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Welcome to PMI’s Webinar Presentation

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Meet the Presenter…

Audrey Christie McLaughlin, RN
CEO, McLaughlin Sales Group, LLC

On the topic:
Blueprint to Improve Patient Collections
BLUEPRINT TO IMPROVE PATIENT COLLECTIONS

AUDREY CHRISTIE MCLAUGHLIN, RN

- Creator of PhysiciansPracticeExpert.com
- CEO, McLaughlin Sales Group
- Developed Customer Service from the Heart – Customer Service Training for Practices
- More than 12 years experience in healthcare consulting and sales
- Author and speaker seen in publications like Physicians Practice, Forbes and many others
Why is collecting from patients so hard?

WHY IS COLLECTING SO HARD?

- Income levels are the same or slightly increasing.
- Cost of care is increasing.
- % Patients pay out of pocket is increasing the most.
WHY IS COLLECTING SO HARD?

Ultimately meaning:

Carrier Responsibility

Patient Responsibility

Why is collecting so important for your practice?
WHY IS COLLECTING SO IMPORTANT?

Cost of Doing Business in a Medical Practice

DANGER

Expectations Ahead!
THE BLUEPRINT

- Rock solid and easy to understand payment policy
- Awesome team that is willing and ready to collect
- Plan B: credit card on file program
- Patient Statements that get you paid

BRACE YOURSELF

STATS ARE COMING
QUICK STATS

33% of patients walk out the door without every paying a penny

VS

9% of retail customers

A Patient Payment Policy
PATIENT PAYMENT POLICY

SETS EXPECTATIONS

• What you expect from your patients
• What your patients can expect from you
• Legal protection and ramifications if expectations are not met

PATIENT PAYMENT POLICY

THIS SHOULD SET EXPECTATIONS AND INCLUDE:

• When payment is due
• Who is responsible for the payment
• How co-pays and deductibles will be handled
• What forms of payment are acceptable
• Ramifications for non-payment
• Credit Card on File
• Charges for missed appointments/documents
Easy enough?

Is anyone reading this thing?
PATIENT PAYMENT POLICY

GET THEM TO READ IT

• K.I.S.S. (Keep It Short and Simple)
• Make it visually interesting
• Make sure it is easy to understand and direct
• Give it to every patient on their first visit and annually
• Ask patients to initial + sign
• Have staff refer to the policy

<table>
<thead>
<tr>
<th>If you have:</th>
<th>You are responsible for:</th>
<th>Our staff will:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Insurance</td>
<td>Payment of the patient responsibility for all office visits, x-ray, injection, and other charges at the time of the visit.</td>
<td>Accept your initial payment and file an insurance claim as a courtesy to you.</td>
</tr>
<tr>
<td>(also know as indemnity, “regular” insurance or “80/20 coverage”)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HMO &amp; PPO Plans we are on contract with.</td>
<td>If the services you receive are covered by the plan: All applicable copays and deductibles are requested at the time of the office visit.</td>
<td>Accept your initial payment and file an insurance claim as a courtesy to you.</td>
</tr>
<tr>
<td></td>
<td>If the services you receive are not covered by the plan: Payment in full is requested at the time of the visit.</td>
<td></td>
</tr>
</tbody>
</table>
THE BLUEPRINT

• Rock solid and easy to understand payment policy
• Awesome team that is willing and ready to collect
• Plan B: credit card on file program
• Patient Statements that get you paid

Your staff may be uncomfortable collecting money.
COLLECTING PAYMENT

- Policies and Procedures
- Observe
- Role Play
- Review
- Repeat

ADDITIONALLY

- Many collection issues can be solved simply with staff training.
- Collect at the time of service.
- Copays + Balance Due
- Deposits
COLLECTING PAYMENT

PAYMENT PLANS

• Get a signature
• Explain penalties for non-payment
• Choose realistic payment amounts and timeframes
• Offer incentives for early payoffs

THE BLUEPRINT

• Rock solid and easy to understand payment policy
• Awesome team that is willing and ready to collect
• Plan B: credit card on file program
• Patient Statements that get you paid
Credit Card on File
AKA
opening a tab

CREDIT CARD ON FILE

PATIENT BENEFITS

• Pay the bill without having to go online/mail a check/ wait for a statement
• Secure
CREDIT CARD ON FILE

PRACTICE BENEFIT

• Improve cash flow
• Reduce paper
• Reduce collection expense
• Eliminate bounced checks
• Faster check in/out

CREDIT CARD ON FILE

IMPLEMENTATION

• Include in Patient Payment Policy
• No surprises
• Set a cap
• Keep it secure
CREDIT CARD ON FILE

IMPLEMENTATION

• Policies created and in place
• Staff training
• Review
• Roll-out

CREDIT CARD ON FILE

ADDITIONALLY

• Credit Cards/Debit Cards/HSA Cards
• Alternatives for the no thank you’s
• Is it fool proof?
THE BLUEPRINT

- Rock solid and easy to understand payment policy
- Awesome team that is willing and ready to collect
- Plan B: credit card on file program
- **Patient Statements that get you paid**

PATIENT STATEMENTS

FACT: The longer it takes you to collect payment from your patient, the less likely you are to get paid.

<table>
<thead>
<tr>
<th>Days in A/R</th>
<th>Probability of Collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;30</td>
<td>97%</td>
</tr>
<tr>
<td>31-60</td>
<td>90%</td>
</tr>
<tr>
<td>61-90</td>
<td>60%</td>
</tr>
<tr>
<td>91-120</td>
<td>50%</td>
</tr>
</tbody>
</table>

Source: Mary Pat Whatley, Manage My Practice
Key to statements:

Do them immediately.

PATIENT STATEMENTS

• Offer options
• Clarity is vital
• Accuracy
• Offer more options
• Timely refunds
OVERALL

• Training, training, re-training and more training.
• Crystal clear clarity on policies and procedures
• Compassion
• Options
• Training

93% of patients want to pay online
QUESTIONS?

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