

# Dermatology Coding Alert

## Billing Tips: 6 Steps to Take Before You Call In the Collector

### Extending a simple offer to help may help you collect your pay

Sending a patient's account to the collector can be a difficult decision for many dermatology practices because most of us know how relentless collectors can be. For the best in-house results, follow these billing steps to save yourself and your patient a world of grief before you call on the help of a collector.

Before sending any patient account to a collection agency, take a closer look at the details of your dermatology practice's in-house collection procedures, says **Vincent Gaudio**, principal of Collexx Inc., a collections agency in Long Valley, N.J.

### 1. Bill the patient while he is still being treated, if you can, billing experts say.

If the patient still needs the dermatologist's services, he is less likely to ignore the bill. For patients who undergo common dermatological procedures, such as a biopsy or lesion excision, it should be easy for you to make payment arrangements in advance because the follow-up appointments make it difficult for the patient to ignore you, says **Lisa Center, CPC**, quality coordinator with Freeman Health System in Joplin, Mo.

**2. Send multiple statements before initiating in-house collections procedures.** Try sending three statements - the first statement, a past-due notice, and then a final collections notice - before you engage an outside collections agency, Center says.

### 3. Call the patient and tell her you're trying to keep her account from going into collections.

Ask if there is anything your office can do to help, billing experts say. Sometimes personal contact is all it takes to resolve the situation.

For instance, if a patient has an outstanding balance for long-term acne treatment, give her a call to ask if there is anything you can do to help her get the balance paid.

**4. Set up a mutually agreeable payment plan** to accommodate patients who want to pay but can't afford the entire balance at one time, Center says. Have patients sign this agreement in the office, or mail or fax a copy for them to sign and return.

**5. Accommodate the patient's needs to get the bill paid.** Send self-addressed, stamped envelopes if you think that will help.

You can even try offering the patient a discount since your practice would lose part of the balance to collection fees, Center says.

As in the previous example, try offering the patient a 30 percent discount on her total bill for the acne treatment if she can pay you in full within the next 10 days.

**Tip:** You may think that these individualized efforts are above and beyond the call of duty, but it's worth it if it helps you get paid, Center says.

**6. Don't waste time when dealing with past-due accounts.** Haste makes waste, and that statement couldn't ring

truer than when it comes to collecting a patient's balance.

If a patient's account goes to collections, try to collect the balance right after the patient receives his collections notice, because patients are much more likely to pay soon after that initial contact, billing experts say.