

Patient Balance Billing Dos and Don'ts

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It is a violation of Stark Law for any provider, whether in-network or out-of-network with an insurance plan, not to follow protocol when balance billing patients. While waiving a portion of a medical bill may seem like a generous gesture, you **must** bill the patient even if there is no contractual obligation with the insurance plan. Failure to bill patients for their responsibility will have consequences.

Rules are clear when a provider participates with an insurance plan - contracts specify that:

- ⇒ Any co-pays must be collected at the time of service
- ⇒ A patient is responsible for their deductible and/or co-insurance after a claim has been processed
- ⇒ A patient may not be balance billed for any amount considered a contractual write off

While it may not seem like there are rules that come into consideration with insurances that are *not* accepted in your practice, general guidelines exist that must be followed, such as:

- ◆ If the plan makes payment at the OON rate of reimbursement, providers are expected to collect any patient responsibility as outlined by the insurance company applied to the OON deductible and/or co-insurance
- ◆ If no payment is made and the entire amount is applied to patient responsibility as a non-covered service, the patient should receive a bill for the services provided
- ◆ Co-pays should still be collected at the time of service
- ◆ Insurance companies should be contacted for pre-certification prior to rendering services
- ◆ Patients enrolled in Medicaid (or Medicaid managed care plans) may not be balanced billed

If an insurance company is notified that your practice has been giving financial incentives to patients by reducing their patient responsibility or billing members incorrectly, regardless of participation status, there will be penalties such as recoupments, payment adjustments, possible reduction in the fee schedule, and sanctions for government programs. There are extreme cases where waiving patient responsibility is acceptable as long as there is proof of a patient being financially incapable of paying for the balance, or that collection efforts have been made in good faith before writing off any balance. In the absence of the above, all providers are obligated to follow set rules and guidelines outlined by the patient's plan.