**Model Policy: Patient Billings, Collection and Financial Policy**

# Why you need this policy

Doctors have every right—and need—to be paid. But getting patients to pay their bills on time is a major challenge that forces you to confront a bewildering array of regulatory requirements, managed care and insurance contracts, and ethical constraints stemming from the doctor-patient relationship.

# How this policy helps you

The centerpiece of juggling all of these requirements is to establish a financial policy that tells patients how they will be billed for the services they receive. In addition to laying the legal groundwork for billing and collection, including by a third party collection agency, a well-crafted financial policy plays a key role in providing effective communications with patients and preventing misunderstandings that can fester into nasty payment disputes.

# How to use this policy

This Model Policy is for a medical group practice and is based not on any single example but a “greatest hits”-type of amalgamation of best practices and cutting-edge provisions from provider models across the United States. Of course, no two offices do all things exactly the same way. So you’ll need to modify the Policy— particularly the provisions regarding insurance—to your own circumstances, including the provisions of contracts with insurers and payers you deal with, as well as any regulatory requirements that apply in your particular state or city.

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**XYZ Medical Group**

**Patient Billings, Collection and Financial Policy**

1. **Statement of policy**

The physicians and staff of XYZ Medical Group are pleased to welcome you to our facility and to let you know that we are dedicated to not only providing you the very best medical treatment but to ensuring that your patient experience is a pleasant one.

# Purpose

We have developed these financial policies to help you understand our patient billing policies and procedures to avoid any miscommunications about the handling of your bills and accounts. Being familiar with and following this Policy will go a long way in ensuring you a pleasant patient experience and maintaining the understanding and respect that are so important to the physician-patient relationship.

If you have any questions or do not understand any aspects of this Policy, please contact the XYZ Medical Group [list contact person(s) or department and information].

# Check your coverage before making an appointment

We fully understand that health insurance plans and benefits can be quite confusing. But we also want to remind you that it is your responsibility to be familiar with the key aspects of your benefits plan, including whether it covers the specific treatment you seek from XYZ Medical Group. If you are unsure of your coverage, we ask you to please call your insurance provider using the customer service telephone number listed on your insurance card before scheduling your appointment with XYZ.

# Registration

When you arrive for your initial visit to XYZ, one of our patient service representatives will collect your billing information including your:

 Address;

 Telephone number;

 Social security number;

 Birth date;

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 Insurance information;

 Employer information;

 Emergency contact information;

 [List any other patient information you collect during

registration.]

Keeping this information up-to-date is very important. Accordingly, when you arrive for each subsequent visit to XYZ, one of our receptionists may ask you to verify that this information remains true and revise information that is no longer up-to-date before you see a physician.

# Billing and payment

Patients are ultimately responsible for paying for the care they receive even if they have insurance coverage. For your convenience, XYZ Medical Group accepts cash, personal checks, and [list the credit cards your practice accepts].

* 1. **Health Insurance:** If you will be using health insurance to settle your account, you will be asked to present your current insurance card at each visit. This includes federal Medicare and [state name] Medicaid. XYZ will also collect any co-insurance payment that applies under your insurance for the visit.

XYZ will gladly file a claim on your behalf with your health insurance company for the treatment you receive. We will file an initial claim based upon the information that you provide to us. Under state law, your insurance company has [fill in] days to process and pay the claim, request more information, or deny the claim and notify us of the decision. If does not notify us within [fill in] days of the date of service, it will be assumed that your insurance coverage is no longer in force and you will be responsible for the unpaid balance. You are also responsible for services you receive from XYZ that your health insurance plan does not cover.

* 1. **Self-pay:** [Insert your practice’s self-pay policy. Example:] If you are self-pay, you will be expected to pay the day’s charges on the day of the service. You will also be billed for any additional charges for tests and other services delivered after your visit. If you are having surgery, you will be expected to make mutually agreeable payment arrangements before receiving the service. If the service is considered elective, payment must be made in full before services are performed.

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* 1. **Workers’ Compensation:** [Insert your practice’s workers’ comp policy, if any. Example:] XYZ Medical Group physicians provide services under workers’ compensation plans. If you need to see a physician for an injury or illness related to your employment, please have your employer or workers’ compensation case manager make the appointment for you. You will need to provide us with the case number as well as the address to which the bill is to be sent.
	2. **Discounts:** [Insert your practice’s discount policy, if any. Example:] XYZ Medical Group offers discounts of 10% to patients who pay for the services they receive in cash. Patients who pay their bills on or before the date payment is due may also receive discounts of 15%.
	3. **Financial assistance:** [Insert your practice’s financial assistance policy, if any. Example:] XYZ Medical Group offers financial assistance to needy patients through its XYZ Financial Help Program. To qualify for such assistance, you must complete an application listing information about your current financial situation within 30 days of the date you receive services from XYZ. Contact the XYZ Medical Group office manager, Betty Jones, at (123) 456-7890, or bettyjones@XYZmedicalgroup.com, for more information about the XYZ Financial Help Program.

# Uncanceled appointments fee

XYZ requests that patients please give at least 24 hours’ notice (one business day) if they will not be able to keep their appointment. Patients who fail to provide appropriate notice will be charged a cancellation fee of $50.

# Returned checks fee

XYZ Medical Group will charge a returned check fee of $35 for any returned check returned by your bank for non-payment (insufficient funds).

# Billing statements and invoices

XYZ will send you an itemized billing statement listing each thing you are being billed for and the balance due for the item from both you and your insurance company. Patients with a personal balance will receive a monthly statement showing the specific amounts due. These statements are due upon receipt. Because the posting of payments can sometimes be posted some days after the day of payment, there is a chance that payments

made by you or your insurance company will not appear on the statement. These payments will be reflected in your next billing statement. If they do not, please contact an XYZ Medical Group patient services representative so we can investigate and determine what to do about the situation.

# Past due accounts

Past-due accounts are not just an inconvenience; they cost XYZ Medical Group money and time. Accordingly, patients with delinquent accounts will be required to make payment at the time of service. If you are unable to make mutually agreeable payment arrangements at that time, we will be glad to reschedule your appointment to a time when you will be able to pay. XYZ also charges interest at an annual rate of [list %] on all past due patient balances.

# Collections

XYZ Medical Group will refer the following accounts to a third

party collection agency:

 Accounts with balances over $200 that are older than 90

days;

 Accounts with balances over $500 that are older than 120

days;

 Failures of patients to honor agreed-upon payment terms under a settlement or rescheduling agreement regardless of the amount due or age of the account.

If XYZ refers your account to a collection agency, you must pay all past due amounts or make agreeable payment terms before you can schedule any more appointments with XYZ physicians. Failure to make payments and honor repayment agreements may also be grounds for XYZ Medical Group to terminate you as a patient under its Patient Termination Policy.

# Billing questions and concerns

If you have any questions or concerns regarding your account or insurance claim, including what you think may be errors in your billing statement, contact the XYZ Medical Group patient services department. Our representatives will make every effort to assist you, clarify any misunderstandings, and provide you the information you need to resolve your problem and restore your account to good standing.

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