



Patient Collection Service Options



Collection Services Options

You deserve to be paid for your medical services, so past due accounts for medical services rendered affect your bottom line, but patients must be treated with dignity and respect. Medical debt for charges not paid by insurance can be stressful to most patients. A good collection option provides assistance to patients that need help to manage their medical debt. Once your staff has done their best to collect patient bills, it may be time to refer the account to a professional collection organization.

Pre-Collection Letters

Once the patient refuses to respond to your staff's collection effort it's time to get professional help. No one wants medical expenses to affect a patient's credit rating, so the first step in medical collections is to send a patient a series of letters from the collection company. The purpose of pre-collection letters is to educate and explain the seriousness of the debt and how it could affect the patient's credit rating in an attempt to get the patient to pay their bill. With Pre-Collection letters, you pay only a small flat fee for the

service (\$6.95 for a 3-letter series or a combination of letters and phone calls) and no commissions are taken. In fact, payments are directed to your office, not the agency. You are only required to notify the agency of payments received.

Medical Collection Services

If the patient refuses to respond to pre-collection letters the practice has two choices. First, you can write off the patient payment as bad debt, or you could turn the patient over to a medical collection agency for bad debt collection.

This involves personal contact with a professional medical collections person that understands federal and local laws on debt collection. The medical collection agency can put together a plan for payment if the patient is responsive or as a last resort turn them over to the legal system for resolution. Fees are charged on a contingent basis based on volume and age of the debt at time of placement as well as any special services requested. If the patient bill is not paid you are charged nothing. Some restrictions may apply.

