Front Desk as Profit Center
Good First Impressions Mean Better Collections
By Curt Mayse

Is it possible to make patients feel welcomed into your practice and collect payment from them at the same time? Can your front desk be a profit center for the practice? Yes, and it all starts with a little attention to that part of the office — and a smile from your front-desk staff.

The front-desk staff’s role is critical to the success of any medical group, but typically, practices give the front-desk operations short shrift through a lack of resources and proper staffing. The result? Employee burnout, irritable patients, and a crowded work environment.

But by incorporating customer service standards and strategies to increase collections, your front desk can have a positive effect on the entire practice and increase patient satisfaction. You could expect to see a 5 percent to 10 percent improvement in overall practice collections by having a well-run front desk.

How can you do it? Start by spending some time reviewing what elements are currently working at your front desk, and which ones need improvement. Have the front-desk personnel sit with the billing staff to review denied claims, for example, pointing out instances where the front desk could have provided some additional information or other assistance.

Some of the more common troubles that might be plaguing your front-desk operations are:

- lack of, or inconsistencies in, collecting copays and coinsurance amounts,
- failure to collect patients' previous balances,
- inability to accept credit/debit cards,
- not obtaining current patient information,
- not verifying insurance information electronically or in person,
- not obtaining insurance referrals (when required).

These create significant losses in revenue as well as higher labor expenses if you end up hiring a collection agency to chase money after the fact. And when these situations are handled inconsistently, the patient may come away feeling that the front-desk staff is confused and disorganized — the opposite of what you'd like them to believe.
First impressions count

The impression your front desk presents to patients is a reflection of your entire practice, and can determine the tone for the rest of the visit. Why not give a front-desk employee the title of "Director of First Impressions" to signify the importance of this function? You might find this simple change enhances her commitment to doing the job well while underscoring her value to the practice.

Kathie Huttegger, the administrator of St. Louis Pediatric Associates, Inc., asks the staff supporting her 10 physicians to remember a "snappy" catch phrase when greeting patients. "Snap" stands for 1) Smile, 2) say the Name of the patient, 3) Ask, "May I help you?" and 4) Make a Parting comment.

Such a tool can serve as a reminder and provides a pattern that can be modified and used with almost any patient encounter. In the hectic pace of a front office, we really do need to be reminded sometimes to smile, and everybody loves to be addressed by name.

By establishing rapport with the patient, your staff can more easily collect the necessary pieces for proper claim filing and profitability.

Boosting collections

With today's insurance shifting to higher copay amounts, collecting copays at the time of service is perhaps the front-desk staff's most important task. Failure to do so can significantly cut into the practice's profitability.

Use a system to track how well staff collect these payments, and share that data to set goals for improvement. Certain practice management systems effectively track, by provider and location, the expected copay, versus what was actually collected. Once the baseline is established, encourage and celebrate improvements.

Better collections, of course, increase revenue, reduce the number of patient statements, and lessen phone calls by the business office. You can reward your staff with movie tickets, a free pizza lunch, or paid time off.

Collecting previously owed balances is an area of increased revenue that is often overlooked. I am amazed that some practices don't even attempt this — because they don't understand the billing system, balances don't print on the encounter form, or they don't trust the accuracy of the balance if it does appear.

Your front-desk staff should simply ask patients, "Did you know you have an outstanding balance?" at the time the patient is preparing to pay a copayment or make other payment.
Your chances of collecting payment at that moment, with the patient standing in front of you wanting service, are far greater than trying to collect later.

If your staff feels uncomfortable, remind them that expecting payment for past service is no different from what these same patients experience at a video store, for example, when they must pay late fees or other overdue balances before renting another movie.

Another way to increase collections is by installing a credit card/debit machine at the front desk. This is a simple and easy tool to improve payments that many practices have not implemented.

Practices make all kinds of excuses: "It's too tough to order a phone line," or "The credit card machine is too expensive," or "I don't know where we would put it at the front desk; we are out of room." Don't let these excuses stop you. Patients today are very comfortable with such machines, and they prefer quick and easy methods of payment. Giving patients one more option or method of payment increases your chances of collecting from them.

**Has anything changed?**

Obtaining current information for each patient may be one of the most important pieces of data gathered by the front desk. Performing an insurance verification — before the patient arrives, if possible — is the best practice. Internet or electronic verification of coverage, benefits, and copay amount can be invaluable to the front-desk personnel. This information is generally printable and can then be reviewed for accuracy by the patient at the time of the appointment. As a result of HIPAA regulations, many payers have verification data available on their Web sites. It is essential that the front-desk personnel have access to this information.

The repercussions from denied claims and incorrect patient addresses can be significant. If the front desk is not diligent about collecting current patient information, the claim may very likely be unpaid.

This is another situation where it is best to approach patients while they are at the front desk. It may be difficult and time-consuming to hunt them down in the office or make contact for this information once the appointment is over. After the service has been rendered, the patient is less motivated to comply with the practice's request for more information.

If patients show up for an appointment and have no insurance information (but say that they have insurance), have no referral, were involved in a motor vehicle accident, or are involved in a workers' compensation claim, it is imperative that the correct information or waivers be completed and signed by the patient. The waiver indicates that if the service is not covered by insurance, the patient will accept financial responsibility for the bill.

*Copyright © 2009 CMPMedica LLC, a United Business Media company.*
Patients without insurance should be asked to pay a minimum amount toward their visit ($50 for example); they can be billed for the remaining amount. The front-desk staff should help the patient understand that this minimum payment is not the entire amount due, because it would be unwise to speculate on the procedures, level of exam, or tests that may be run during the visit. You also do not want to create a false expectation for the patient or cause an unnecessary hardship for the provider if the bill is higher than estimated.

Despite your best efforts, there will be times when your front-desk personnel will not be able to prevent situations that result in nonpayment for services rendered. Through implementing good customer service strategies, and maximizing opportunities for collection, however, the front-desk operation can be an important asset to your organization.

*Curt Mayse, CMPE, is a principal with the healthcare group of Larson, Allen, Weishair & Co., LLP, based in St. Louis. Mayse has more than 15 years' experience as a group practice administrator and as an adviser to practices to improve revenue, productivity, and efficiency. This article originally appeared in the April 2005 issue of Physicians Practice.*