

How To Improve Cash Flow In Your Healthcare Practice

Managing cash flow in a healthcare practice can be a real pain. It's a constant struggle to validate that payers are paying on time, for the right procedures, and at contract rates. Luckily, there are tools that can help improve cash flow in your healthcare practice. The following tools and services can go a long way toward truly maximizing cash flow in your practice.

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Lockbox Services

Ongoing technological, regulatory, and financial changes in the healthcare industry can dramatically impact your cash flow. Establishing a lockbox with a quality provider can ease the transition by offering a clear view of your receivables, speeding up the collection cycle, and granting quicker access to funds. All the while, it provides your practice with a digital, searchable copy of all payment documentation, hosted and available online in a HIPAA-compliant environment.

Additionally, efforts to collect are often a delicate balance between maintaining good patient relationships and successfully communicating that the provider's costs must be met to maintain the required level of care. Lockbox services ensure all expected cash is accounted for as efficiently and effectively as possible with the added bonus of increasing patient satisfaction.

Optical Character Recognition (OCR)

There are still many payers—including secondary, auto, and workers comp—that do not offer electronic 835 remittance data. Paper EOBs come in the mail or through clearinghouses, but payments don't always accompany the remittance information.

OCR allows a lockbox provider to scan paper EOBs and digitize the information creating an electronic 835 for you. Once the information is digitized, it can be compared to payment data and more easily posted into your practice management system.

Payment Re-Association & Posting

Another valuable revenue cycle management tool is a re-association service. This service takes 835 electronic remittance data either received from the payer or manufactured by the lockbox from an EOB and compares it to payment data from checks or electronic deposits in the bank account.

Using a set of criteria, the service can match up cash to payers, find anomalies or missing cash, and create a posting file to send back to your practice management system.

Patient Payments

As patients assume more responsibility for healthcare costs, providers shoulder a heavier burden in terms of patient collections. As with payers, setting up a lockbox with OCR can make taking patient payments by mail much easier.

For those patients who love to use their bank's bill pay services, posting their payments can be tough. They don't always contain the information you need and may be delayed for weeks by the bill pay company, thereby slowing down cash flow. To help ease this pain, there are e-bill or electronic lockbox solutions that can ensure you are paid quickly and efficiently from thousands of banks and their bill pay providers.

For the growing number of payments that aren't by check, there are a number of third-party payment portals that can also help you get paid online via ACH or credit card. When patient payments are made at the office, numerous point-of-sale credit card solutions are available and come with varying degrees of integration to your practice management system.

Choosing the Right Solution for Your Practice

Depending on your payer mix and volume, these services can have a powerful impact on your cash flow and your bottom line. But not every service is right for every practice.

If you're feeling the pains of payment processing, PlainsCapital Bank has the latest tools and technology to improve cash flow in your healthcare practice and enable you to do what you do best and allow your staff to focus their time and energy on what matters most. Most importantly, our experts will listen and work to find the right solutions that fit your needs. To speak with one of our Treasury Management specialists, email them today at TreasuryManagement@plainscapital.com.