

Dermatology Coding Alert

Billing: These 6 Tips Will Transform Your Accounts Receivables

Coordinate back office and front desk staff to keep cash flow positive.

You know you're reporting the most accurate CPT® and ICD-9 or ICD-10 codes and that your documentation is pristine ☐ but you still are falling short on your accounts receivables each month. It's possible that your front and back office staff members aren't coordinating their processes properly, and that could be causing you to lose money on deductibles, copays and other charges. Check out these six tips to make sure you aren't losing any money.

1. Advise employees to inform patients of their payment responsibility prior to the appointment. The most important step that you can take to get your patients to pay their share of medical bills promptly is to talk to them about their financial responsibility. When your staff members schedule appointments and gather insurance information, you should also have them advise patients that copayments are payable when they come in for their visit.

2. No insurance card? No problem. Often, you'll see patients who have new insurance coverage but haven't gotten updated insurance cards yet ☐ this is a situation where a pre-visit confirmation can clear up any issues before they start. Ideally, when patients call to make appointments, you should have the appointment scheduler confirm their insurance coverage. This is when you find out if they have new coverage.

Finding out about insurance changes before the appointment gives you time to check if you are a participating provider with the payer and verify coverage. Ask for the name of the insurer and the policy number from the patient or from the patient's employer. Then, call the insurer and verify the coverage and the date of eligibility, and get the appropriate information to identify the patient on your claim.

The date of eligibility is an important question to ask the insurer because many employers don't make health insurance coverage immediately available to new workers. A patient with a new job and new insurance coverage may be in your office for a visit today, but his insurance isn't effective for two months.

Although verifying coverage in advance is preferable, most practices have patients confirm their insurance coverage and note any changes when they check in for their appointments. If you are unable to verify the insurance coverage, or you find that the patient is not eligible for coverage on the day of the visit, inform the patient of the problem and ask if he wants to reschedule the appointment unless it's an emergency or urgent visit. Otherwise, explain to the patient that the visit and services may not be covered, and that the patient must pay the bill.

Try this: If this is a Medicare patient, make sure the patient signs an advance beneficiary notice (ABN) in this situation. Although it is not necessary for a Medicare patient to sign an ABN for reasons of no insurance coverage, it is still a useful instrument to notify the patient of their financial responsibility prior to rendering services.

3. Cross-reference your practice log against a charge sheet. If your equipment creates a log of everything that happens in your practice, you should make sure you check it against your charge sheet from time to time to ensure you're billing everything you performed.

4. Properly train front desk to collect financial information. Improving your practice's financial picture starts with the information your practice collects from patients and their families when you first meet them, so you need to focus on both your front desk and your back office to improve your revenue.

Your front-desk staffers should be checking on insurance information and whether your physician participates with that payer, plus whether the claim is related to motor-vehicle insurance or a worker's compensation related injury. At the visit, your staff should be examining a photo ID to make sure the patient is who he says he is, as well as obtaining a copy

of the patient's insurance card.

For motor-vehicle claims or worker's compensation claims, you'll need to collect a whole set of documents from the patient up-front. And of course, there's the copayment and deductible to collect, if any.

5. When applicable, collect copays for nurse visits. Although some patients erroneously consider nurse visits "freebies," you must collect a copayment if a visit with the nurse is a chargeable, medically necessary visit. In other words, if the visit with the nurse is coded and charged, the patient must pay the copayment.

That does not mean, however, that a practice can charge for every patient who sees the nurse and collect a copayment. For example, if the patient sees the nurse for a skin check because the physician, as a courtesy, told the patient to stop in any time and have their skin checked, there is no medical necessity to code the visit and, therefore, it is not charged. As a result, no copayment can be collected.

But if the physician gives written orders that a patient needs to come in for skin checks with the nurse and the visit is properly documented, medical necessity exists to code the nurse visit and charge it. The copayment must be collected.

6. Collect from patients when the insurer sends payment directly to them. It happens from time to time □ your practice files a claim with the benefits assigned to your office. However, the insurance company sends the payment to the patient's family instead of to you, and the patient isn't very eager to pay you the amount.

You should send a letter to the patient and inform them that you are aware the insurance carrier paid them directly and that the money should have been turned over to your physician. Inform them that a check was cashed that was meant for your practice and that they have a certain number of days to make full payment.