

Optometry Coding & Billing Alert

Determine Financial Hardship to Justify Discounts

For tough cases, don't dispense glasses until your payment is in hand

You've played by the rules in determining a discount, but your patient still can't afford the copay for his eye exam. Is there a way you can help your patient further without making a federal case out of it?

If the patient still can't pay once you have offered a compliant discount (see *-Are Your Best Intentions Causing Billing and Compliance Nightmares-* earlier in this issue), you may be able to establish financial hardship status for that individual.

Gather information from the patient that supports his financial need, including tax returns, checking account statements and savings account statements. Then *-document that you have done an individualized assessment of financial need,-* says **Judith A. Waltz**, partner at Foley and Lardner LLP in San Francisco.

Don't take his word for it: A beneficiary may tell you that he is unable to pay, but a review of relevant financial records could reveal otherwise.

-The best way is to tell a patient, -If you're really that financially in need, then I need to see proof that you cannot pay,- **Catherine Brink, CMM, CPC**, president of Healthcare Resource Management in Spring Lake, N.J.

If you cannot establish financial hardship, CMS requires that you make a *-good-faith attempt-* to collect money from a patient. Your practice can establish for itself what constitutes a good-faith effort, such as sending two bills, followed by two phone calls and a final notice. Submit documentation of your efforts to Medicare, notifying them that you were not able to collect money from the patient.

Be practical: Obviously, such investigative work is not practical for every optometric practice. *-In a busy office, who has the time to check a patient's finances? That's not our job,-* says **David Gibson, OD, FAAO**, a practicing optometrist in Lubbock, Texas.

When Gibson has a patient with a history of non-payment, *-I instruct the staff to remind the patient of his responsibility, and then do not hand over glasses or contact lenses without collecting the amount due first. It's almost impossible to get the glasses or contacts back after giving them to the patient.-*