

Optometry Coding & Billing Alert

Billing Basics: When Payers Back Out, Handle Patients With Care

Let them know you're on their side

No one likes to inform patients when payers back out of reimbursement - but you can make collection less painful by offering support and understanding. For starters, keep in mind that not only dollars are at stake. Anxiety can jeopardize patient treatment and healing.

Anywhere expensive patient bills are frequent, if patients are stressed the likelihood of success is threatened, and you have a problem, says **Victoria Jackson**, administrator and chief executive officer of Southern Orange County Pediatric Associates in southern California.

For many patients, including those recovering from eye surgery, stress can hinder healing, adds **Adrienne Rabinowitz, CPC**, billing manager for Western Monmouth Orthopedic Associates, a three-physician practice in Freehold, N.J.

Recognize the importance of your job in terms of patient health and you'll be more likely to reach a peaceful resolution and collect payment from patients.

"[Patients] need to know that we really do care about them. You would be amazed at how far that goes," Rabinowitz says.

You can further minimize the stress that expensive bills cause your patients - and your office - by adhering to the following advice.

Prepare Patients for Worst-Case Scenarios

Give patients time to digest potential financial burdens: Tell them in advance if insurance companies hesitate on commitment, and help them set up a financial plan in case reimbursement doesn't follow through.

Here's your guide for gently breaking news to your patients:

Contact the patient's insurance company first. Before you meet with the patient, call the insurance company, take down all the information, and note the representative with whom you spoke, which department she's in, and the date of the call, Rabinowitz says.

Then add the information to the patient's account. This preliminary work allows you to trace the insurance company's statements if it denies payment. Plus, you're letting the patient know that you're invested in having insurance cover what could be the patient's bills.

Brace your patient for the worst, if the insurance company sends you a predetermination letter stating, "Yes, these codes are covered, but they're subject to review." Let the patient know that "review" could mean a decrease in reimbursement amounts. Your prediction will keep your patients calm.

Open and clear communication with the patient helps keep stress levels to a minimum, Rabinowitz says. "A well-informed patient tends to be a happier one."

Talk it out with the patient. Sit down with the patient, explain the financials, and work out a payment plan if the forecast shows patient responsibility.

Make sure it's the patient who decides which payment plan works best, Rabinowitz says. Let patients know that if anything develops, they can contact you and that you can always adjust the plan if necessary, she adds.

Protect Yourself With Vigilance ... and Compassion

You've alerted the patient to the possibility that his responsibility could be hefty. Now make sure your interest in helping the patient doesn't damage your business.

There's a tactful way to obtain payment from the patient in case the insurance pays less than expected. To help guarantee that you see dollars without upsetting the burdened patient, pay attention to these follow-up business tips:

1. Ask patients to sign a payment agreement or waiver in advance if payers suggest that the procedure may not be covered - or if they don't offer clear answers, Rabinowitz says. Any payment agreement should state that the procedure may not be a covered benefit or that it may not be paid at standard contract amounts, Jackson says.

This way, the patients understand in advance that they may have a large amount to pay, she says.

2. Document your conversation with the patient, since this documentation will hold up in a court of law if you ever need to pursue a lawsuit, Rabinowitz says.

Secure a deposit from the patient, especially if his or her insurance company routinely leaves payments to patients, Jackson says.

3. Ask for a credit-card number prior to any service, she suggests, and keep it on file. But clearly explain that you're not processing the charge until the insurance company gets back to you, she adds.

However, be sure to warn patients that the insurance company has a record for reviewing codes and then lowering reimbursement rates, Jackson says. Thus, patients understand why the deposit is necessary before the service is performed. Rabinowitz suggests that you make the patient deposit a specific percentage of what you think the patient may have to pay.

4. Fight insurance companies for what your patients deserve. Help your patients by pursuing payers for rightful reimbursement.

Consider bringing the payment issue to the attention of the medical board in your state, as well as your insurance commission, Jackson says.

When insurance companies start quarreling, you can send them letters from these institutions requiring that they give advance notice of reimbursement.

Insurance companies "don't like to have their chains rattled," Jackson says, and "they certainly don't like publicity," so use what you can to get leverage.

Granted, they almost always write, "This is not a guarantee of payment," Rabinowitz says. But insurance companies are supposed to give you a guarantee of what dollars they will pay ahead of time, Jackson says.

If this plan of attack is too aggressive for your office, you can implement less confrontational tactics. Pick the top five or 10 CPT codes you see in your office, and send them and the amount you charge every year to your payers.

Ask for their reimbursement values, regardless of further review, Jackson says. The review may change the amount, but at least you will have an estimate to present to patients.

