

## Psychiatry Coding & Reimbursement Alert

### Collections: Get A No-Show Policy in Place To Avoid Repeated Losses To Your Practice

**Don't forget to get the patient's signature on your no-show policy.**

If your practice's bottom line has been suffering due to patients not showing up for their appointments, you are not alone. Your practice's rules should depend on your patient population and practice culture; these factors will be the ultimate decider when it comes to your no-show policies.

You can, however, count on this expert advice when shaping your policy and making it flexible enough to accommodate occasional no-shows while being tough with repeat offenders.

#### **Formulate Policy, Get Patients to Sign on Dotted Line**

The first step in protecting your practice against no-shows is a written policy, says **Cyndee Weston, CPC, CMC, CMRS**, executive director of the American Medical Billing Association (AMBA) in Davis, Ok.

"You need a clear and concise policy explaining to patients what your requirements and expectations are for no-shows and cancellations," she says. The policy should be firm but fair, Weston continues.

"You should be flexible in situations that are beyond the patient's control, such as a family death or an illness that prevents timely notification," Weston says. And once you have a defined [no-show] policy in place, "you should have patients acknowledge they have read it by signing a notification form."

**Example:** Your policy could state something such as "Failure to give 24-hour notice of cancellation of an appointment or not showing up for an appointment can result in a charge of \$25.00 on your account. This charge is non-covered by your insurance company and is your responsibility. Failure to pay a no-show fee will be treated the same as our policy on unpaid patient balances and will be subject to reporting to a collection agency if unpaid."

Ask your patients to sign and date the form when they first join your practice, as they would do when they initially sign your privacy or financial policies. You can incorporate the no-show policy into your financial policy

#### **Give Patients a Pass on First Offense**

In order to maintain positive patient relations, experts recommend you let a patient slide on his first no-show.

"In my opinion, charging should be used after the second [no-show], not the primary offense," explains **Elizabeth W. Woodcock, MBA, FACMPE, CPC**, speaker, trainer, and author at Atlanta-area Woodcock & Associates/Woodcock & Walker Consulting.

While Woodcock recommends wiggle room for first-time no-shows, she also offers an insurance policy against repeat offenders.

**Do this:** "I recommend a precharge if the patient makes a second appointment" after their first no-show, she says. In other words, if a patient makes a second appointment, you'd require a deposit. This is a flexible policy, however,

Woodcock says.

"Some practices use this [precharge] on a third offense," Woodcock advises.

### **Get 24-Hour No-Shows to Reschedule**

One popular policy for handling no-show patients is letting them avoid penalties if they reschedule, and keep, their next appointment. This is good practice if you have the policy in writing and the patient has signed off on this policy, says **Jean Acevedo, LHRM, CPC, CHC, CENTC**, president and senior consultant with Acevedo Consulting Incorporated in Delray Beach, Fla.

"When a patient follows your [written] policy by giving 24 hours' notice, staff should make every effort to reschedule the patient while they have the patient on the phone," explains Acevedo.

**Benefit:** Taking care of the rescheduling as soon as possible "helps to avoid gaps in patient care, as well as lost revenue," Acevedo explains.

### **Look for Longer Notice in Certain Situations**

While the "24-hour" rule is a good one to follow for most medical practices, "there are some exceptions to that rule," Woodcock says.

Due to the nature of the services they provide, there may be some subspecialties that require more advance notice, such as surgery, imaging, etc. For these practices, a 48- or 72-hour rule might be more effective, Woodcock recommends.

There are some practices that are "so specialized that appointments are set up weeks, if not months, in advance," Woodcock explains. In these instances, you might have to make adjustments to the "24-hour rule" in order to maximize your practice's time.

### **Inform the Patient**

No matter what your no-show policy looks like, you should include an explanation of it in the new patient packet that most practices give out to new patients.

**Best bet:** "Include your [no-show] policy in new patient packets, and have patients sign an acknowledgement form stating they understand the consequences of abusing cancellations and no-shows," Weston says.

If practice culture allows for it, Acevedo recommends "a small, tasteful sign repeating the [no-show] policy at the check-in window."