

Healthcare Alert

RECENT & FUTURE TOPICS

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ADMINISTRATION OF MEDICARE DENIALS

Changes in Medicare payment processing procedures could affect your bottom line.

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EQUIPMENT FINANCING ALTERNATIVES

Issues faced when procuring equipment for your practice.

1.4

CAPITATION ARRANGEMENTS: SHARING THE RISKS

Some carriers are willing to share the risks of capitated reimbursement plans.

1.6

Physician Compensation Models

Establishing and implementing a successful plan.

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PROFESSIONAL COURTESIES & DISCOUNTS

EXTENDING PROFESSIONAL COURTESIES OR DISCOUNTS TO PATIENTS CAN BE A COSTLY GESTURE IF NOT PROPERLY DOCUMENTED.

It is not uncommon for physician practices to extend a courtesy or discount to a patient, however if not properly documented it may cost the practice more than the courtesy or discount granted.

Guidelines can be found throughout different healthcare laws and regulations. For instance, Phase II Stark Regulations require the following –

- ◆ The professional courtesy policy must be in writing and establish procedures prior to the granting of a courtesy or discount.
- ◆ The written policy must be applied to all referring physicians regardless of volume or value of referrals.
- ◆ The potentially discounted services must be routinely provided by the practice.
- ◆ Courtesies or discounts are prohibited to Medicare beneficiaries, unless for documented financial hardship.
- ◆ Must inform an insurer in writing if waiving coinsurance.

As previously mentioned, waiving all or part of Medicare or Medicaid patient's coinsurance is generally prohibited unless documented for financial need.

Managed care and private carriers offer their own challenges when ad-

ministering discounts or courtesies. The practice must notify the insurer, in writing, each time a waiver or discount is granted. However, before considering this policy the practice should examine and evaluate the terms and conditions of its provider agreements to determine if the granting of a waiver or discount would create a contract default or breach.

Before establishing or continuing these activities a practice should navigate itself through all the applicable laws and regulations as well as evaluate their provider agreements.

Let our firm assist you with your concerns. Please contact us today.



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