

## SA-VIT COLLECTION AGENCY TIPS OF THE MONTH ARCHIVES



January 2007

### RESOLVE TO INCREASE CASH FLOW AND REDUCE COSTS

Insanity has been defined as “doing the same thing over and over expecting a different result.” Isn’t it time to “think outside of the box?” Here are some suggestions to increase cash flow and decrease costs during 2007.

Create a **written internal financial policy** that has the following emphasis.

Have your billing staff spend 80 percent of their time collecting from insurance companies.

Develop a billing protocol that successfully collects 90% of self-pay balances within 90 days or less (balances owed after insurance issues have been finalized).

Train your billing staff to negotiate payment-in-full from patients who call your office during the 90-day billing period.

Stop wasting time trying to reach the small percentage of self-pay patients who fail to respond during your 90-day billing period. Send those accounts to your collection agency as soon as possible, while they are still highly collectible by a professional collector. Spend the time you save by working on your new accounts.

How will this benefit the practice?

By putting emphasis on collecting from insurance companies (where the real money is), you will get payments faster and resolve insurance claim problems earlier.

Since most people pay their obligations within 90 days, your billing staff has the time to handle the few who need help or need more time to pay what they owe.

The results of calling patients after 90 days of billing for self-pay balances will bring in less than 1% of the remaining self-pay dollars and will not cover the cost of the employee time spent.

Need help developing this financial plan? Call us at 800-491-5757 and ask for assistance. We at SaVit Collection Agency wish you a prosperous 2007!