

Dealing with Patient Responsibility in a Troubled Economy

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1. Physicians must be sensitive to the fact that the economy will affect patients' ability to access dermatologic care.
2. Will hold off longer when new deductible kicks in
3. Will have trouble with copayments
4. Less money for cosmetic services
5. Will take more time to pay patient-owed balances

What can you do legally?

1. Practice must decide if they are willing to help patients who are struggling financially.
 - a. Owners must agree
 - b. Staff must be made aware of the guidelines
 - c. How will patients be notified?
 - d. The difficult part will be identifying patient who really need the help without encouraging those that don't to take advantage of your practice's good faith.
2. Determining who is experiencing financial stress may be difficult
 - a. A sign in your office
 - "If you are experiencing financial difficulties due to economic conditions, please feel free to discuss any issues you may have with reference to your bill with our billing staff"
 - b. A form each patient gets when they sign in
 - c. Dunning message on the patient statements
 - d. Web site information about getting financial assistance with your practice
3. Goals of such a policy

- a. Allow patients that truly need some help to continue to seek services
 - b. Reduce stress on patients financially
 - c. Reduce stress on the practice by knowing upfront what patients can pay and why
 - d. Maintain good will with the patients and community
4. Who will speak with the patients?
- a. Area must be private
 - b. Individual must fully understand the practice guidelines
 - c. Individual must be professional, stern but compassionate
5. What can you do legally?
- a. You cannot have a written policy that states you will waive deductibles or copayments routinely for all patients.
 - b. You can have an internal policy that allows your practice to waive deductibles or copayments on a case-by-case basis based on individual financial hardship
 - c. You do not have to have proof of their medical indigency such as gathering tax returns or verifying income.
 - It is enough for patient to tell you their need.
 - d. Have patients sign a hardship form

(Example attached)
 - e. Develop a special write-off category in your computer
6. Patients should contribute
- a. Ask patients what they can pay (never assume it is all or nothing) Maybe that can afford \$10 per visit but not \$25.
 - b. Avoid payment plans (they do not work and are a bookkeeping nightmare)
 - Put the responsibility on the patient to keep their word.
 - c. Offer credit card options
 - d. Offer on-line payment options

Financial Hardship Form

Name of Patient: _____ Date of service: ___/___/___

Amount due: \$ _____

I am asking this practice for the following concession:

- Waiver of my copayment
- Waiver of my deductible
- Discount on my medical charges
- Payment Plan to pay my patient-owed balance
- Other (explain) _____

Reason for my financial hardship (check all that apply)

- Lost job
- House foreclosure
- Temporary job lay off
- Catastrophic family illness
- Lost health insurance
- Other (explain) _____

Arrangements made: _____

This arrangement will expire on _____

Signature of Patient

Date: ___/___/___

Date: ___/___/___