Collection Policy for [Company Name]

Purpose

This policy establishes the process our organization will use to set up patient accounts and collect outstanding patient balances.

Intake

Formalize the procedures for your intake staff.
When setting up an appointment or when a patient checks in, the intake staff will enter the following information in the [name of software] system.

You will be responsible for collecting the following patient information: [information you may want to consider -- name, address, telephone numbers, primary insurance, secondary insurance, driver's license, place of employment, payment contact the patient if they don't pay their bill]. You will need to enter the orders

Note: *If you require scans or copies of Driver's License, Insurance cards, etc., you should add to the policy.*

Processing Insurance and Estimating the Patient Balance

Outline the procedures for estimating the patient's portion of the service.
Using the [name of software] system, determine the estimated patient balance and explain the balance due to the patient. Have the patient or responsible party acknowledge the patient balance. Scan document into the system.

Ask patient to pay the balance due. If they need to set up a payment plan, create a plan that follows our credit policy guidelines. If they can not make the minimum payment required, contact [intake supervisor] to approve any exceptions.

Note: If you make exceptions, you may want more than one person to approve and should list the extra step: *Exceptions over [enter amount] will also need approval of [AR Manager, CFO].*

Charity

If your company accepts Charity cases, outline your procedures.

If the patient cannot pay the balance, determine if they qualify for Charity by [insert process].

Processing Charges at Time of Service

Summarize the process your driver or technician should follow when making a delivery or pulling supplies.

Using the [name of software] system, the delivery person will enter the patient's name to pull up their account. Follow the set-up and education procedures with the patient. Review the items on the order form with the patient and have the patient sign the delivery receipt form. Process the estimated patient balance or explain the payment plan options. Print or email receipt.

Notify [person or department] if there are any discrepancies with the delivery.

Invoices

All invoices will be mailed within [insert number] days of the order being completed.

Collection Process

If a patient has an outstanding balance, outline the communication plan to collect the balance.

If a patient has an outstanding balance, the workflow outlines the communication the patient will receive. Communication will stop when the balance is paid in full or is less than [enter dollar amount].

Type of Contact	When
Reminder Call	7 days before due date
Email	Due date
Email	7 days overdue
Reminder Call	14 days overdue
Statement – highlighting past due amount	30 days overdue
Reminder Call	35 days overdue
Email	45 days overdue
Final Notice Email	60 days overdue

In the event an invoice reaches [enter amount] days overdue, the rental or replacement supplies will be suspended until the outstanding invoice is paid. After [enter amount] days, a late fee of [amount or percentage] will be applied to the account. After [enter amount] days, the account will be written off and placed with a third-party collection agency.

Collection Agency Guidelines

Outline the procedures you want the agency to follow.

Agency will attempt to contact the patient for [insert amount] days. The agency will follow the communication plan listed below:

Type of Contact	When
Reminder Call	Within 7 days of placement
Email	14 days after placement
Email	30 days after placement
Reminder Call	45 days after placement

The agency will report the patient to credit bureau [insert amount] days after placement.

Collection Policy Review

Outline the timing for your policy review. If your KPIs are not within your acceptable range, you should review and adjust your policy.

The policy will be reviewed annually on [insert date] by [insert manager]. Any changes to the policy must be approved by [insert person or manager].

Note:
We recommend you review the collection policy with your accountant or bookkeeper prior to implementation.