

Optometry Coding & Billing Alert

SPECIAL REPORT: Collections Strategies - You can save time and money while preventing headaches

Outsource Collections for Better Results

Generate revenue from past-due accounts by hiring a collection agency

The intervention of a collection agency has many benefits for your practice, whether you outsource collections sparingly or regularly:

- 1. Saves you time and money:** Once you've determined that a patient is not paying and doesn't intend to pay, it's not worth your time or the cost of staff and supplies to continue calling and sending letters, says **Adrienne Rabinowitz, CPC**, a billing manager in Freehold, N.J.
- 2. Quicker results:** Often it takes only one letter from a collection agency to make patients realize that the situation is serious and they need to pay, she says.
- 3. Fewer headaches:** It's convenient to have a collector handling difficult cases so you can concern yourself with more important office billing, Rabinowitz says.
- 4. Preserves patient relations:** When a third-party collection agency enters the picture, it becomes "the bad guy in the eyes of the patient," says **Vincent Gaudio**, principal of Collexx Inc., a collections agency in Long Valley, N.J. This allows your practice to become approachable to patients again and to maintain a good public image, Gaudio adds.
- 5. Do the math:** For example, you are unable to collect on \$10,000 in patient debts. If you turn those accounts over to a collection agency that charges 50 percent - which is a very high estimate -- and it collects all the money, you'll have \$5,000 that was otherwise lost to you, Gaudio says.