

## Optometry Coding & Billing Alert

### READER QUESTIONS: Seek Payment From Dead Patient's Estate

**Question:** I'm trying to collect on an account and have just learned that the patient has recently died. Should I just write this debt off? If not, what's my next step?

Illinois Subscriber

**Answer:** You should never write off a debt automatically just because the patient is dead. The best place to start is by contacting the family to see if there is an attorney handling the patient's estate. Obviously, this must be handled in a sensitive manner.

**Estates and probation:** The patient will in most cases leave an estate, from which the debt may be satisfied. Probate is the legal process through which the assets of a dead person are properly distributed to the heirs or beneficiaries. The court oversees the estate to make sure the estate's executor pays the debts and makes proper distribution.

Be sure to understand that it is the estate, not the dead patient's family, that is responsible for the debt. The only time when a family member would have some responsibility for a debt is when the member acquired the debt jointly with another person (often a spouse), such as when a family member co-signed a loan for the patient.

**Getting in line:** Creditors would include anyone owed money for unpaid funeral expenses, medical bills, charge cards, and the like.

If there are insufficient assets to pay all creditors, then the estate must be divided up as equally as possible, with secured creditors receiving priority. This means that if your parents died with little or no money in their accounts and didn't own a home, unsecured debt such as credit-card debt will not be paid to the creditors.

Submit a formal bill to the estate. Probate might be a complex and drawn-out situation, but it's very possible that you will get paid in the end.