

Anesthesia Coding Alert

Billing: Start the New Year With the Right Collections Perspective

Tip: Double check every detail of your patients' information.

You might have moved into the New Year with goals for improving things in your personal life, but have you set new goals for improving your practice's bottom line in 2016? If not, it's time to think of some basic strategies that can help your collection procedures.

Here's why: Even simple lapses in recording patient information such as spelling a name wrong, confusing the secondary payer with the primary and even incorrect insurance ID number can cause your claims to be denied. **Manny Oliverez, CPC**, CEO of Capture Billing and Consulting, Inc., in South Riding, VA, shares his experiences handling medical practices' billings [□](#) and they can help ensure you maximize your income potential in 2016.

Verify All Patient Information

You may think that you need to invest in an expensive accounts receivable (A/R) software program or hire pricey consultants to increase your A/R, but there's one tip that can help you collect more income without costing you a dime, Oliverez says.

"One of the biggest problems I see in some of the medical practices we start to work with is that incorrect patient information was entered into the computer system," he says. "Misspelled patient names, wrong dates of birth, typos in the insurance ID number, and secondary insurance put in as primary all lead to the claims being denied. This causes the accounts receivable to skyrocket and spiral out of control."

Not only does this issue create denials, it can sometimes have an impact far beyond that one patient encounter. "Often the problem gets so overwhelming the denials are hardly worked at all, leaving thousands, if not tens of thousands of dollars, on the table," Oliverez says. "Take care of this one problem and income is sure to rise."

Don't Shy Away From Billing Patients

Another area where practices can quickly and inexpensively make an impact involves approaching patients for their portion of the balance. Oliverez sees dozens of practices that don't have a quality patient collection process, which has become more important than ever as deductibles rise.

"I've come across practices that haven't billed patients in months [□](#) one had actually never billed any patients at all," he says. "The front desk should have procedures in place to collect all copays and balances at the time of service. The billing department needs policies on when and how many patient statements to send, when to mail out demand letters, how many phone calls to make and (if appropriate) when to send an account to collections. And it all needs to be done consistently."



For example: The 2016 Part B deductible is \$166.00. Suppose you fail to collect the deductible for just two patients a day. In January alone, this will cost you \$6,640, assuming your practice is only open on the weekdays.'

Takeaway: Since most practices can't afford to simply write off almost \$7,000 a month, now is the time to establish a process of billing patients on the day of the visit, as well as one to ensure you send them bills for any balances afterward.