

Part B Insider (Multispecialty) Coding Alert

MANAGEMENT: Consider Charging Your Patients A Billing Fee For Copays, Deductibles

One practice adds percentages for collection agencies

Your practice should set the expectation that patients will pay their copayments at the time of service, experts say. Even deductibles should be paid at the time of service, as often as possible.

But when your patients skate away from the office without paying a cent, what should you do? Consider charging a billing fee, some experts suggest.

If you add a nominal charge of a few dollars to every statement you send out letting your patients know they still owe money for previous visits, they'll be more likely to pay up front next time, says **David Marcus** with **Physician Payment Resources** in Nashville, TN.

Do this: Have your patients sign a form at their first visit that states all "patient responsibility" amounts are due at the time of service, adds Marcus. Patients should be aware that they'll bear the administrative costs of any bills you must send to track down payment.

This may alienate a few patients, but physician practices get into real trouble when they start extending credit to patients, says Marcus.

Alternative: Neurology Specialists of Savannah in Georgia doesn't charge patients for sending out statements, according to Medical billing manager **Cindy Bryant**. But after the patient has received two statements, Neurology Specialists passes the claim on to a company that sends two follow-up statements. At that point, the practice adds an extra 15 percent to the amount owed.

After sending those statements, the claim goes to a collection agency and the amount owed goes up 25 percent from the original amount, Bryant says.

Smart idea: Patients at Neurology Specialists are asked to sign a form when they first come to the practice agreeing to these additional charges.