

**Diablo
Medical
Billing, Inc.**

Informant

August 2010

Scripts for collecting at patient check-in

P: "I didn't know I owed this."

R: "You receive statements from your insurance company and our office informing you of your obligation. We call all patients with balances and remind them that payments are due. You were called on _____. The doctor has performed a service and deserves to be paid for it."

P: "I don't have any money with me."

R: "We accept all major credit and debit cards. We require you to pay for the service you receive today, and you were informed of and agreed to our office financial policy. It is your responsibility to know your insurance and pay for the portion that is not covered. Would you like to go and get the payment or reschedule your appointment?"

P: "I forgot my checkbook."

R: "We accept all major credit and debit cards. I can swipe your card today and preauthorize any future payments so you won't have to worry."

P: "I mailed a payment just yesterday."

R: "Oh, you should have saved the stamp since you had a scheduled appointment and brought the payment with you. That way we would have no questions about a payment being due. I can swipe your credit card and preauthorize a payment. We won't charge your credit card unless we don't receive the payment."

P: "I just lost my job."

R: "I am so sorry. This is affecting so many people. Unfortunately, we are being affected by this economic downturn as well, and unless we collect what is owed, we can't pay our bills here and then we are at risk of losing our jobs. I can offer you a payment plan or refer you to a subsidized clinic."

P: "I'll pay you after the doctor sees me."

R: "I understand your frustration and know that this may seem unusual, but we are bound by our contracts with the insurance company to collect from patients before they are seen. We don't make these rules but are forced to follow them and pride ourselves on running an ethical and legal practice."

P: "I never had to do this before. No other doctor's office does this."

R: "I can't speak for other offices, but we are following our contract requirements with insurance companies or our office policy. I am sure you will start seeing this more in the future. We pride ourselves on being recognized as one of the top 10 urology practices in the country for our administrative procedures since we really try to do everything to the letter of the recommended practices."

P: "All you care about is money!"

R: "That's not true. Our primary concern is providing exceptional patient care. But in order to continue to provide that care, we need to charge and collect for the services the physician gives. If we didn't get paid, we would not be able to keep this practice open."

P: Patient to doctor with any financial question

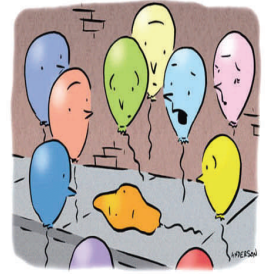
R: "You have to deal with the front desk for all financial issues. My only concern and focus is on giving you the best care. I answer to them as well on all billing issues."

Importance of collecting the COPAY during their visit ..

While some of the patient responsibility may be difficult to determine at the time of the visit, co-pays are not, and are usually clearly marked on the patient's insurance card, and should be collected at the time of service.

If the co-pay is not collected at the time of service we must bill for it; it is part of our full service to you. Unfortunately billing for co-pays causes serious problems for both you and Diablo Medical Billing.

Let me explain— DMB billing fee is 7%; we receive .35 cents from a \$5.00 co-pay, and a \$1.75 from a \$25.00 co-pay. Now subtract .45 cents for the cost of every statement we must send to collect on those co-pays. Last month DMB sent over 9300 statements. For you it is a matter of financial health, how many patients do you see a day and how many are walking out without paying their co-pay. Now consider this, DMB cannot send a statement for a co-pay until the insurance company has responded, maybe three to four weeks after the initial visit. The patient then decides when and if to pay. If they wait long enough another statement will be automatically generated every month thereafter. Your \$25.00 co-pay is now 30 to 60 days old, or in extreme cases you may never see it at all because between the initial visit and now the patient has lost his or her job, or some other financial event has occurred, and now has no money.



**EVERYONE BACK!
GIVE HIM SOME AIR!**

Understanding the challenges facing providers

When patients need medical attention, getting care is their main concern. However, payment for services rendered is not a priority for the patient once treatment is received. According to the McKinsey & Co. report, "Overhauling the US Healthcare Payment System," the probability of providers collecting patient payment declines dramatically once the patient walks out the office door. The report states that while a provider generally collects 95 percent of patient payment when it is received prior to treatment, that percentage falls to 18 percent of the full payment if collected just one month post visit. Additionally, McKinsey & Co. suggests that by the end of 2010, **about 35 percent** of provider's total revenue will come from patients.

McKinsey & Co. "Overhauling the US Healthcare Payment System," *The McKinsey Quarterly* 2007

Please find our Newsletter posted on our website. Go to: www.diablomed.com click on the 'About Us' tab and choose the issue you would like to read from the left column under 'Monthly Newsletter'.