

Why use a billing service?

By Clayton Fast

The other day I heard a practice manager say, “Oh, I’d **never** allow billing to be done outside my office.” I had to stop and ask myself why this person so strongly believed that outsourcing her billing would be a mistake.

Of course, we all know the horror stories about billing services costing tens or even hundred of thousands of dollars because of poor implementation and poor procedures. But we also know there are reputable, successful billing services that do an excellent job of managing their clients’ accounts receivable.

Many years ago, before starting Compass, I developed and sold medical practice management software. Back then I thought outsourcing billing was a bad idea for most practices. I sold quality software that had all the tools a practice needed to manage their own billing operations. I figured any practice could implement a successful A/R management program with little trouble.

The truth was that poor implementation and less than ideal results were the rule for in-house billing rather than the exception. Over the years I was in a position to see the operational results in more than a hundred practices. I encountered many physicians and practice managers who were sacrificing significant amounts of money by their inability to implement sound billing practices. The problem was far more prevalent than I thought possible, and most practices were even reluctant to consider changes that would have brought dramatic improvements.

I became convinced that as many as 80 percent of practices could significantly increase their cash flow by outsourcing billing to a competent third party service. The problem, of course, is finding a competent third party billing service - one that is professional and effective, with just the right balance of assertiveness and friendly service to patients.

I know what you're thinking - that it is self-serving for me, a billing service owner, to say that most practices would be better off financially if they outsourced their billing. That is a legitimate and fair question. However, I started Compass Billing Services because I sincerely believe that specialization has advantages. As a creator and seller of software for in-house billing, I saw firsthand how difficult it was for most practices to "get it right". I am not a proponent of outsourced billing because I am in the business - I am a proponent because I've been "on the other side" and seen the problems and failures.

There are many reasons providers and their office managers don't want to outsource the billing. Some may feel they will lose control. They may think the billing service will not care about their practice or their patients. And some may feel that billing services only "collect the easy stuff" and ignore difficult collections.

So what's a practice to do when in-house billing has become a problem, or collections aren't what they could be? The answer, I believe, is to find a third party billing service that can demonstrate a track record of successful results - one with satisfied clientele that sings their praises. One with a high level of technical and industry expertise - a company that believes in spending the money to constantly train their staff. One that has the tools to set appropriate goals and to track your results. One that you can rely on to remain compliant with government regulations. One that can deliver not just the billing services, but also the advisory and consulting services to help you maximize revenue.

In all my years in this business, believe me, I've heard the billing horror stories. I'm proud to say that Compass stands head and shoulders above the crowd. If you'd like to explore how a reputable outsourced service can help you improve your revenues, Compass would like to help.