

Why Chase County Community Hospital, Clinics ask for copays

Written by Wauneta Breeze

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By Randy Vlasin
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Executive Director

If you have visited the Chase County Clinic or Chase County Community Hospital recently, you may have been asked for a copay or time of service fee. This might be new to you but it has become standard practice in most hospitals and clinics across the country and within our own region.

Asking for money upfront is not only a change for the public but also for the CCCH staff.

Most people who seek employment in the health care industry do so because they enjoy helping people. Their first line of thinking is towards providing the service and care that will meet a patient's need. Asking for money is not something staff likes to do and it can be very difficult, especially in a small community.

Quite often it's the staff member at the admissions desk who admits you to the hospital or clinic, or a staff member in the business office that will ask for these fees.

So why are patients asked for copay or time of service fee?

Why not just send it through the insurance company first or direct bill you instead of asking for money up front?

To answer these questions, it is important to understand what "copays" and "time of service" fees are.

Copays

When you sign up for health insurance with a company, your policy will contain information on what is covered by the company and what is covered by you, the insured person. Many companies have “copayments” as a feature of the policy.

A copayment—or copay—is the amount you—as an insured person—pay for an expense when you visit a doctor, laboratory, emergency room, hospital or pharmacy. It’s a set fee for a certain kind of provider or service.

For example, if you see a primary care doctor, it may cost you a \$25 copay; if you see a specialist, it may cost you a \$50 copay. Each time you visit a doctor, hospital or pharmacy, you may be responsible for a copayment at the time of service.

This copay fee is not set by the local health care facility; it is set by your insurance company. This is why one person may have a \$30 copay and the next person may have a \$50 copay. Copays cannot be submitted to insurance as it is the insured person’s responsibility as set forth by their insurance company.

After you’ve paid a copay, the amount you will be billed for depends on your annual deductible and coinsurance— again set by the insurance company. Copayments generally don’t reduce your annual deductible or out-of-pocket maximums. Even after a patient meets their deductible, copays may still be required by the insurance company.

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So why does the hospital ask for copays up front instead of billing them with the rest of the fees?

Copays are part of the contract a health care facility signs with the insurance company. The contract specifies that the health care facility will collect the copays. Other items such as medications, procedures, hospitalization etc. are submitted to the insurance company to see what the policy covers. What is left over is applied to the bill a patient receives.

Time of service fee

For patients who have insurance that does not have a copay option or if the patient is uninsured, a time of service fee is applied. This fee is set by the local health care facility. The amount of this service fee may vary based on the type of visit and individual has.

For example, your primary care doctor may have one rate and a specialty clinic doctor may have a different rate. The hospital and clinic can provide information on time of service fees and copays in advance of an individual's appointment.

Now you might be thinking, "I always pay my bill, why can't the hospital/clinic just bill me for the copay or time of service fee instead of asking me to bring the money when I check in?"

As stated before, insurance companies require the copays so the hospital or clinic must collect them. It adds extra expense for the hospital or clinic to collect copays at a later time due to additional staff time spent on recordkeeping, mailing and follow-up.

In other cases, people may let copays go unpaid for several months. This may not seem significant but when multiplied by several hundred individuals or more, not only does the time invested to collect these copays increase costs but it affects the cash flow for the health care

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facility. An adequate cash flow is required by any business to stay in operation, and that includes hospitals and clinics.

Chase County Community Hospital and Clinic have begun to ask for copays and time of service fees when patients check into the clinic or hospital. If it is a patient's first time at the clinic or hospital since this new policy has been implemented and they do not have the means to pay that day, they will still be allowed to continue with their scheduled appointment. Staff will remind patients that a copay or time of service fee will be billed to them but they need to plan on payment of copays or time of service fee at all future appointments.

If a patient comes to a future appointment and they are not prepared to pay the copay or time of service fee, the patient will be asked to reschedule and bring the required payment to the new appointment.

In situations where an individual does not have the financial resources for copayment or time of service fee, they can meet with staff in the business office to see if they qualify for charity care or they may be directed to a loan program the hospital has arranged through several area banks.

The staff and management at Chase County Community Hospital understand this policy represents a change in procedure and they want to make the transition as smooth as possible for patients. CCCH is one of the last hospitals and clinics in the area to adopt this type of policy.

As stated before, most healthcare workers wish they could focus on one thing, helping patients meet their medical needs without worrying about the financial side. However, there is a financial reality for health care organizations just like any other business—they must produce more in income than they have in expenses to continue operation.

The next time you visit the hospital and clinic and are asked for a copayment or time of service fee, understand that hospital and clinic staff wish they didn't have to ask. However, it is necessary to continue offering a variety of health care services to our area residents.

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If you have questions or would like more information, contact Hayley Ridder in the business office at 308-882-7310 or Rhonda Sargent in the clinic at 308-882-7247.