

## Private Practice Management: From Intake to Billing

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## Goals

- oHave an understanding of overall practice components (brief overview)
- oExplore the day to day management of a private practice
- oFocus on the business 3 P's: People, Process, and the Product

## Reflection

- oWhat do you see as your greatest strengths to help you be successful in private practice?
- oWhat do you see a your greatest areas of growth to help you be successful in private practice?

## The 3 Ps: Marcus Lemonis

- o<https://www.youtube.com/watch?v=-D0q7GtNZ44>
- oPeople: the counselor, any administrative staff, and the client population
- oProcess: the intake process, paperwork, billing process, administrative, and therapeutic process (***This is our primary focus for the presentation***)
- oProduct: the counseling and the effectiveness of counseling

### Practice Foundation: What You Have Established

- o LLC or Incorporation
- o NPI, Tax ID, and Occupational License
- o Business cards, website, listed on some online directories (e.g., Psychologytoday.com, Good Therapy, etc.)
- o Intake paperwork and appraisal instruments
- o Fees or Rates
- o Office space, furniture and equipment
- \*\*\*\*Consider these business expenses\*\*\*\*

### Record Keeping/Admin

- o Therapeutic Chart
- o Billing Chart
- o HIPAA Compliance
- o Receipts
- o Credit Card Processing
- o Quarterly Taxes
- o 1099 (insurance company)
- o Scheduling time for administrative work

### Practice Fees, Scheduling & Billing

- o Out of pocket fee rates
  - o Common rate in your area
  - o Insurance reimbursement component
- o Practice Management Programs
  - o [www.therapyappointment.com](http://www.therapyappointment.com)
  - o <http://www.capterra.com/mental-health-software/>
  - o [www.Therapynotes.com](http://www.Therapynotes.com)

### Practice Management

- o Client scheduling
- o Client records
- o Insurance claims filing
- o Patient invoicing
- o Income reporting
- o Patient reminders
- o Practice statistics
- o Patient demographics
- o Patient biographies
- o Credit Card Processing (if available)

## Billing Services or Practice Management Programs

### Practice Management Programs

#### Costs:

- Monthly cost per clinician
- Time

#### Benefits:

- See previous slide

### Billing Services:

#### Costs:

- Percentage or Flat rate?
- Time - Tracking

#### Benefits: Time (outsourcing)

## Medicaid and Medicare

◦ When billing medicaid, make sure that the clearinghouse you use has a contract/agreement with the state medicaid program.

◦ Can submit the medicaid claim through the insurance company's online portal.

◦ LPCs and LMFTs are not able to bill Medicare.

◦ When clients call with insurance information, ask if their plan is a Medicare supplement plan or if it is a stand alone plan.

◦ If it is a Medicare supplement plan, you will not be able to bill it.

◦ If client is not sure, verify with the insurance company when you call.

## Referral Sources

◦ EAPs

◦ Insurance companies

◦ Psychiatrists

◦ Medical Psychologists

◦ Nurse Practitioners

◦ Other Therapists

◦ Online therapist directories

◦ Word of mouth

## Income Stream/Sources

◦ Private Pay

◦ Out of Network Benefits

◦ Credentialing for Managed Care (Time and process)

◦ CAQH

◦ EAPs

◦ May take up to a month or more to get reimbursed

◦ Agree to take contracted rate

◦ Usually EAP pays full amount of contracted rate

◦ Insurance Companies

◦ Can take several weeks and months to get credentialed

◦ May take up to a month to get reimbursed

◦ Agree to contracted rate

## A Client Calls- What Now?

Gathering information about client

- Customer Service is Significant!!!!!!!!!!!!
- Make a good first impression!!!!!!!!!!!!
  - oPurpose of counseling
    - oIndividual, Couple or Family
  - oDemographics for billing, tracking, etc.
  - oObtain client's insurance information
  - oSchedule appointment
  - oHave a list of referrals (if needed)

Sometimes EAPs, Hospital or doctors office may call

## Insurance Companies: Eligibility & Benefits

- o**Deductible:** A pre-arranged amount of money that a client has to pay out of pocket prior to the insurance copay or coinsurance kicking in. The per-session rate is based on the contracted rate with the particular managed care company.
- o**Copay:** A pre-arranged set amount that a client will pay during every session. The insurance company will then pay for the difference between the copay and the contracted rate.
- o**Coinsurance:** A pre-arranged set percentage of the contracted rate (often 20%) that a client will pay during every session. The insurance company will then pay for the difference between the coinsurance and the contracted rate (often 80% of the contracted rate).

