Effective Communications Skills and Best Practices in Billing & Collections: Part 1

Tuesday, May 5, 2015
1:30pm – 2:45pm

A training webinar brought to you by the National Center for Farmworker Health
Important Reminders

❖ Webinar will last approximately 1 hr and 15 min.
❖ For any technical issues, send a chat to me, “the organizer” (Christina)
❖ Everyone participating in the webinar should be on mute.
  • If you are listening on the phone, please accept the audio pin when joining or mute your phone and computer microphone.
❖ Move your cell phones away from computer
Important Reminders

- There will be a few opportunities for your participation.
  - At the designated time, respond by sending a chat to “all participants” or click on the hand icon and wait for organizer to call your name and unmute you before speaking.

- Q&A will be held at the end if time allows.
  - If you think of a question before the end, send your question via chat to me (Christina) privately.
  - Your question will be shared with the group

- Any questions that cannot be addressed during the webinar will be responded to the participant directly via email.
Important Webinar Reminders

❖ The presentation and handouts for this webinar were sent to all registered participants.
  • You can also access them in the “materials” section of your control panel.
❖ Please complete the evaluation survey that you will receive via email after the webinar.
❖ The presenter will be using a webcam. You can adjust your screen to be able to see both the presenter and the presentation slide.
Meet the presenter...

Product Development Manager
NCFH
Webinar Learning Objectives

After this webinar series, you will be able to:

• Give examples of common problems in billing and collections, and some best practices and solutions

• Know some tips and techniques for collecting payment assertively and handling negative responses

• Understand the important of educating the patient on their financial responsibility and the need for staff training, including the use of scripts for communicating with patients
Webinar Outline

In today’s webinar we will talk about:

• Why billing and collections is so important to a health center
• Common problems in billing and collections
• Best practices in billing and collections
• Assertive as key communication strategy

In part 2 webinar (May 19):

• How to apply assertive communications
• Practical tips and techniques, such as use of scripts and de-escalating difficult situations
Section 330 of the Public Health Service Act states: “Health Centers must make every reasonable effort to:

- secure from patients payment for services in accordance with the fee schedule and schedule of discounts it has established, and
- collect reimbursement for health services to persons covered by Medicare, Medicaid, any other public assistance program, or private health insurance on the basis of the full amount of fees and payments for such services without application of any discount.”
The Bureau of Primary Health Care expects a health center’s billing and collection policies be designed to assure patient access to care while maximizing revenue collected.
Financial Health is Important

- Health centers must be proactive on financial management issues

- No money = no mission (that is the reality)
The End Goal is...

- Healthier and Satisfied Patients but also...

- Financially Healthy and Successful Health Center
Patient Collections are Critical

- With more uninsured and underinsured patients accessing care, patient responsibilities now account for a growing number of health care organizations’ total charges.

Source: Method to the Madness, Availity, 2014
Most health care organizations struggle with collections

- The national average rate for collections in the health care sector is 78%, but for Self-Pay it is only 50-60%.

Source: MGMA and Oliver Wyman Group, 2009.
Why don’t patients pay?

According to a national survey by the McKinsey Group (2009), the top reasons cited by patients for nonpayment:

- “Lack of financing options” (37%)
- “I just received my statement” (10%)
- “I was confused about what I owe” (17%)
- “Health care is a right and shouldn’t have to pay my bill” (9%)

Source:
Why don’t patients pay?

- The Association of Credit and Collection Professionals’ survey statistics suggest precarious trends for the financial health of organizations as the cost burden is shifted toward patients:
  - 56% of patients do not pay their health bills because of a lack of financing options or delays in receiving their statements
  - Only 12% of actual collection balances are recovered after paying commission fees

Patient Attitudes toward Payment

- Patient willing but unable to pay immediately
  - Overextended

- Patient able to pay but habitually slow
  - Negligent, needs reminding

- Patient unwilling to pay, whether able or unable
  - Fraudulent, had no intention of paying
U.S. Department of Commerce

Will pay in full over time: 87%
Will stall but will pay if forced: 10%
Deadbeats, no intention of paying: 3%

National Statistics on Debtors

© National Center For Farmworker Health, 2011
Staff Perceptions/Attitudes that Impact Collections

- Feeling “wrong” about charging and collecting money from people for being sick
- Seeing health care fees as a bill a person is “stuck with”...not something they wanted to purchase
- Not seeing the patient as a health consumer who, as any other consumer, has the right to know what they are buying and how much it will cost upfront
- Assuming that if a patient was unable to pay in a prior situation, that he/she will be unable to pay now
- Confusing a patient’s inability to pay with a patient’s inconvenience of paying
The Revenue Cycle

