Patient Accounts

- A quick easy breakdown for MA students

Revenue cycle management (RCM) is managing the financial side of the medical business. Transactions of the revenue cycle include procedure/service coding/charge capture, claim submission, billing, collections, payments, and more. The revenue cycle begins w/ pt registration and entering in the pts insurance info in the demographics section of the EHR. When a pt schedules an appt, an insurance eligibility check is run often, another one is run the day prior to the pts visit

The next step in the revenue cycle is when the pt checks in. This is where the pts address and insurance info are verified, and any co-pay is collected. In the practice management system, a “baten” is opened, and co-pays are collected and entered into the system in the pts record. The system will automatically assign the co-pay to te pt

Next is the pts visit. During the visit, CPT and HCPCS codes will be selected for any services or procedures performed

Once the visit capture (sometimes called charge entry) has been completed, the next step is the claims submission process. Claims are electronically generated and sent to the pts insurance company(s) for adjudication. An electronic remittance advice (RA) is sent to the practice w/ the approved amount and payment which is then posted to the account. The pt receives an explanation of benefits (EOB) from the insurance company, which is similar to the RA sent to the practice

Collecting co-pays and payments on account is a bookkeeping responsibility a MA might perform. A bookkeeper is one who records the financial transactions of a business, keeping a record or accounts receivable (A/R) and accounts payable (A/P)

Posting refers to the transfer of info from one record to another, through an automated processor manually. In EHR, procedural and diagnosis codes are captured via a “visit capture” screen (similar to an encounter form)

Pt account #’s (or MRNs) are assigned by the EHR

- A debit is a charge added to existing balance
- A credit is a payment subtracted from existing balance
- Balance is the difference between debit and credit
- A debit balance reflects that the amt paid is less than the total due
- Credit balance reflects that the amt paid is greater than what was due, or the account is being paid in advance of services provided

Adjustment refers to write-offs, discounts/contract amts not paid by insurance, or other types of discounts

A day sheet is a payment receipt journal. When an entry is made on the manual day sheet, it is called journalizing, and should be kept in chronological order. The cash control sheet can be a daily record sheet or a monthly record showing an entire month w/ a line for each day to show income in

cash and checks, any deposits made, and any amts not deposited and carried into the next day. When it goes over to the next day, it should be marked as “previous balance”

Some instances of possible discounts include:

- A professional discount is one that is authorized by the provider to discount fees to another medical professional, such as a nurse, MA, another provider, or others
- Providers can consider a discount for pts experiencing significant financial hardships as long as policies and regulations are complied w/

The routine waiver of medicare deductibles and copayments is unlawful for the following reasons:

- It results in false claims
- It violates the anti-kickback statute
- Results in excessive utilization of medicare items and services

Summary

- The revenue cycle includes receiving and posting copays, procedures/services coding/charge capture, claim submission, billing, collections, payments and more
- When an entry is made on the manual day sheet, it is called journalizing
- A cost estimate sheet gives the pt an idea of the cost for surgery or long term treatment
- Discounts are not as prevalent as in the past and in some cases are prohibited by law