

Optometry Coding & Billing Alert

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

Collections Countdown

6 steps to take before sending accounts to the collector

When should you send an account to the collector? The answer varies from practice to practice, depending on the details of in-house collection procedures, says **Vincent Gaudio**, principal of Collexx Inc., a collections agency in Long Valley, N.J. For best in-house results, follow these steps before sending account to collectors:

- 1. Bill the patient while he is still being treated**, if you can, says **Adrienne Rabinowitz, CPC**, billing manager in Freehold, N.J. The patient still needs the physician's services and is less likely to ignore the bill.
- 2. Send at least two statements** before initiating in-house collections procedures. If the patient has a large balance, write a note to the patient on the statement asking for monthly payments, says **Danielle Smith, CPC**, coding specialist with Maine Eye Care Associates in Waterville, Maine. "We send three statements," Smith says, "and with the third statement we send a collection letter, saying the patient has 10 days to get in touch with us." If the patient fails to contact her before the next billing cycle, Smith turns the account over to her collection agency.
- 3. Call the patient** and tell her you're trying to keep her account from going into collections. Ask if there is anything your office can do to help the patient pay her bill, Rabinowitz says. Sometimes personal contact is all it takes to resolve the situation.
- 4. Set up a mutually agreeable payment plan** to accommodate patients who want to pay but can't afford the entire balance at one time, Rabinowitz says. Have patients sign this agreement, either by coming into the office or by mailing or faxing a copy for them to sign and return.
- 5. Accommodate the patient's needs** to get the bill paid. Send self-addressed, stamped envelopes if you think that will help. Rabinowitz confesses she's even gone as far as to make up a little payment booklet with monthly reminders for one patient. You may think that these individualized efforts are above and beyond the call of duty, but it's worth it if it helps you get paid, she says. Smith agrees. "We certainly always work with our patients," she says.
- 6. Don't waste time when dealing with past-due accounts.** "The newer the bill is, the easier it is to collect on, and that's true also for the collection agency," Rabinowitz says.