



Core Recovery Bureau Quarterly Newsletter
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Editors Note: Summer is over and we're ushering in other beautiful Northern Michigan fall. As much as I love boating, the sun and the beach, I find myself looking forward to the colors and smells of this season. Included in this issue is an article about scripting to help employees adapt to talking to patients about money. Whatever the patient objection, if they have a response ready, they'll be more successful in point of service collections. As always, we welcome your comments and suggestions. Please email them to: support@corerecovery.biz

Are All Payment Plans Created Equal?

Payment plans for employees

When employees become patients of their own employer, does it mean they deserve special treatment if they are unable to pay their portion of the bill in one lump sum? In most instances, the answer is yes. When we took a straw poll of some of our healthcare contacts, they told us that they do indeed provide payment plans for their loyal employees.

The results are in. Every healthcare provider we contacted indicated that they allow their employees some leeway in paying of the amounts that they owe. Most of the providers will do some sort of payroll deduction plan as well.

Here's one of the strictest plans we encountered. "We allow employees to

arrange payroll deduction under the same rules we have for our patients," says one patient accounting manager. He adds that employees are not allowed to let their payments drag on ad-nauseum, however. For example, if a balance is \$500 or less, they expect the employee to pay it off in two payments. The longest this employer allows is 24 months—and the plan must be approved.

Large Deductibles

Because some employers have changed their insurance plan to include much larger deductibles for employees, they are feeling more charitable. Two patient financial managers indicated that they allow employees to pay off their debts via payroll deduction at no less that \$25 biweekly until paid off.

Another provider states that it allows payments of at least \$25 biweekly, but it puts a time limit on the payments of one year. “We will occasionally extend the length beyond one year for long-term employees,” says the patient finance director of a Michigan hospital.

Of course, payroll deduction is a privilege for employees—and employers are under no obligation to offer such plans. Yet another business office manager indicated they have such a plan, but it is a joint effort by the employee, credit office, and cashier’s office and payroll department. This manager finds it is easier to set the employee up on monthly payments handled through the billing office and paid at the Cashier’s office.



Excellence

To attain excellence, you must care more than others think wise, risk more than others think is safe, dream more than others think is practical.

---author unknown

Success Behaviors Lead to Successful Collections

Successful collectors have certain qualities, characteristics and behaviors that make them a success. Following are some specific behaviors associated with success, as well as behaviors that may lead to failure:

Success Behaviors

- **Learn from mistakes.** Everyone makes mistakes. The key is to learn from them.
- **Know the facts.** The best collectors know their facts. If they don’t know, they admit it and go in search of the answer.
- **Set Goals.** Clear direction is crucial to effective collecting. Goals give you the motivation and focus required to succeed.

Failure Behaviors

- **Blame others.** When you fail to get payment in full, do you blame the patient, insurance company, your boss or someone else? Or do you take personal responsibility for not getting payment?
- **Expect the worst.** If you don’t expect to succeed, guess what? You won’t. Winners know from the start that they can win.
- **Have a negative attitude.** Negative attitudes are contagious. Instead, surround yourself with positive, winning personalities because these attitudes are also contagious.

Scripts Help Employees Adapt

When you hired some of your employees, they never dreamed that they would be collecting money from patients at the time of service. And, it's something that not everyone is comfortable doing. One of the things you can do to help your staff become better prepared for up-front collecting is to provide a script that they could use when attempting to collect from patients. We have included a chart (below) with some sample language that should help employees when they speak to patients.

Using a Script

Whatever the patient objection, try to have a response ready. Use this script to help employees know how to respond.

Sample Collection Language

Patient Objections	Response
"I never had to pay at the time of service before."	"I understand why you are asking. This is a new policy to help us work with rising costs. Paying now helps us avoid additional administrative costs, which saves you money in the long run. Plus it lets you take care of your payment now rather than worry about a bill later."
"My insurance should cover it."	"We verified your insurance coverage and the representative noted a deductible/co-payment obligation that is your responsibility. Would you like to pay with cash, check or credit card?"
"I have met my deductible for the year."	"You may have met your deductible and we can verify that. But you most likely have a co-insurance responsibility. You may want to check with your insurance company prior to service. We can take your prepayment at the time of check-in."
"Can I make payments?"	The response here will vary depending on your payment policies. These policies may include partial payment made within a specific period of time. For example, "You can pay half now and the other half in 30 days."
"I can't afford to pay."	"Let's get some information so we can figure out the best way to work out a payment plan." Use this opportunity to determine whether the patient may need assistance.
"My ex-spouse is responsible for my child's bills."	"I understand that you may have an agreement with your former spouse. I will be glad to give you a receipt so that you can get reimbursed from him/her. Would you prefer to pay by check, cash or credit card?"

The Manager's Survival Kit

Having a tough time at work? Grab a small box and drop in the following:

- **A toothpick.** Things may seem bleak because you look on the dark side. The toothpick will remind you to *pick out the good things to celebrate* in others—and yourself.
- **A rubber band.** If you rigidly demand that everything go your way all the time, you'll be miserable. Use the rubber band to remind yourself to *be flexible*.
- **An eraser.** Nobody's perfect. When you're tempted to berate someone for a screwup, look at the eraser and *remember that everyone makes mistakes*.
- **A chocolate kiss.** In a stressful work environment, it's easy to forget that a kind word or a pat on the back can make a world of difference to a struggling employee. Let the chocolate kiss remind you to give your staff an occasional verbal hug.



If Your Collection Totals Drop, Find Out Why!!

1. Ask yourself what has changed. Most collection problems stem from a change in your organization.
2. Get everyone involved in searching for the problems.
3. Decide what you must do to solve the problem and whether you can do it. If you discover you can't do what's necessary, that could be a signal that you have incorrectly defined the problem. Go to step one and start again.

Source:

“Are All Payment Plans Created Equal?”, *Health Care Collector*, June 2007.

“Successful Behaviors Lead to Successful Collections”, *Health Care Collector*, June 2002.

“Scripts Help Employees Adapt”, *Health Care Collector*, June 2007.

Disclaimer: This information is not presented to be used as legal or professional advice on specific facts or matters. Readers with specific questions should refer them to their own attorneys for guidance.