

HOW TO IMPROVE YOUR PATIENT COLLECTIONS PROCESS



At a Glance

1. Main changes in the patient collection process
2. Common challenges in the process & how to overcome them
3. Benefits of outsourcing your patient collection services



1. Main changes in the patient collection process

Collecting payments from patients has never been easy. Due to higher deductibles, coinsurance amounts and copayments, patient financial responsibility is increasing. Coupled with declining payer reimbursements, collecting patient-responsible balances is more important than ever. Patients are also adjusting to higher payments at the time of service and the balance after insurance adjudication.

According to the Statista Research Department, in 2020 the **total U.S. out-of-pocket healthcare payments reached approximately 388.6 billion U.S dollars.**

In the past, most of a practice's revenue came from payers. Health insurance out-of-pocket maximums have been increasing each year and with the increased burden now placed on patients to contribute to their medical bills, practices must be more proactive to keep their revenue flowing.

A passive approach and inefficiencies in the patient collections process can result in out-of-control bad debt, increased receivables, and decreased cash flow. Improving this process is a must for medical practices that want to maximize and maintain a steady cash flow and stay on top of their business.






2. Common challenges in the process & how to overcome them

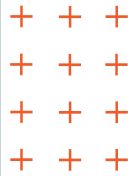
Challenge 1: Communicate your patients' payment expectations

Patients are frustrated with confusing and inconvenient payment experiences offered by their providers. This scenario combined with a lack of knowledge about how much of their deductible or out-of-pocket maximum has been applied, can perplex patients regarding the out-of-pocket amount they have to pay for office visits and/or procedures.



When asking for payment, your staff needs to be transparent, let patients know exactly what they will be responsible for paying at the time of service (copayments, previous balances, and more) and what they may be responsible for, post-insurance claim adjudication (coinsurance, deductible, etc.)

Adelaide Rose, Vice President of Client Success
Health Prime



Determine the exact amount the patient is responsible for by giving your staff visibility into the patient's benefits information. If your staff understands each patient's eligibility and benefits information, they can better help patients understand what they owe. Review the patients' insurance policy and make sure they fully understand their out-of-pocket expenses, include any non-covered services, or supplies that the patient may be responsible for.

Challenge 2: Have a strong financial policy

Lack of a strong patient financial policy will leave gray areas in the way you collect your money because it fails to outline payment expectations clearly for patients. If it's your policy to charge a cancellation fee, returned check fees, penalty and/or interest for late payments, you may want to include it in the financial policy. Define a shared understanding for you and your employees about how the business will develop its monetary practices and manage its resources; as well as define boundaries and roles for each position within the practice.



Some best practices when sharing your financial policy with your patients are:

1 Keep it simple, concise, and understandable.

2 Share your practice's financial policy when scheduling appointments.

3 Ask new patients to sign your financial policy at the reception desk and give them a copy.

4 Remind returning patients of your policy and inform them if you update or change the policy.

5 Ensure your staff is clear on your financial policy and what their duties are in collecting patient balances. understand their duties and collect patient balances.

Have a patient responsibility form outlining the services and procedures to be provided and the patients' expected/estimated out-of-pocket expenses, review it with the patient and have them sign acknowledging understanding.

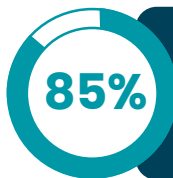


Challenge 3: Offer multiple payment methods for your patients

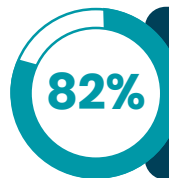
If medical practices don't offer multiple payment options, patients are less likely to pay. Each patient has different needs and a different set of circumstances. Provide them with multiple options to pay their bills, including paying balances over the phone or setting up payments through their bank's bill-pay portal.

Patients also want visibility into their payment process. **Have a patient payment portal in place.** Talk to them about how it works and empower them with ownership over their healthcare bills.

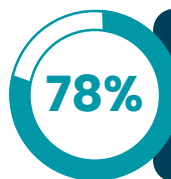
According to the 2020 InstaMed Trends in Healthcare Payments Annual Report, 56% of consumers would consider switching providers for a better healthcare payment experience. This report explains that:



85% of consumers prefer an electronic payment method for medical bills.



