

SA-VIT COLLECTION AGENCY TIPS OF THE MONTH ARCHIVES



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What Billing Protocol is Best for Your Practice?

It is a must to bill patient balances at least once a month. However, it is also important to note that most monthly bills arrive or are due during the first week of the month. Since people are usually paid either every two weeks or monthly, you might consider sending your statements at a different time during the month, say, around the 15th of the month.

Another way to get your bills into the patients' hands at different times is to send them every four weeks rather than just once a month. They will then arrive at different times each month. An added benefit to this system is that you will get an additional billing cycle, thirteen rather than twelve a year. Anyone who is on a "monthly payment schedule" will pay off his or her debt to you faster.

Billing patient balances immediately after receiving the insurance payment can increase cash flow of the practice. It is good to remind patients that you expect payment by return mail. If no payment, the following bills should go out on the next billing cycle for those patients, even if the cycle is less than a month away.

You can smooth out the cash flow of the practice and spread out the telephone calls from patients regarding their bills by mailing one quarter of the alphabet each week. This will prevent the peaks and valleys in the revenue stream and keep an even workload for the billing staff.

No matter what billing protocol you use, remember that over 90 percent of your patients will pay their self-pay balances within 90 day. Don't over work your staff by trying to collect from patients who have delinquent attitudes toward paying all of their bills.

Even if you use an outside billing service, ask them what flexibility they have for helping you to increase your cash flow.

Submitted by Dick Saari