



Marc H. Sencer. **M.D.**  
Helping to Put  
**Your Business**  
Together

Helpful hints to  
maximize **collections**



## Marc H. Sencer. **M.D.** Helping to Put **Your Business** Together

Dr. Sencer was the Medical Director and founding partner of several highly successful multi-discipline practices. He currently owns and manages a multi-speciality Pain Management Group practice with offices in Boca Raton and Pompano Beach, Florida.

Dr. Sencer has participated in the research and treatment of Fibromyalgia at the University of Miami, and he has been appointed a Visiting Clinical Fellow, Columbia University College of Physicians and Surgeons.

In 1998, Dr. Sencer founded "MDs for DCs", the only medical staffing company that finds and trains MDs in every speciality to work in Chiropractic offices nationwide.

Dr. Sencer also works as a personal consultant, taking only a small number of practices each year for his highly individualized practice management program..

With insurance companies tightening their belts during this economic crisis, well-managed, efficient billing and collections systems are more important than ever.

It won't matter how many new patients you get a month or how many patient visits you have a week if you are not collecting the money you are entitled to.

Here are some useful tips to consider when evaluating your collections procedures.

- Post charges promptly. The longer you wait to post charges, the longer it will take to collect. This can have an impact on cash flow, which is especially important now with the high cost and decreased availability of credit. Small practices should post weekly, while larger groups should post daily.

Remember, when it comes to collections, what goes in your pocket is dependent on what goes into the collection system. Proper coding of claims is essential. Make sure to use modifiers correctly and that you pay attention to Medicare CCI edits, which can change frequently.

Also remember to update ICD 9 and CPT codes annually, pay attention to Medicare and insurance bulletins, and use claims-scrubbing software — and be sure to update it frequently.

Finally, save time by making sure you know the pay profile of each major payer for all of the codes you frequently bill.

- Practice efficient patient collection procedures. Always verify insurance before the patient arrives. Do so by code whenever possible. Include the codes you bill most frequently. This avoids unpleasant surprises for you and the patient if coverage is deficient or if there is a large deductible.

Designate someone on your staff as the person to give financial counseling to your patients. If you are out of network, some payers will send EOBs, checks, and other correspondence to patients. Give patients a package that contains samples of these documents and explain it to them.

Provide a stamped, self-addressed manila envelope for patients to mail or bring all correspondence and checks they receive. Make every effort to collect deductibles and co-pays at the time of the visit. Because there is a lag in third-party payments of more than 30 days, this will be important for cash flow.

At the beginning of every year, patients' deductibles will be high. Anticipate this and put a system in place that deals with these deductibles. Use payment plans and other creative payment options to help patients whenever possible.

It is often better to do this and accept little reimbursement in the beginning of the year to keep the patient on their treatment regimen while you deal with the deductible. You should always reverify the benefits at the beginning of each year to stay on top of any changes.

Make sure you're directly involved in the analysis of your collections and do an analysis with your billing staff monthly. Go over the accounts receivable and the aging report, as well as the general practice statistics.

Put a system in place to go over all accounts that are more than 45 days with your billing staff. Teach them how to keep a collections log so you know exactly what has been done and what the status is for every unpaid account.

If you use an outside billing service, be sure it can generate all the reports you need, and will keep and go over a collections log with you on a regular basis. It is also helpful to have the same person in the billing company handle your account as opposed to allowing them to farm this out to different people.

If you bill in-house, be sure there is at least one person who has time to dedicate to collections. Do this in a systematic way and try to cross-train whenever possible so there is no downtime if one employee quits or is out sick.

These tips may seem basic, but you would be surprised at how many practices fail to follow them in a systematic way.

In this current economic environment, you cannot afford to lose a single cent to poor or disorganized collections procedures.

Marc H. Sencer, MD, is the president of MDs for DCs, which provides intensive one-on-one training, medical staffing, and ongoing practice management support to chiropractic integrated practices.

He can be reached at 800-916-1462 or through [www.mdsfordcs.com](http://www.mdsfordcs.com)

# Test Yourself

Test your knowledge about maximizing your collections with this true and false quiz.

1. As part of your regularly scheduled collections analysis with your billers, you should review every account that is at least 90 days past due.
2. When the patient arrives at the office, you should verify their insurance.
3. You need to anticipate the effect on cash flow that high deductibles have at the beginning of the year.
4. One or more staff members should dedicate time to just work on collections.

Answers: Nos. 3 and 4 are true.

Nos.1 and 2 are false. You need to review every account that is more than 45 days past due when you do your receivables analysis. Statistical benchmarks indicate that practices that collect efficiently collect 95 percent of its receivables in 45 days or less.

You should verify a patient's insurance before they arrive in your office. This saves time and avoids surprises for the patient and the practice if coverage is deficient.

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