PATIENT FRIENDLY BILLING [®]
Patient Communications Flow Process- From Patient Perspective

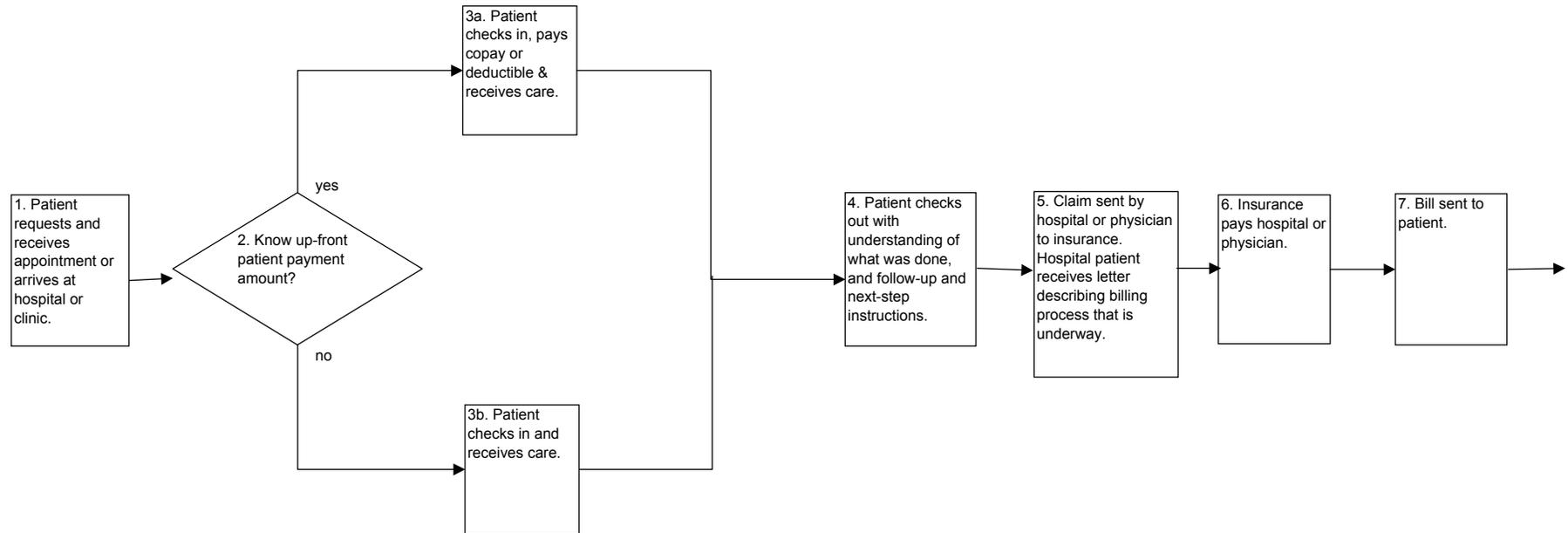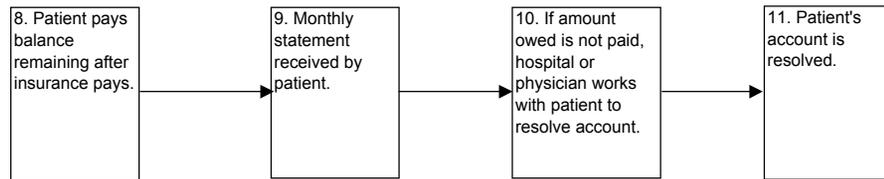**Desirable Financial Communications**
Flow Statement From Patient Perspective

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                                            3a. Patient
                                            checks in, pays
                                            copay or
                                            deductible &
                                            receives care.