## Insurance Companies: Eligibility & Benefits

- oExample Scenario: Deductible
- oExample Scenario: Copay
- oExample Scenario: Coinsurance

## Deductible Example

oDeductible: \$500. A client pays the contracted rate for Doorway Health Insurance (\$48) per session until the \$500 dollars are met. Sometimes, the \$500 dollar deductible can be met through multiple sources (i.e. Medical doctor, physical therapy, counseling, etc.) Often, clients will pay and when you receive the Explanation of Benefits (EOB) from the insurance company you will see that their deductible has been met and that the insurance company paid you so you will have to pay the client back for any credit that they have.

## Copay Example

oA client has a \$25 dollar copay and has Doorway Health Insurance. The client pays \$25 and you get an EOB with either a check or an Electronic Fund Transfer (EFT) to your bank for \$23 (\$25 + \$23 = \$48 contracted rate).

## Coinsurance Example

oA client with Doorknob Health Insurance has a 20% coinsurance. The reimbursement rate for Doorknob Health Insurance for a 90837 (60 minute session) is \$98. Therefore, a client would pay 20% of \$98 for that session (\$19.60)

## Before Client's First Session

- oCreating a welcoming environment
- oGetting organized with a folder for clients
  - oHaving handouts/props from therapeutic toolbox available
- oVerifying Eligibility and Benefits
  - oContacting Insurance or EAP company
- oOptions Prior to First Session
  - oIntake paperwork

## Verifying Eligibility, Benefits & Authorizations

- Client's with Insurance or EAP benefits
- oCall phone number provided by client
- oListen to automated prompts.
- oSelect behavioral health or mental health.
  - oIf no behavioral or mental health options, then select benefits.
  - oMay have to press 0 (zero) to reach someone who can help.

### Verifying Eligibility, Benefits & Authorizations

Information to Provide Representative:

- Member ID Number
- Patient's Name and Date of Birth
- Patient's Address (sometimes)

Information to Ask Representative:

- Patient's Effective Date (of insurance)
- Benefits
- Deductible, Co-Pay, Co-Insurance
- Address to use when sending claims

### Verifying Eligibility, Benefits & Authorizations

When asking about member's benefits, Representative may ask for CPT code:

- 90791 - Initial diagnostic interview
- 90834 - 45 minute individual session
- 90837 - 60 minute individual session
- 90847 - Family therapy
- 90846 - Family therapy w/o client present

### Role Play

- Intake Call
- Calling Insurance

### Clients Appears for Session

- Establishing business relationship
- Establishing framework for counseling process and office protocol
- Engaging in client observation
- Offer refreshments
- Get copy of ID card and Insurance Card if applicable
- Review intake paperwork
- Review office policies
- Answer client's questions
- Appraisal

## Appraisal Instruments

- DSM-5 related assessments
- <http://www.psychiatry.org/psychiatrists/practice/dsm/dsm-5/online-assessment-measures>
- Credentialed with LPC board (Privileged)

## At End of Session

- Take away and review of any homework
- Scheduling next appointment
- Collecting either full fee, deductible, copay and/or coinsurance
  - Receipt for payment
- Customer Service- offer a drink (non-alcoholic) for the road
- Finish therapeutic notes and treatment plan

## After Session Follow Up

- Following up with insurance companies
- Inputting/tracking Explanation of Benefits (EOB)
  - Letters in the mail
  - Electronic tracking
- Letters to physicians or other medical providers (depending on need, diagnosis, and medication)

## No Show/Late Cancellations

- Consider statement in declaration or fee schedule regarding no show/late cancellation fee
- Flexibility
- Follow through- pattern versus extenuating circumstances
- Can't charge new clients if they did not sign the form; however, some have considered a "reservation fee" with signed document if first time no shows are common

## Phone call/E-mails/Texting

- Depends on clinician preference
- No texting or e-mail policy in declaration of practice

## The 3 Ps

- How are these all connected?
- What do you see as your greatest strengths in relation to the 3 Ps in private practice?
- What do you see as your greatest areas of growth in relation to the 3 Ps in private practice?

Questions? Comments?