

# Stop Giving Away Healthcare for Free

Automate Patient Financial Clearance to Protect Your Revenue

## The Revenue Cycle Starts Before Patient Check-In

When we talk about the healthcare revenue cycle, most people think of back-end tasks like billing and collections. However, pre-visit processes are just as, if not more, critical to revenue cycle success. The administrative team that oversees tasks like scheduling, pre-registration and check-in—should be responsible for the financial clearance of each patient prior to service.

**What is financial clearance?** Financial clearance, sometimes referred to as 'pre-registration' or 'patient access' encompasses all the steps your practice should take before the patient enters your office. This process involves ensuring you have every patient's current demographic information, insurance and benefits have been verified, pre-certifications or referrals are in place, they are aware of their financial responsibility and willing and able to pay for healthcare services (past, present and future).

This process does not begin at the front desk when staff asks for a copy of the insurance card or collects a patient copay. It begins long before check-in when a patient first schedules an appointment.

By rethinking, and automating, the tasks ahead of a patient visit, practices can strengthen their bottom lines, ease financial and staff stress, and simultaneously improve the patient experience.



**Most practices could be doing more to improve revenue cycle management (RCM) – before a healthcare provider sees the patient.**

1. Do you collect prior patient balances before every appointment?
2. Do you collect estimated out-of-pocket costs for the upcoming service?
3. Does your practice check insurance eligibility, benefits and pre-certification requirements when scheduling a patient for a future visit?
4. Can you link first pass denials back to the staff member responsible for any financial clearance activities that were not completed?



## Find the Holes in Financial Clearance

Where does financial clearance fall short? When examining the processes that comprise the revenue cycle, practices can clearly see where financial workflows could use a little help.

- **Scheduling.** There are a number of applications, that can integrate with the practice management system to save staff time and enable smarter scheduling. Automated solutions allow practices to dispatch confirmation notices – by text message, email or both – that remind patients of upcoming appointments and offer them the opportunity to confirm, cancel or reschedule. If a patient can't make an appointment, staff can offer the time slot to another patient, helping to keep the office schedule full.

Automated scheduling functions save staff time and money and are proven to prevent costly patient no-shows.

- **Past-Due Balance Check.** About 85 percent of patients are return patients. How many owe you money when they come in for their next visit? If the answer isn't close to zero, your practice needs to step up its efforts to collect past-due balances before additional services are rendered – so it isn't giving away healthcare for free.

- **Eligibility Verification.** Staff should be checking insurance eligibility prior to every appointment. This involves verifying insurance coverage and, if necessary, updating COB and other information.
- **Pre-certification and prior authorization.** Every payer has a different clearance policy. Practices need to find out if prior authorizations are required by the payer for the upcoming service or procedure, or if the patient's plan requires a referral from a PCP ahead of their visit.
- **Demographic Verification.** Just as important as insurance eligibility is verifying demographic information, including cell phone number, physical and email addresses, etc. – while the patient is on the phone. With industry acceptance of delivering appointment reminders, e-statements and bill payment options through mobile and web, it is critical you get this information correct for future communication.
- **Patient Cost Estimation.** If you aren't using a patient estimator solution in conjunction with your practice management software, you can't properly financially clear your patients. An irreplaceable part of the process is being upfront and transparent with your patients about their financial responsibility so you don't end up with collection headaches on the back-end. Once a patient leaves your office, the likelihood of recouping any remaining balance due drops dramatically

With patient responsibility rising steadily, these things matter more and more. Most patients aren't prepared to pay surprise medical bills, even if they're under \$500. This is a good time for a practice to talk to the patient about financing options or setting up a payment plan.

- **Check-in.** This is your last defense in the financial clearance process. When the patient checks in for the appointment, staff should double check and verify the patient's information again. A lot can change between the time a patient makes an appointment and shows up for the appointment. This can be done manually or through a waiting room application, which shifts the verification process to the patient and reduces the burden on your staff.

Additionally, practices should collect all prior and future balances and co-payments upfront, as well as patient deductibles or any outstanding fees. If a practice has already checked and verified a patient's eligibility, there should be few surprises, if any, at this stage.

Remember the goal of a good financial clearance process to get all these functions in place in advance of the patient visit. The waiting room should be a calm environment not chaos!

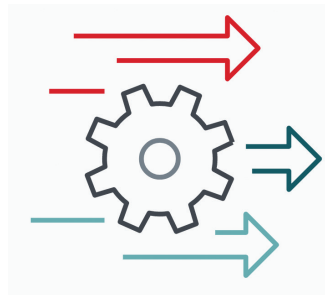


## Financial Clearance and Patient Satisfaction

The process of engaging your patients ahead of their appointment regarding their financial responsibility not only strengthens your practice's revenue cycle, but it keeps patients accountable for their healthcare expenses. Being upfront about expected costs gives patients the opportunity to decide if they can afford the service.

Patients may want to reschedule elective procedures for a time when they are in a better financial situation, or later in the year when deductibles are closer to being met. Additionally price estimates can start a conversation about alternative care plans that may be less costly, or setting up payment plans or credit financing so patients don't have to delay their healthcare needs.

Without a financial clearance process, patients may end up with a bill they can't pay which is guaranteed to leave them with a negative feeling about their experience— and your practice.



## Financial Clearance Workflows and Automation

Smarter financial clearance workflows can help practices fill many of the gaps that slow down cashflow. By automating manual processes with a solution, like MedEvolve's Financial Clearance Workflow, you can eliminate human error, and prevent denials, rejections and write-offs on the back-end. Automation helps to ensure you get paid what you are owed, when you're owed, for the services you deliver so you're not giving away healthcare for free.

Automation on the front end of the revenue cycle can have a profound impact on a practice's revenue by ensuring a patient is financially "cleared" ahead

of a scheduled visit, with little effort on the part of staff. Financial clearance workflow automation includes several important functions, such as:

- Demographic verification
- Insurance verification
- Coordination of benefits
- Insurance benefit coverage
- Estimating patient liability
- Collecting projected balance (or deposit or credit card on file)
- Collecting overdue and/or unpaid balances
- Checking authorization requirements
- Appointment reminders
- Electronic forms

All of these proactive steps enable true financial clearance, keeping patients engaged in their healthcare while strengthening the practice's revenue cycle. Additionally, automation reduces manual workloads which improves staff productivity and allows you to do more with less while making sure you get paid. The more work a practice does before the patient's visit, the less work a practice will have to do on the back end in billing and collections.

**Contact us to find out how AI-driven workflow automation can increase productivity, efficiency and transparency for your patient access and billing department:**



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