

Rethinking Your Back-End Patient Collections: Give Your Patients a SMAC

☒ Please welcome MMP's newest sponsor: SmartFund Medical Acceptance Company, LLC aka "SMAC"

When I first heard about SMAC I thought they were a collection agency. But SMAC is not a collection agency in the traditional sense and I interviewed President Samara Keaton to find out what exactly SMAC is.

Manage My Practice: SMAC's ad on Manage My Practice features a mermaid alternately kissing and smacking a handsome young man. What's going on there?

Samara: We thought the SMAC (kiss or slap) approach to patient balance recovery was very appropriate. You love your patients, but sometimes you have to bring them a dose of reality – that there is a balance due for a service they received.

Manage My Practice: If you're not a collections agency, what are you?

Samara: SMAC is the solution to the ever-present anxiety in healthcare over sending patients to collections. **No one** wants to send patients to collections, so we work with and help patients who want to pay. SMAC is a patient balance recovery company, and we do what you would do if you had unlimited resources to manage your patient collections.

Manage My Practice: And what is that?

Samara: SMAC bridges the gap between in-house patient collections and a third party collection agency. SMAC

increases patient collections with customized precision according to the needs of the practice. First, the practice or hospital exports the account detail to SMAC, then SMAC opens the communication with the patient. We focus on:

- (1) ***Educating*** the patient on “why” they owe the money
- (2) ***Resolving*** insurance and other issues
- (3) ***Working*** with the patients on timing of payments relative to their budget

Manage My Practice: *What is SMAC’s collection approach?*

Samara: We believe that every account has a story. We want to hear that story and help patients who want to pay make the payment or set up a payment plan. We resolve every account every time, which means that either the account is paid or SMAC is making a recommendation for credit impairment or legal action. It is the practice’s decision at that point.

Manage My Practice: *When are accounts transferred to SMAC?*

Samara: Most clients end up transferring accounts to us at around 61 days, but this is totally flexible. We can take accounts as soon as insurance pays and the patient balance is established, or we can take them after your in-house collections program has worked them, or we can take them when you want to impair credit or take legal action. Regardless of when you give us the account, we pay the practice \$.50 for each account, then the practice recoups 70-80% upon collection of the account.

Manage My Practice: *My memory of working with a third-party collections agency is the confusion over the patient payments at the practice and who owes whom what. How do you handle payments?*

Samara: Patients can make payments to the practice or to SMAC. All payments are logged to an online account which shows who owes money to whom. SMAC makes payments to the

practice/hospital weekly.

Manage My Practice: Your site says “Doctor Directed, Administrator Approved, Patient Preferred.” What does that mean?

Samara: It means that the physicians set the course for collections activity they are comfortable with, administrators approve the work of the SMAC collectors, and the patients prefer speaking to someone who can interpret the account activity to explain the reason why the balance is owed.

Manage My Practice: Why have patient collections become so important in healthcare?

Samara: In the past, the patient balances relative to the overall A/R balance of a medical practice was a much smaller number than it is today. Medical practitioners were conditioned to live off of co-pays and whatever they could get from the insurance companies, and tended to ignore and/or write off the unpaid patient balances. Today, Physicians have come to realize that they can no longer simply write-off the unpaid patient balances and expect to stay in business. 80% of the physicians interviewed said the A/R portion of their overall receivables has gone up more than 12% in the last 5 years. We expect this trend to continue as patients are moving more and more to catastrophic plans with \$5,000 to \$10,000 deductibles. Therefore, there could be an even greater shift in the revenue stream in the near future.

Manage My Practice: How can readers get in touch with you?

Samara: We invite medical practices, hospitals, billing companies and consultants to a very short (10-minute) demo of what SMAC can do. Contact us at 1-888-531-6406 or schedule an online demo **here**.

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