

Should I Hire A Billing Service?



Making The Best Choice For Your Practice



A Resource Provided By

**Medical Practice
Management Services**

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How to know if you need a billing service, and how to pick the right one

If you are considering a transition from in-house billing to outsourced billing services, you must measure if you really need outsourced billing, and what services you should expect from a billing service.

Let's start by assessing your practices' need for improvement:

Does your practice have staff that know how to bill and code for profit?

- Physicians often have trouble getting payments because office procedures impede billing, or poor coding leads to denials.
- Having a certified professional coder is a vital part in avoiding lost revenue and payment delays.

Are you a new provider?

- New providers are busy launching a new practice. Outsourcing billing can relieve a lot of pressure and worry.

Are you spending too much money on your in-house billing staff?

- Administrative and support staff costs can add up when you're doing billing in-house.
- In addition, add the cost of office space, hardware, software and office equipment, outsourcing your billing will decrease these costs.

Are you spending too much time on billing?

- Maybe it's time to eliminate the hassle so you can spend more time taking care of patients, or managing your office.
- If you are an office manager, outsourcing your billing can free up time for you to credential with payers, analyze provider documentation and coding, help in setting fees and research AR issues.

Here are a few sure signs you need help:

- Your 120 day old accounts are **more than 15%** of all accounts.
- Your days to collect a bill is **over 45 days**.
- Your net collections are less **than 97%**.
- Your denied claims are overwhelming your staff.
- You have to spend an inordinate amount of time, say **5 hours a week**, on billing issues.
- You keep having turnover in billing staff.

If you struggle with any of these things, a billing service would be beneficial to you.

What to Look for in a Billing Service

Now that you have decided that you need a billing service, you might immediately think of price. Although cost is a big part, it is not the only factor in considering a billing service.

Here are some things to consider:

Expertise in your field:

- Ideally, the billing service will be familiar with your type of practice, and have expertise in your field. This will allow better understanding on how to take care of billing and coding for your practice.

Your billing software:

- Some billing services are limited and only work with a few types of billing software. Find out if the billing service is able to work with your system.

Experience in billing:

- If the billing service has been around for 10+ years, that proves they have been through a lot of changes, adjustments and have survived the complicated health system.

Billing Approach:

- Find out if they handle billing as a team, or like an assembly line. A billing service that can handle your billing with a team approach, with a key team leader who can answer your questions, can be more helpful.

Transparency:

- Find out if you can have access to the billing service's notes on their patient accounts. You may not need to see detailed notes, but it should be available to you.

Measures of Performance:

- The billing service should be able to provide you with measures of performance: gross and net collection rates, days it takes to process a charge, and aging of accounts over 120 days past due.

Credentialing:

- Find out if the billing service provides credentialing. The billing service usually doesn't negotiate contract rates, but the best ones will do the paper work associated with getting your providers signed up.

Coding:

- A good billing service will help prevent miscoding, over-coding and under coding.
- They should be doing periodic reviews on what the doctor's E&M coding's are, and be prepared to help the doctors or nurses at any time.

Cost:

- What is the total cost? Is the price of billing per transaction, or by a percent of what is collected? Each company uses a different formula; make sure you have all the information.
- Remember, most billing services will do an analysis for you for free.

There are many points to think about when considering a billing service. But whether you outsource or keep billing in-house, remember that choosing a good billing method will make for happier physicians and happier patients.

Contact Us



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