1. Appointment Scheduling
2. Registration/Certification
3. Patient Reception
4. Patient Clinical Visit – Service Delivery
5. Documentation and Coding
6. Charge Processing/Check Out
7. Patient Statement & Claim Production
8. Claims & Patient Payment Processing
9. Denied Claims Management
10. Accounts Receivable Management and Collections
Common Problems in Patient Collections

- Not having or not following established patient collection policies
- Lack of focus/priority on patient collections
- Not collecting everything possible at the time of service (co-pays, deductibles, coinsurances, balances from previous visits)
- Not following up on past due accounts timely
Common Problems in Patient Collections

• Lack of consequences for patient non-payment
• Not reviewing detailed accounts receivable aging reports monthly
• Not having sufficient personnel to allow for collection activities
• Not having established collection goals and expectations
What are some problems or challenges you experience in billing and collections at your health center?

Please respond via chat or click on the hand icon and wait to be un-muted before speaking.
But...Collections Can Be Improved!

A health center in Illinois set a goal to beat a 93% collection rate for co-pays at the front desk in 2010, which they were able to surpass. The highly effective manager that monitored front desk collections in 2010, said the secret to their success was her staff:

“The staff are highly focused on quality service at the clinical and administrative level, and very aware of how patients are treated at all contact points in the office....My staff understands how to ask for payment and how to thank patients for their cooperation. They are also skilled at diffusing anxiety, misunderstanding and other emotions at play in office.”
The First Line of Defense: Your Billing and Collections Staff

- Attitude
- Expectations
- Consistent Application of Procedure
- Focus on co-pay and patient balances, and insurance status verification
Seven Best Practices (Beacon Partners)

1. Establish clear collection and billing policies
2. Train all staff thoroughly
3. Conduct patient review and insurance eligibility check when the appointment is scheduled
4. Communicate your policies and expectations to the patient, and educate about financial responsibility
5. Accept as many forms of payment as possible
6. Follow up consistently on unpaid balances
7. Collaborate with patients to establish a payment installment plan

Seven Best-Proven Strategies (Fierce Practice Management)

1. Train (and hire) employees to have the right attitude
2. Get physicians on board
3. Communicate your expectations clearly to patients
4. Establish logical payment plans
5. Determine each patient's responsibility in advance
6. Use collections agencies wisely
7. Create team responsibility and reward

Source: http://www.fiercepracticemanagement.com/special-reports/patient-collections-7-fierce-strategies-getting-paid

- Provide staff with **standard language** to help guide them through the most common types of patient financial discussions
- Hold face-to-face discussions with patients to **facilitate one-time resolution** regarding payment problems
- Communicate with patients about **available financial assistance**
- Create policies (and make them available to patients) regarding how your practice will **handle patients with prior balances**

Best Practices for Communicating Patient Financial Responsibility from HFMA

- Implement **technology** that provides staff with up-to-date information about patient balances, financial obligations, and insurance verification and eligibility;
- Provide patients with a **toll-free number** to call to receive assistance in financial matters and concerns;
- Implement annual **patient financial communications training** for relevant staff — including training on best practices, standard language to use during discussions, financial assistance policies, and customer service.

Educating the Patient is First and Foremost...

- Patients must learn about the world of health care costs and fees, insurance, and your health center’s payment policies and procedures
  - When scheduling appointment
  - At check-in
  - At check-out
  - Website
  - Brochures
  - Letters/Welcome packets
  - Payment policy and agreement
Be Clear about Your Expectations for Payment

• Create awareness of payment and billing policies at the first point of contact
• Make sure that patients understand the medical services they may require and the corresponding fees for those services
• Be clear that all payment is expected at the time of service
  • In full
  • Co-pay, co-insurance, deductibles
  • Old balance
Provide Full Pricing Information

- Always show full cost of services, not only discounted pricing
- Post regular charge for the 10 most frequently performed services in the waiting area
- Have available to review upon request a brochure listing regular charges for most or all of the services performed
- Make the regular charge for the 10 most frequent services available to civic organizations, health-benefit plans or other community groups
Anticipate Out of Pocket Costs as Much as Possible

- Provide best estimation of anticipated costs prior to date of service.
  - Encourage open discussions regarding fees:
    - Be professional and sympathetic
    - Determine potential financial concerns before treatment
- Work through problems and issues with insurance/finances before treatment
- Remember, patients generally don’t get upset about paying at the time of visit. They get upset if there are “surprises” regarding how payment is to be made or how much, or if it is not anticipated.
Be Proactive

Studies have shown that without question the failure to thoroughly inform a patient at the beginning of care of all anticipated fees involved is the cause of more disagreement regarding payment of services than any other factor – “You should have told me...”

Weiss Oncology Consulting
What are some best practices you have used or seen, or successes you have experienced in billing and collections?

