients are required to pay more
Source: Kaiser/HRET Survey of Employer Sponsored Health Benefits, 2012-2012
• 10% - average patient out of pocket cost

• Employers will shift additional 10% of costs to employees
  – Higher premiums
  – Higher deductibles
  – Higher copays
  – Higher co-insurance

• Now approaching 30-35%

This means an additional 20% of each practice bill will now be due from the patient!

• Practice: 1/3 of patients who walk out, walk out without paying a dime

• Hospitals: 60% less likely to receive payment once the patient leaves
• Consumers were more likely to pay the mortgage, insurance, loans and utilities before their healthcare bills

• Also more likely to pay for cable TV, internet, lawn care and the newspaper

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• US Department of Commerce
  – 87% are controllable debtors who pay in full
  – 10% are uncontrollable debtors who will stall but will pay if forced
    • Will require phone calls
  – 3% have no intention of paying

• McKinsey Report
  – 36% of patients have a balance more than 60 days past due
### STATISTICS

- 50% - patient responsibility goes uncollected
- 18% - bad debt is due to uncollected deductibles
- 30% self pay
- 81% - self-pay net revenues go unrecovered

### STATISTICS

- Cost to collect is typically between 2-3% of revenue
- After discharge, cost to collect increases, likelihood of collection decreases
- It costs twice as much to collect on patient receivables than it does from insurers.
So...what can you do?

Collect payment at time of service!

It begins at the front desk...
POLICIES & PROCEDURES

• Practice Policy:
  – Make sure staff and providers are on board with the policy
  – Obtain proper information
    • Specific reason for the visit
    • Patient’s name (as spelled on their insurance card)
    • Insurance
    • Contact details

• Practice Policy: (cont.)
  – Verify eligibility (271 data is not enough)
    • Verify coverage for service(s)
    • Copay / Deductible / Co-insurance
  – Communicate policies with patients
    • Verbal: First phone call
      – Insurance Card
      – Payment
    • Verbal & Written: New patient forms
      – Payment policies
      – Penalties for non-payment
• Practice Policy: (cont.)
  – Secure signatures on patient forms
    • Patient’s have READ, UNDERSTAND, AND AGREE
    • Date of signature
  – Payment at time of service
    • Consider easy pay solutions
    • How to collect
    • Response to excuses
    • Exceptions

• Patient Policy:
  – Educate patients – Knowledge is Power!
    • Providing accurate information
    • Payment at Time of Service (PATOS)
    • Know what to collect
  – Script Training
When the patient calls:

Avoid:
• “Is your insurance still the same?”
• “Has anything changed?”

Use:
• “What is the name of your insurance?”
• “I need to verify we have the most current information. What is the ID number printed on your insurance card”

Practice adequately responding to patients:

“It’s the same as last time.”

“Mrs. Jones, for verification purposes and to protect your identity, we are required to double check the name of your insurance and ID number.”
When the patient arrives:

Avoid:
• “Please sign here, here, and here.”

Use:
• “Please take moment to review and sign the financial policy.”

Highlight / Point out and verbally explain the top 3-5 bullet points.

“This is the practice financial policy. By signing below, you agree to all the terms and conditions. I would like to point out a few things …”
• **CO-PAY/DEDUCTIBLE/COINSURANCE:** We are required by our insurance contracts to collect all co-pays and other patient responsible amounts, at the time of service. We may request a deposit of $25 prior to being seen by the physician and payment of any previous balance due.

• **MISSED APPOINTMENTS:** Unless cancelled at least 24 hours in advance, our policy is to charge $50.00 for missed appointments.

• **COLLECTIONS:** Failure to pay an account balance within 30 days from initial billing may result in interest charges up to the maximum legal amount allowed by law. Any past due balance not paid will be turned over to a collection agency after 90 days.

Prepare for excuses.

“I didn’t know I had a deductible.”

“As a courtesy to you, our insurance specialist contacted the insurance company regarding your coverage guidelines. They verified that your deductible is $1000.00 and $100 has been met. We have several options for payment or we can reschedule your appointment after you have clarified your benefits with your insurance.”
“My insurance is good! Your computer is wrong!”

“As a courtesy to you, our insurance specialist contacted the insurance company regarding your coverage guidelines. They were informed that your coverage was terminated on XYZ. Please contact your insurance company so this can be resolved. In the meantime, today’s visit will be $150. Will that be cash, check, or charge?”

Remember:

• It is much easier to refund an overpayment than it is to collect on an outstanding balance!

• $7 to $10 to send out a billing statement
Other policies to consider:
- Credit cards on file / “E-Z Pay”
- Patient portal to accept payments
- Payment plans of 3 payments or less
- Referring patients to alternative low-cost or charitable institutions
- Hardship Exemptions
- Proof of payment

Use AutoPay

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TIPS, TOOLS, AND TECHNIQUES

• Do not interpret the “inconvenience” of paying as a patient’s “inability” to pay.

• Knowledge is Power! Educate your staff and your patients.

• Patients will resist at first, but soon it will become a habit to Pay At Time of Service.
QUESTIONS?

• Thank you for your attendance!

• Get your questions answered on PMI’s Discussion Forum:
  http://www.pmimd.com/pmiForums/rules.asp

• Contact information:
  Sunjanel Avecilla, CMC, CMIS, CMOM, CPC
  savecilla@pmiMD.com
Questions?

Post yours on PMI’s Discussion Forum:
– Click Accept to continue

Discussion Forum Walk Through

1) Go to www.pmiMD.com.

2) Hover the cursor over “Practice Tools” which is the fourth button from the left on the top of the page. This will give you a dropdown menu.

3) Click on the second option listed: “Discussion Forum.”
-This will bring you to the Discussion Forum Disclaimer page. You will click, “Accept.”

After clicking on the “Accept” button, you will be guided to the actual discussion forum.
LOGIN OPTION 1
In order to Login to the Discussion Forum, please follow the following steps:

- In the Forum Home block located to the left, click on the “Login” option (this button will have a picture of a key next to the option).

- This will bring you to the “Forum Login” page.

- Enter your username and password

- You will be given the option of whether you will like to be kept logged in. This option is purely up to you.

- You will also be asked if you would like to be added to the active users list. You will want to click yes.