

Collecting From Patients

The Struggle is Real



The Issue is Escalating

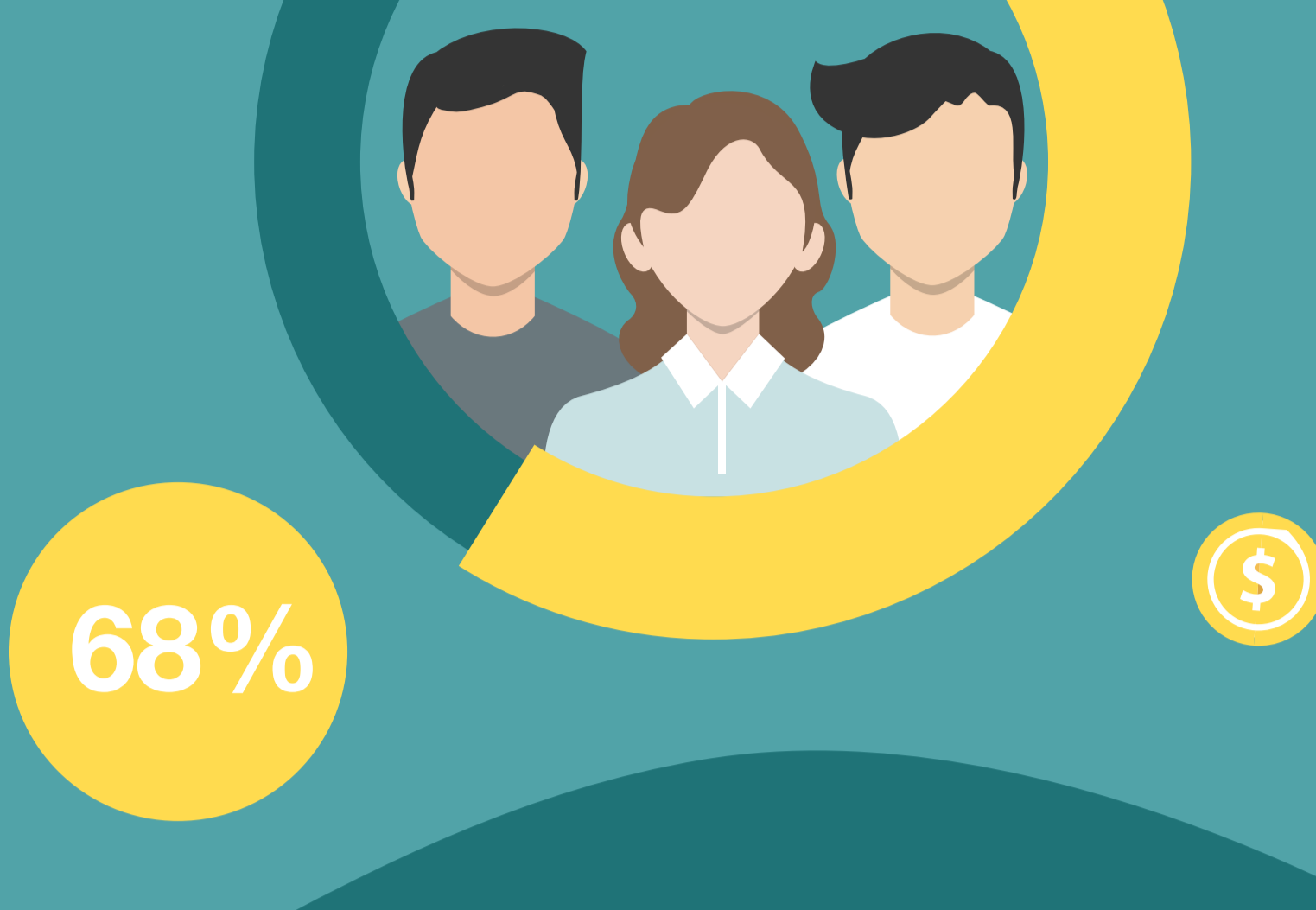
Rising Debt

A 2016 survey from Physicians Foundation found that 40% of patients have medical debt.



Uncollected Patient Balances

According to a report from TransUnion, approximately 68% of patients with bills of \$500 or less during 2016 did not pay the full statement balance within the calendar year.



Lengthy Collection Process

According to InstaMed's Trends in Patient Payment, 73% of providers report that it takes one month or longer to collect from a patient.



Best Practices for Patient Collections

- Collect on balances due (current and past) at the time of service.
- Keep a secure credit card on file for all patients.
- Provide a variety of payment options, including online.
- Check eligibility before a patient's appointment.
- Inform patients of their financial responsibility up front.
- Schedule payment plans with automated deductions from the patient's bank account.
- Consider not scheduling patients for future visits until their prior balances are resolved.

How Can I Improve Collections in My Practice?



1. Know Your Numbers

You must have tools in place (like an analytics solution) to monitor your key performance indicators (KPIs):

- Days in AR
- Net Collections Rate
- Clean Claim Rates
- First Pass Denial Rate
- Contractual Variance
- Collections per Visit

2. Rethink Your Front-end Processes

We can no longer rely on sending a bill and collecting on the back-end. Your collections efforts prior to and during the visit have become essential.

Your staff should be dedicated to the front-end work, like:

- checking eligibility,
- providing treatment estimates and
- collecting balances up-front or at the time of service.



3. Get Paid

The BEST option is to collect the patient's balance while they are in the office, but if that is not possible:

- Offer a payment plan over a reasonable period of time based on the total outstanding balance.
- Use a credit card on file solution that gives you the option to auto debit that card each month.
- Provide access to healthcare financial institutions, like CareCredit®.



4. Consider Outsourcing

If you are not in a position to hire the staff to provide this extra dedication to the front-end work, you may want to consider outsourcing some back-end revenue cycle work.

