

Protocol of A/R Management

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Expected Accounts Receivable By Age

• A/R days	0-30	30-60	60-90	120+
Total A/R	60%	20%	10%	5%

Not More than 6 weeks of charges

\$500,000 \$250,000 \$150,000 \$100,000

Based on monthly charges of \$725,000-\$750,000

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A/R Protocol

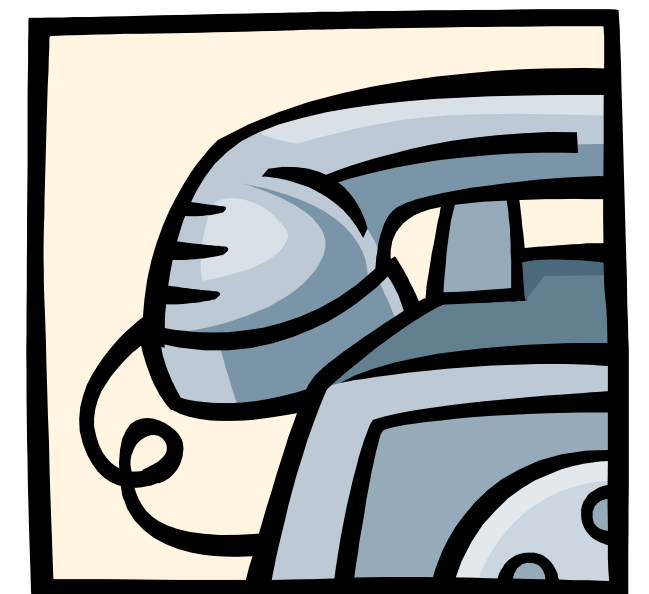


- Do you ever feel you are on the road to nowhere relative to your accounts receivable?

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Where Does the A/R Process Start?

- The first step begins when the patient calls for an appointment.
- Practice policies on collections **MUST** be relayed at this time.
- Get all insurance information at this time.



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Accounts Receivable Management

- Post your payment policies at the check-in and check-out areas.
- Inform the patient of their portion of the bill at scheduling.
- Inform patient they can pay with cash, check, credit card or debit card.

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Private Pay Billing Cycle

- Day 1--give patient a statement when they leave.
- Day 30--a statement is sent payment is pending with their insurance or the balance is due.
- Day 45--If patient has not responded to balance due notice, phone contact should be made. Ask for payment by a certain amount of days.
- Day 60--If no response by patient a collection letter should be sent indicating collection services could be needed.

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Accounts Receivable Management

- Have a series of collection letters to send if payment is not received.
- If you inform the patient their account is being turned over to collections--you **MUST** turn them over.



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Private Pay Continued

- Day 75--Final phone contact explaining collection agency action about to take place followed by final collection letter.
- Day 90--Prepare account for collections.
- **If payment is received at any time during either cycle, the account will revert to the private pay 30 day level.

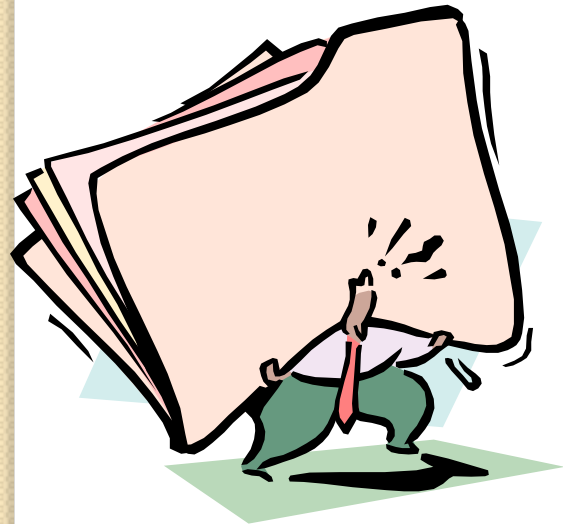
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Third Party Reimbursement (get patient involved from day 1)

- Day 1--The HCFA 1500 claim form or electronic billing should be initiated.
- Day 30--Account should be reviewed for payment activity. If no payment, phone the carrier.
- Day 60--If no insurance payment, call the carrier again. Generate a statement to the patient to keep them abreast of insurance position.
- Day 75--Telephone contact should be made with patient to secure payment arrangements.

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Billing Office



- They may feel overwhelmed at times, but they are responsible for:
 - claim submission
 - follow-ups
 - superbills
 - posting payments
 - calling carriers

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Third Party Carriers Continued

- Day 90--If no payment has been received a past due letter should be generated.
- Day 120--Final collection letter followed by phone contact should be sent to the patient.
- **If you still encounter problems, seek the help of the insurance commissioner in your state.
- **If at any time payment or rejection is received from the insurance company less than the expected amount, call the carrier to ascertain reason.

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Front Office

- Should be collecting copays at check-out.
- Making sure registration forms are completely filled out.
- Get a copy of front and back of insurance cards.
- Get secondary insurance information if applicable.
- Make sure you hire the best and pay fair market value for all of your employees.

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Practice Policies



- A policy should be in place in your office to have someone track and follow your A/R.
- Reports must be generated in a timely manner.
- Follow-ups must be made.
- Increasing your revenue is an on-going process.

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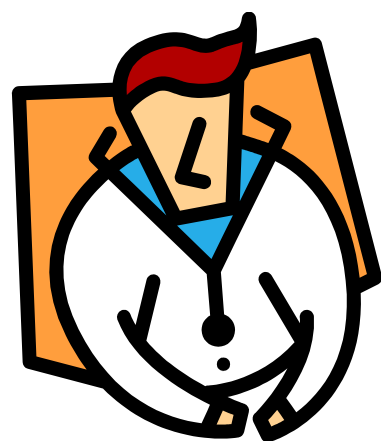
Accounts Receivable

- Should you establish an incentive type program for your billing department?
 - Do you base it on total A/R received?
 - Do you base it on accounts over 90 days?
 - Do you base it on a percentage basis?

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Final “Pearl”

Do not feel guilty about contacting the patient for payment on their account. You performed the service...you deserve to be paid.



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