



Promising Practice

Increase Collection of Client Co-pays

Problem

Client co-pays are never collected, reducing potential revenue.

Solution

Increase collections of client co-pays by making information available about how much clients owe and assign responsibility to ask clients to pay.

Featured Stories

CAB Health & Recovery Services in Peabody, Massachusetts increased collection of co-pay or self-pay fees from 40 percent to 90 percent by requiring clients to pick up a service sheet at the front desk, pay all co-fees, and update any insurance information when they entered the office. Then the client attended the scheduled service and provided the sheet to the clinician. The clinician verified that the client was in the right group, and verified attendance and service rendered by signing and returning the billing sheet to the billing supervisor.

They also decentralized billing to give staff more control and accountability at the program level. Previously, all billing sheets were forwarded to CAB's corporate, centralized billing office for entering and posting. Collaboration between clinical and billing staff was necessary. A simple improvement such as revising billing sheets and placing them in a location accessible to the clinicians helped billing staff get accurate and timely information.

A standing work group was created to oversee these changes in billing processes and ensure sustainability of improvements. The work group included clinicians, the program billing coordinator, and the corporate billing supervisor. For more information see CAB's [case study](#).

The Center for Drug Free Living in Orlando, Florida increased outpatient collections from \$75,302 in 2005-2006 to \$112,627 in 2006-2007 by providing financial training to all staff members, including counselors and administrative staff, so they were aware of how fee collection impacted their salaries. They trained staff about how to run the credit card machine and how to record payments on the ledger and tracked collections so that all staff could see bank deposits visually. They also made budgeting and financial responsibility part of client treatment. They did not release the client's discharge summary or any documentation until payment was completed. If clients had back balances, they were discharged. If they tried to get service in the future, they were held accountable and couldn't begin treatment again until they paid balance. They sent reminder notes about back balances to clients; they also invited former clients in for coffee and to hear success stories, which resulted in more payments. CDFL applied the same approach in the detox unit and increased collections from \$10,525 in 2005-2006 to \$63,108 in 2006-2007.

Fayette Companies in Peoria, Illinois increased collections from 25 percent to 80 percent, and sustained this level for the last 3 years by establishing an admission fee of \$20-30 (depending

NIATx Aims

- Reduce waiting time
- Reduce no-shows
- Increase continuation
- ✓ Increase admissions

Financial Impact

- ✓ Increase revenue
- Increase staff retention
- Reduce costs



Promising Practice

on the service), instead of a per session sliding scale for low-income clients. They also admit and treat clients if they cannot or do not pay, but find that most people can come up with a one time payment on their own or with the help of family. The flat fee eliminated the “noise” in the system of trying to continually collect fees, as well as the monthly mailing of bills and related expenses. As a result, Fayette was able to eliminate a billing clerk position. This change removed a perceived barrier to continued treatment: “the more I get, the more I have to pay or incur debt.”

Lessons Learned

- Have clinical and support staff ask clients to pay.
- Make current client co-pay information available to staff.
- Treatment is not considered complete until client has paid all back balances.
- Provide financial training for all staff members, including counselors and administrative staff, so they are aware of how fee collection impacts their salaries.
- Accept credit cards and train staff how to run the credit card machine and how to record payments.

Tracking Measures

Cycle Measure

Percentage of co-pay dollars charged that are collected.

Data Collection Form

None

Related Promising Practices

- [Increase Collections from Insurance Companies](#)

More Stories

Genesis Behavioral Health in West Bend, Washington increased co-pay collections from 45 percent to 92 percent and increased revenue from a budget deficit of \$13,000 in the first quarter of the year to a budget surplus of \$11,882 in the third quarter of the year by creating a tracking form to make it easier for counselors to track and collect co-payments. Counselors met clients at the front desk with the tracking form to ensure that co-payments were collected prior to the beginning of the session, instead of waiting until the end of the session. This change also increased continuation in treatment because they no longer were suspending clients because they didn't pay.

Mid-Columbia Center for Living in The Dalles, Oregon included the cost of the session on the appointment card, made clients aware of payment by reviewing costs at orientation, and offered a “Stay and Pay Later” card. This allowed clients to stay in a session and pay the next time; they had to pay for both groups the following week. This was used especially for the driving under the influence of intoxicants groups.

STEPS at Liberty Center in Wooster, Ohio educated staff about the financial workings of the agency and how it affected their salaries. They offered assertiveness training for counselors to role play what to do when they encounter a difficult client. Clients are informed about what they are expected to pay. They disseminate information about the amount due to counselors and support staff that collect payment, including by credit card. Clients are asked for payment



Promising Practice

privately.

Solutions Behavioral Health in Medina, Ohio has an accounts receivable/insurance specialist do the financial intake with clients, addressing where they are on the sliding fee scale, insurance coverage, payment expectations, and financial responsibility. Clients receive a copy of the program rules, stating that payment is expected at time of service, which all clients sign at intake. To assess the client's financial situation, they use a sliding fee scale approved by the county board. The client is required to pay 100 percent until they bring proof of income indicating that the fees should be less. If the client is unemployed, the lowest fee is 10 percent; hardship arrangements are authorized if necessary.

After the client signs in for an appointment, a staff member checks if the client is required to make payment and collects the fee. Payment is not required for clients with Medicaid or clients who meet the requirements of the sliding fee scale. Clinicians stop by the front desk and ask support staff if everyone in the group has signed in and paid. Good communication between support and clinical staff and seeing other clients pay also seemed to facilitate collecting payment. Clients are asked to pay back balances as well. They do not accept credit cards; they do accept checks, money orders or cash.

For psychiatric clients only, if there is no payment for 4 sessions and the psychiatric team feels that the clients are able but unwilling to pay, a standardized letter is sent to the client from the psychiatrist or nurse, stating that if payment isn't made within two weeks, the case will be closed.

Racine Psychological Services in Racine, Wisconsin uses Quick Books so they don't need credit card machines. They input information manually online, get payment up front and can tell if payment goes through. The client has to sign a slip.

Oakwood Clinical Services in Kenosha, Wisconsin makes reminder calls about the co-pay amount the day before the session. Financial responsibility is considered to be part of the treatment plan. They address budgeting as part of treatment.