

# 'Persuasive compassion' an optimal collections approach

Your patient access professionals routinely walk the fine line between customer-friendly billing and proactive upfront collections. Trapeze artists they are not, but effective patient resources and cash machines they must be if your organization plans to survive and thrive in the consumerism age.

Clear threats. Subtle threats. Clever persuasion. Or compassion and understanding.

Which stance should your organization and your front-end personnel take when dealing with patients who cannot or refuse to pay their co-pays or bills? The right answer is complicated and multi-layered and depends on a number of variables, such as the relationship you have with your community and the size of the bills you're looking at.

## **The customer is always right**

The one thing that is clear, according to **T.T. "Mitch" Mitchell**, president of T.T. Mitchell Consulting, Inc., is you should keep the consumer's opinion of your organization in mind.

"Unless you happen to be exclusive, you're going to have some competition. And all it takes is one little thing and people will go elsewhere," Mitchell says. "In today's world, people are not hesitant to drive 15 minutes to a different facility if they felt they aren't being treated right."

You shouldn't take this prospect lightly, he adds. "All it takes is a 5% decrease in patient activity" to take a big bite out of your bottom line. With pricing transparency imminent—and in some states, thriving—you must make and maintain some allies in your community. Even if you're located in a rural area, the slightest nick in your public relations image could have long-lasting effects.

## **Pick and choose your battles**

This is not to say you should forget about the hundreds of outstanding \$10 accounts or that you shouldn't consider upfront collections one of your top priorities, Mitchell says. Consider finding a convenient balance between serving the financial needs of your organization and valuing your customer base.

Also consider who your customers are and what kind of relationship you currently have with them. "Larger hospitals might have to look at things differently. They believe cash is king," says Mitchell. "The CEO of a smaller hospital usually lives in the same community. People know who they are, people come up to them in restaurants. Your life can get bad if you treat someone the wrong way."

In simple terms, threats and upfront demands may not have a place in the healthcare landscape moving forward. Let people know in advance what your policy is. "Maybe tell them that if they have a bill that is 60 days delinquent that you will withhold [future cases] unless they are emergent. That way you protect yourself against EMTALA," says Mitchell.

## **Communication always a good idea**

It's important to decide a plan of approach and stick to your guns. "You have to follow through on what you say," says Mitchell. Particularly when it comes to messages with threatening undertones. "You don't want to tell them that this going to affect their credit rating forever," he adds. "That's not a good approach."

**Don Brown**, the manager of access services at Mercy Iowa City, agrees that upfront discussions play a large role in your staff being able to walk that fine line. "Patients should know the

consequences of non-payment,” he says. “While language should not be threatening, it should be clear—only as long you do what you say you would be doing.”

“Persuasive compassion” is the happy medium that Mitchell professes. “I don’t believe the majority of people do it that way,” he says. “You make an agreement. You say that you’ll accept a different amount. Ask if they’ll pay you at least this or that, and then either way, you’ve got money coming in.

“Who wants their staff to yell at people all day,” he adds.

### **Throw a flag on the play**

One proactive approach Mitchell suggests is enabling your registration system to flag registrars when a customer with many outstanding accounts. “Your admissions people would have the right to deny them,” he says. “Systems flag patients if they need an MSP, or if there’s no healthcare proxy, so why couldn’t they flag that?”

You’d turn away repeat offenders and enable staff to focus on the patients who truly need assistance and who truly want to pay their bills.

However, this extra step might conflict with efforts to speed up an already slow registration process.