Patient Collection Mistakes you Need to Avoid

The patient payment collection has become vital in order to get maximum reimbursement. Coinsurance amount, co-pays and deductibles can lead to huge revenue loss, if providers fail to make necessary efforts for collecting out-of-pocket expenses.

- According to studies, chance of patient payment collection drops by 20% as soon as the patient leaves the practice or hospital
- Approximately five to ten dollars are spent per patient for sending and processing patient statements by mail

Payment collection is a necessary procedure; however, practices need to avoid certain mistakes and ensure that aggressive collection procedures don’t lead to poor customer service.

- Is your practice carrying out insurance verification? This is one of the most common mistakes made by facilities. Insurance must be verified three to five days before the procedure. The staff not only needs to make sure the patient demographic information is correct but the benefit information also should be discussed with them prior to the surgery. In case an amount is due, efforts are required to collect that amount before the patient is discharged
- Hospitals or private practices make use of outdated collection tools which affect their chances of getting paid. It is important for all the payer contracts to be correctly loaded in the system for collectors to evaluate if payments were received at the contracted rate. Inadequate staffing is also a common issue to be avoided because typically, 800 accounts of outstanding A/R a month can be effectively handled by one collector
- Follow-ups for inadequate claims also affect the collection process. Usually, collectors do the initial follow-up and then sit for months before taking it up again. Due to lack of an effective internal process, accounts keep falling through cracks resulting in unpaid claims. Depending on the carrier, claims should be followed-up every 15-20 days until payment is made
At times, practices don’t offer different modes of payment to patients and this affects the collection procedure to a great extent. Patients should be allowed to pay by cash, debit card, credit card or even personal checks. It will help patients choose a convenient mode and make the payment without wasting time.

Providers must avoid the above-mentioned mistakes if they don’t want to watch their A/R soar and become unmanageable. But, due to lack of time and skilled staff, many practices are not able to carry out the collection procedure as expected. In such cases, outsourcing proves to be a practical solution compared to hiring a collection agency.

If the collection agency doesn’t deal with your patients properly, there are chances your patients won’t come back to you for medical care in future. It can also cause harm to the reputation of your practice.

There are several billing companies such as MedicalBillersandCoders.com that help practices sail through billing challenges and improve their payment collection. MBC has a strong team of skilled billers and coders who are proficient in procuring payment from patients, conduct follow-ups with the insurance companies, take care of timely claims submission, do denial and AR management that maximize revenue.