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Optometry Coding & Billing Alert

Billing: Take This Advice And You'll Never Chase Down A Copay Again

Obtain signed financial responsibility form as insurance against nonpayment.

Most medical practices have occasional issues collecting copayments from patients. While the problem is an unavoidable part of the industry, you can cut down on lost income by having a clear copayment policy.

If you don't have policies in place that you follow with few exceptions you could have trouble collecting your practice's rightful reimbursement from the patient.

Check out these expert tips for setting copay policies that are fair to the patient and profitable for your practice.

Notify Patients of Copay Ahead of First Visit

Ideally, your patients should already know about copays before they set foot in your practice door for the first time.

You should inform the patient of copays at least twice before the patient sees the provider: Once on the phone and once in writing.

Phone: When the patient is setting up her first appointment, it's a good idea to let her know about your copay policies so there are no surprises when she reports to your office.

Signed document: Send out your administrative paperwork HIPAA forms, insurance data, etc. well before the patient's first appointment so the patient is prepared. Along with the administrative paperwork, include a financial responsibility form for the patient to read and sign.

The financial responsibility form does not have to be a long document; in fact, it should be short and sweet. The form should be very basic, saying, "I understand that if my insurance company doesn't pay for any or all parts of a service, I am financially responsible."

At some practices, the provider will not see the patient until she signs the financial responsibility form. This method ensures that you have a signed document on hand in case you need it.

Consider Practice Culture When Deciding on Collection Time

There are two different schools of thought on the best time to collect your copays. At some practices, the policy is to collect copays up front so it's taken care of before the patient even sees the doctor. If you wait to collect until patients check out, they might be thinking about other things, like what the doctor has just told them, and they could forget about the copay.

Other practices, however, take the opposite approach, collecting copays post-appointment because that's when you know exactly which services have been performed.

Best bet: There are solid cases for collecting pre- and post-appointment. Consider the culture of your practice, and the amount of resources you have for collecting copays, before deciding when to collect from patients.

When you settle on a copay collection time, however, stick to it to improve patient relations. If you frequently change policies, patients will begin to notice, and it might chip away at patient confidence in the practice's financial operations.

Set Boundaries for Noncompliant Patients

When a patient says he cannot make the copay, your practice's response should vary by situation. No matter how you handle it, however, you need to continue pursuing the copay via other means. The answer will be situational and could change based on the patient's exact circumstances.

Best bet: If a patient can't pay at the time of service, give him an envelope and tell him to mail payment in right away. Tell the patient, "We'll make a one-time exception." You can also present the patient with information about how to pay online, if your practice offers the option.

Caveat: Each time you let a patient leave the practice without paying, you compromise your financial responsibility agreement with the patient. Always keep in mind that the policy is the policy, and you should stick to it whenever possible.