82% of consumers want to make all of their healthcare payments in one place.



78% consumers prefer to pay premiums online.

Also, keep a payment method on file for each patient. Let patients know that keeping credit cards on file is part of your practices' policy. Have a credit card on file or consider requiring a deposit for high-dollar procedures if you can determine or estimate the patient's responsibility portion, doing so gives you payment assurance.

Communicate to patients that their credit card information is secure and that your practice maintains the highest level of security and compliance. Assure them that you will never charge their cards for more than what they owe.

Challenge 4: Educate your staff to collect up-front payments and balances

Most people are uncomfortable asking patients to pay their bills. Remind your front desk staff to take a proactive approach to patient collections by starting the payment conversation early on. Lack of communication in collecting patient payments can lead to delays in your payments or worse, not even getting paid at all.



One way you can help your staff to improve their patient collection abilities is roleplaying. Pretend you are a patient and roleplay until they feel comfortable asking for money. Also, having monetary incentives is a great idea. Offer gift cards to the person who collects the most in a month or give them a small percent of all their collections.

Lucrezia Dunn, Client Success Consultant

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COLLECTING AMOUNTS DUE FROM PATIENTS AT THE TIME OF SERVICE OFFERS NUMEROUS BENEFITS TO PRACTICES:



Reducing accounts receivable



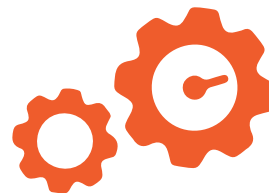
Increasing revenue



Reducing medical billing and back-end collection costs.



Decreasing the administrative burdens of tracking and writing off bad patient debt



Managing the growing portion of practice revenue generated from patient payments

Learn more best practices for your front desk staff in our blog Improve your front desk processes with these best practices - [Health Prime \(www.hpiinc.com\)](http://www.hpiinc.com)

3. Benefits of outsourcing your patient collection services

Even if the ideal for all medical practices is to collect all patient payments upfront, this is not always feasible. Maximizing your post-visit collections by implementing an effective plan to collect these payments after the patient has left the office is essential. At Health Prime, we can help. At the time of service, we offer PrimeVerification, an impactful solution that takes the burden off the check-in staff and allows your front desk team to focus on providing outstanding customer service to your patients.

Our agents will help you verify insurance coverage, important information such as deductibles, coinsurance and copay amounts, out-of-pocket maximums, and network status (scheduled provider). We can help you with out-of-pocket estimates on high-dollar procedures, propensity to pay, tracking co-payment collections success rate at the time of service and post service, track deductible collection success rate and co-insurance collection success rate.

We also believe that past the time of service, polite but persistent follow-up activities are crucial to collect patient balances.

At Health Prime, we serve as the point of contact for all patients regarding their medical billing services. Our bilingual agents will explain your patients their balances, help them make payments, handle refund requests, answer insurance-related questions, update insurance information and more. We also offer “balance reminder” phone calls, so your patients will be aware they have a balance with your office. They can make a payment or set up a payment plan before the bill is sent to collections.

Learn more about our solutions and how we can help you maximize your patient collections and increase cash flow. Visit our website to read more: SOLUTIONS - Health Prime (www.hpiinc.com/solutions/)

SUMMARY

The healthcare landscape is constantly evolving, and medical practices must also evolve to stay on track. Being on top of your billing and patient collections process is key to collecting every dollar your practice has earned, maximizing cash flow, and optimizing your workflows to deliver an outstanding patient experience.

Some effective strategies you can implement to improve the way you collect patient payments are to communicate with patients about payment expectations, have a strong financial policy in place, offer multiple payment methods for your patients, educate your staff on how to collect payments, ask for up-front payments at every opportunity and enhance your post-visit patient payment process by outsourcing these services to a trusted partner.

For more information on how to improve your patient collections process to increase cash flow, optimize your practice and ensure you are getting paid for what you have earned, contact our team of billing experts at Home – Health Prime (www.hpiinc.com) or email us at sales@hpiinc.com. Our team will schedule a meeting to discuss how Health Prime can maximize your cash flow by cutting costs and saving you time!

Subscribe to our Health Prime blog and our Health Prime newsletter to stay tuned on all the latest updates to run your medical practice more efficiently, so that you can focus on what matters most: **your patients.**