

Part B Insider (Multispecialty) Coding Alert

OFFICE MANAGERS: Fire Your Patients--Without Getting Burned

5 tips to avoid legal pitfalls in discharging deadbeat beneficiaries

Delinquent patients don't have to be a permanent fixture in your practice. If you have patients who owe thousands of dollars in copayments and deductibles, you don't have to keep providing them with care, say experts.

Confusion: Some practices may feel tempted to charge their patients a -statement fee- or interest charge for long-overdue bills, but this can open up a compliance can of worms, say experts. (See PBI, Vol. 7, No. 10.) They say one alternative is to -fire- non-paying patients. However, some providers worry that this could lead to a whole other set of legal nightmares.

Your biggest concern in discharging deadbeat patients is that the patient might charge you with -abandonment,- says attorney **Alice Gosfield** with **Alice Gosfield & Associates** in Philadelphia, PA. You are not required to see a patient who won't pay, but you could face an abandonment lawsuit. Here are some suggestions for avoiding this fate:

- 1) Help your patients find other resources. You can tell a deadbeat patient that the relationship isn't working because he/she hasn't fulfilled his/her obligations and you -can't establish an effective doctor-patient relationship,- notes Gosfield. Then, tell the patient: -But here are some other folks you might consider,- she suggests.
- 2) Give adequate notice. For a typical patient, you should provide 30 days- advance notice in writing, advises **Jill Young** with **Young Medical Consulting** in East Lansing, MI. Send a certified letter notifying the patient of the deadline to find another practice, and continue treating the patient during that 30-day period.
- 3) Pay attention to state laws. Some states may have unique abandonment laws that you have to obey when discharging a patient, warns Gosfield.
- 4) Pay attention to circumstances. Patients in rural or underserved areas may need longer than 30 days to find a new provider, says Gosfield. Also, if the patient has insurance that few providers will accept, then the situation may not be so simple.
- 5) Check your participation agreement. If the patient belongs to a health plan and you're a participating provider, then your agreement may specify how you can get rid of a non-paying patient, Gosfield notes. You may have to approach the medical director of the health plan and ask to transfer the patient out of your panel.