Please respond via chat or click on the hand icon and wait to be un-muted before speaking.
So, How Can Communication Skills Help You Maximize Collections?
Elements of Oral Communication

- 7% Words
- 38% Tonality: How you use your voice
- 55% Physiology: Body language
Communication Basics

• Greeting
• Building rapport
• Using the person’s name
• Avoiding jargon
• Being honest and assertive

• Listening
• Asking questions
• Keeping a positive body language
Clear Written Communication

- Effective materials are **Action Oriented**.
- Most important questions to ask yourself about any written educational material:
  - What is the purpose of the piece?
  - What does the reader “need to know”?
  - What information is essential?
  - What behavior is the reader to perform: “What to do?”
- Basic guidelines:
  - Content
  - Text
  - Format/design
  - User testing
Do Patients Understand Your Written Information about Financial Responsibility?

- Patient-Friendly Billing Guidelines (HFMA)
  - Clear
  - Concise
  - Correct
  - Patient-friendly

Source: Method to the Madness: 10 Payment Collection Strategies that Work, Availity.
Knowing How to Ask

- Staff are often reluctant or feel uncomfortable asking for payment – they do not know *how* to ask

While 78 percent of a provider’s patients know their responsibilities, they do *not* commonly volunteer payments if not asked.5

Source: Method to the Madness, Availity
Assertive Communication as Key Communication Strategy

Assertive communication is the ability to express positive and negative ideas and feelings in an open, honest and direct way.
Why Assertiveness?

- Being assertive is recognizing your rights while still respecting the rights of others.
- It allows you to take responsibility for yourself and your actions without judging or blaming other people.
- It allows you to constructively confront and find a mutually satisfying solution where conflict exists.
Six Main Elements

1. **Eye contact** to demonstrate interest, show sincerity
2. Appropriate **body posture** to support the message
3. A level, well-modulated **tone of voice**
4. Appropriate **timing**
5. **Content** should be simple, straight and to the point
6. Make use of “**I**” statements and limit “**you**” statements

Is This the Right Way to Handle it?
Guidelines for Assertive Communication

- **Be Direct**
  - State point clearly

- **Be Brief**
  - Less is more

- **Provide Reasons**
  - Facts over opinion
Example Scenario:

Your colleague who is habitually late has arrived late again for an important meeting (!)
Don’t Exaggerate

- It is important to describe the results and effects of their behavior specifically. Don’t generalize, expand or judge.

What not to say:
“*There is no point having a meeting now. This project is hopeless!*”

Assertive Communication:
“*We are going to have very little time left for this meeting as I need to leave for another meeting at 3:00.*”
Use Factual Descriptions

If you want to change someone’s behavior use factual descriptions rather than your judgment or opinions. Do not label them.

What not to say:
“You’re always late. This is not acceptable!”

Assertive Communication:
Any suggestions?

“The meeting was scheduled for 2:00, it’s now 2:35.”
Use “I” Statements, but be careful

- If you don’t use “I” statements, you may appear passive. If you use too many “I” statements, you imply that you don’t really care for others. If you use you it can appear accusatory. So use “I” statements in moderation and avoid “you” statements to get the best of both worlds.

What not to say:
“*You cannot be late again!*”

Assertive Communication:

*Any suggestions?*

“I’d really like you to be here on time so we can spend enough time on this project.”
Scenario:

Your friend always asks to borrow a few dollars when you go out, but he never repays you. You begin to resent that he/she does this all the time.

Please respond via chat or click on the hand icon and wait to be un-muted before speaking.
Passive vs. Aggressive vs. Assertive

Avoidant/Passive
Like a teddy bear.
Your Issues lose.
Relationship wins but you get your eyes ripped out, you feel pulled upon, worn.

Assertive
Like a wise owl.
Relationship & Issues are Win Win.

Aggressive
Reactive like a snake.
Your Issues win.
Relationship loses.
Enhancing Your Assertiveness Skills

- Assertiveness is learned and developed over time.
- Chances are you may be assertive in some areas of your life but maybe not on other areas.
  - You must try to recognize those areas where you are assertive more comfortable being assertive, and try to apply those same skills in the other areas where you want/need to be assertive.
- Using techniques like established policies and scenario scripts, helps you be more assertive, since you already know what to say and can just focus on how to say it (tone, body language, etc).
“It may feel like collecting from your patients is not providing good customer service, but it is! By informing, educating and helping them understand what they are paying for, how much, and why, the patients can focus on their health without financial distractions.”

Julie Ingraham,
Huron Healthcare
Questions or Comments?

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Thank You for Your Participation!

Please make sure to join me for Part 2!

• How to apply assertive communications
• Practical tips and techniques, such as use of scripts and de-escalating difficult situations

May 19th | 1:30 – 2:45 CST

To Register:
https://attendee.gototraining.com/r/1214826573994328834