



Non-Paying Patients

Being prepared with these scripted responses will make life easier for staff.

BY LYNN HOMISAK, PRT

***To Our Readers:** There are no foolish questions. Chances are that if you have a question or concern in your practice, others are experiencing a similar situation. We're here to help. PM [doctor and staff] readers are encouraged to submit questions to soslynn@gmail.com which will be printed and answered in this column anonymously.*

Topic: Non-paying Patients

Dear Lynn,

Can you provide some kind of scripted responses for my staff to help them address patients who try to skirt around paying for services provided?

Happy to give some scripted responses. In some cases, I have included relatable information to help them better understand the reasoning behind each one. Having some background information may allow them to deal with each non-paying situation more effectively.

Following are a couple of excuses your staff may hear.

1) "Why do I have to pay a co-payment (or fee for office visit) if I only spoke to the doctor? I mean, he didn't do anything."

In either case, educate your patient.

Response: A consultation where the doctor discusses medical advice, a treatment plan and/or recommendations are considered an office visit. According to your insurance card,

you agreed and are responsible to pay a [\$xx.xx] co-pay at each office visit—as well as an annual deductible any time you are scheduled to see the doctor. Since you were seen in our office on [date] and we do participate in your plan, it is our responsibility to collect that co-pay/balance from you. NOT collecting that fee puts both of us in violation of your contract. Will you be paying that by cash, credit card or check?

companies are alike, and while you may not be required to pay a copay for your primary care physician, you ARE required to pay a copay for a visit to a specialist and podiatry is a medical specialty. In fact, in some instances, seeing a specialist can result in a higher copay due to the fact that it often involves more specialized expertise and resources. You might want to double-check your insurance contract and/or policy docu-

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2) "I forgot my wallet"

The question you want to ask yourself is does this happen on a regular basis, or is it a one-time occurrence? That should make a difference in how you respond. Your financial policy should dictate what occurs for repeat offenders.

Response (one time occurrence): Oh, sometimes those things happen, Mr. Jones. I can call you later today and you can just give me your credit card number over the phone so I can process your payment. This will avoid your having to receive a statement in the mail.

3) "Why do I have to pay a copay here? I never have to pay a copay at my family doctor!"

Response: I understand your concern, Mrs. Thrifty. Not all insurance

ments. They should list the required copay amounts associated with different types of services which will clear things up for you. Will you be paying today by cash, check or credit card?

4) "My accountant handles all my finances. Mail him a statement and he'll send you a check."

Take this opportunity to review your financial policy with the patient (and his/her agreement by signature) indicating that payment is required at the time of service. It would be prudent to give them another copy and suggest they present it to their accountant to avoid any potential future conflicts.

Response: We try very hard to avoid sending out statements. That

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time savings allows us to concentrate less on paperwork and give more of our attention to our patients. We do accept credit card payments and, in fact, that method of payment will actually allow your accountant to effectively consolidate your charges and better manage your money matters. I'm happy to take your credit card number now and (if



I recommend getting into the habit of collecting co-pays up front.

HIPAA security measures are in place) keep your number on file for future visits.

5) “Can you send me a bill? I cannot pay my balance today.”

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pays up front. If patients incur additional expenses while in the treatment room (supplies, services, etc.), collect the additional fee upon discharge.

Response (if patient has a co-pay, see #1): Similar dialogue: Your co-pays are due at the time of service and since we are contracted with your insurance company, it is our responsibility to collect them. If you recall when you signed our financial policy, it states that we collect this fee at

the time that services are rendered. For your convenience, we do accept credit card payments if cash or checks are not available today.

Response (if patient does not have a co-pay): See #4. Will that be cash, credit card or check?”

6) Why doesn't my insurance cover this? For what I pay in premiums, I expect them to cover my medical care!

Response: I understand your frustration and confusion, Mrs. Brown. We see so many different insurance plans in our office and every plan is different, even if it's from the same company. That is why your particular

After making the appointment, inform the patient of their financial obligation for the upcoming visit.

question is difficult for me to answer. The plan you chose is between you and your insurance company. If you are dissatisfied with the benefits you signed up for, you may want to contact them and switch to a different plan.

7) When a problem patient (with money issues) wants to return.

If you do not have a policy that deals with this, it's not too late to create one for consistency and uniform treatment of all patients. Prior to rescheduling a delinquent-paying patient, I would recommend getting payment for his/her past due balance before making an appointment and then at least an estimated payment for his new appointment up front (before treatment) at the time of service. Also review your financial policy and have him/her sign (re-sign and date) it and give them an updated copy.

Response: Mrs. Sunshine, I would be happy to schedule you for another appointment; however, we must first collect the outstanding balance from your visit on [date]. I can take a credit card number over the phone to clear that up for you now.”

After making the appointment, inform the patient of their financial obligation for the upcoming visit.

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Response: Your new appointment is scheduled for [date]. Please be advised that payment is due at the time of service and we will be collecting [\$xx.xx] upon your check-in. Do you have any questions?

8) Re: Waiving co-payments, deductibles, no-show or late fees

You are obliged to collect co-pays and deductibles. They cannot and SHOULD not be waived as doing so may violate fraud and abuse laws and payer contracts. Verification of patient's financial hardship, however, is an exception. Regarding late fees, you may choose to waive added billing or appointment no-show fees if circumstances allow.

9) For patients who do not bring money for co-pays or deductibles.

No co-pay? You have the option of rescheduling these patients and informing them that copays are expected at the time of service. They know their obligations and insurance companies require that they submit payment as expected. Remind them that not collecting their copay is a violation of their contract and may result in both the subscriber AND the physician being dropped from the plan.

Ultimately, the patient is held responsible for paying their

deductible. When they should be expected to pay it should be clearly outlined in your financial policy. You could wait for the insurance EOB, showing the patient responsibility; however, it is in your best interest to collect up front rather than chase it down afterwards. You would reimburse any overpayment received from insurance company. Bird in hand.

10) Patients who promise to pay a bill on a certain day and then don't.

Unfortunately, verbal excuses and promises may just be a method patients use to stall! Sometimes this is an intentional tactic and sometimes it is true hardship. The

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best protection is to develop a collection process, (write it down), strictly follow it, be persistent, track results, and fine-tune the process as needed.

Summary

In each of the above scenarios, it's best to have a proactive collection plan in place which includes the following:

- Create a strong financial policy—have patients sign it and give them a copy. Ask if they have any questions about what they just signed to drive the importance of it home. If your policies change, make sure the form is updated and patients' signatures are once again secured.
- Remind patients who tend to be delinquent payers at every opportunity what is expected of them financially.
- Make it clear you expect payment and always offer options of cash, check or credit card. Do not offer to keep their credit card info on file unless you have a HIPAA-secure software program.
- Develop scripted responses similar to those above. Feel free to use or modify these to fit your practice policy.
- Be consistent—in your financial practices in general and also regardless of which staffer is interacting with the patient. In other words, do not contradict one another or patients will use that as their loophole to avoid payment.

• Remember, you catch more bees with honey than vinegar. Be empathetic and be friendly but be strong. If your job is to collect the money, patients are more eager to cooperate with a friendly personality than an abrupt one. PM



Ms. Lynn Homisak, retired President of SOS Healthcare Management Solutions, carries a Certificate in Human Resource Studies from Cornell University School of Industry and Labor Relations. She is the 2010 recipient of *Podiatry Management's* Lifetime Achievement Award and was inducted into the PM Hall of Fame. She is also an Editorial Advisor for *Podiatry Management* magazine and is recognized nationwide as a speaker, writer, and expert in staff and human resource management.