                              yes

1. Patient                                              4. Patient checks    5. Claim sent by      6. Insurance      7. Bill sent to
requests and        2. Know up-front                   out with             hospital or physician pays hospital or  patient.
receives            patient payment                    understanding of     to insurance.         physician.
appointment or      amount?                            what was done,       Hospital patient
arrives at                                             and follow-up and    receives letter
hospital or                                            next-step            describing billing
clinic.                                                instructions.        process that is
                                                                            underway.
                              no

                                            3b. Patient
                                            checks in and
                                            receives care.
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| 8. Patient pays balance remaining after insurance pays. | → | 9. Monthly statement received by patient. | → | 10. If amount owed is not paid, hospital or physician works with patient to resolve account. | → | 11. Patient's account is resolved. |

1. Patient requests and receives appointment or arrives at hospital

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1. Emergent patients - go directly to receive care.
2. For all others, schedule appointment.
3. Physician patients want to schedule appoint in initial call or contact. Dilemma -
   If payer requires a referral, scheduling appointment without referral creates
   logistics problems (patient arrives for visit without referral) and payment problems
   for patient and physician.
4. If patient is in collections some providers may request payment on old balance.
5. Does provider have patient and insurance information? If yes, verify.
   If no, gather and then verify. Must have eligibility software.
6. Obtain certifications/approvals from insurance company.
7. When personal responsibility can be estimated safely, provide financial
    expectations to patient.
8. For patients with significant expected payments or charity care consideration
   refer to financial counselor.
9. Patient receives written information about expected financial process.

2. Know up-front patient payment amount?

1. If up-front patient amount is known, it is requested (step 3a.)
2. If up-front patient amount is not known, it is not requested (step 3b.)

3a. Patient checks in, pays copay or deductible & receives care

1. Patient arrives at provider location.
2. For managed care plans, patient amount due is typically a flat amount that is known.
   and can be requested up-front. Payment requested.
3. Patient pays estimated amount of co-pay, deductible, non-covered charges (patient due).
4. Patient receives receipt for payment.
5. Patient receives care.

3b. Patient checks in and receives care

1. Patient arrives at provider location.
2. For indemnity plans, patient amount is typically not known at this time. Patient due
   amount is not requested until insurance has paid.
3. Patient receives care.

4. Patient checks out with understanding of what was done, follow-up and next step instructions

1. If patient amount owed is known and patient did not pay at check-in, patient pays at check-out.
2. Patient has contact information for subsequent financial questions.

5. Claim sent by hospital or physician to insurance. Hospital patients receive letter describing billing process that is underway

1. Letter provides useful information such as contact information and service hours. Letter asks patient to contact hospital if information in letter is not correct.
2. Discount or contractual posted to patient account.

6. Insurance pays hospital or physician

1. Insurance payment received by provider and posted to patient account.
2. Insurance company sends EOB to patient. EOB matches information patient received from provider.
3. Claim filed with secondary insurance.
4. Insurance process repeats with any additional insurance benefits.

7. Bill sent to patient

1. Patient bill is sent only after insurance has paid.
2. Include payment due date on bill.
3. If provider and payer have not resolved the claim within 45 to 60 days after the encounter, provider updates patient on account status.

8. Patient pays balance remaining after insurance pays

1. Patient could owe zero, if copay, deductible and non covered charges collected earlier. Most likely to apply to managed care patients.
2. Patient pays unpaid balance (for indeminity plan patients, this would be the coinsurance and any noncovered or denied charges.)

9. Monthly statement received by patient

1. Patient receives statement every month until account is resolved.
2. Physician statement contains:
   - Balance forward from previous month
   - For any new visit: summary of charges, payments and adjustments, and due from patient. This is when patient learns what insurance actually paid and what patient owes.
   - All current month account activity (payments, adjustments, write-offs, etc.)
3. Statement looks like credit card statement.
4. Patient receives statement same time every month, like credit card statement.
5. After insurance has paid, patient is requested to pay any amount due from patient.
6. Consolidate patient statements across as many providers as possible and advise patients of other providers that may also bill.
7. Ideally, provide a consolidated statement for all patients for whom the responsible party is expected to pay (a family statement.) Include a separate page for each patient.

10. If amount owed is not paid, hospital or physician works with patient to resolve account

1. Resolution depends on situation. If patient does not have the ability to pay, this should have been identified in step 1. If patient cannot pay and this was not previously identified, hospital or physician assists the patient to seek financial assistance. If patient does not have the ability to pay at once but can pay over time, hospital or physician makes installment payment arrangements with patient.
2. For patients with the ability to pay but who have not paid, acount goes through collection process, which may include letters, phone calls, collection agency referral, etc.

11. Patient's account is resolved

1. Final payment is received or balance is written off.