

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



August 2010

### WHEN TIME IS NOT YOUR FRIEND

The more time you give debtor-patients to pay, the less likely you will ever be paid! A practice must have a billing system that competes in the market place with all the other bills that a patient receives every month. Keeping up with the costs of living everyday lives, puts pressure on your patients. Many times their need for medical treatment is not planned and is not part of their monthly budgets.

Who is your competition? If they had to pay your medical bill or one of the following which would get paid first; rent or mortgage, car payment, credit cards, groceries, cell phone, utilities, Internet or cable vision?

In order to encourage payment your billing protocol must have a sense of urgency. It is preferable to send a bill with the total charges along with a note that the patient's insurance company has been notified and you are waiting for the company's response. Once the insurance payment is posted a balance bill should be sent as quickly as possible. Follow-up statements should have notices that indicate the urgency of the required payment. This process should be completed within 90 days. None of the competing creditors would wait any longer for their payments.

To continue attempting to contact debtor-patients after 90 days wastes valuable practice assets including employee time, copies of statements, envelopes, postage and the overhead of the practice. It is time to stop the hemorrhage by cancelling the balance or moving the debtor on to your collection agency. Wasted time is not your friend.