

Legal Q&A

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Charging co-pay for no-show okay?

Question:

If a patient does not show for an appointment, can I still charge them their co-pay?

Answer:

Co-pay for no-show okay? No way! But, that does not mean physicians are not allowed to charge a no-show fee. So, what's the difference? Isn't \$20 the same as \$20? No. A co-pay is a payment that a patient is responsible for that correlates to a certain reimbursable service. If no service is rendered because the patient didn't show up, how can you appropriately collect a co-pay? The answer is, you can't. However, you are entitled as a regular practice to charge patients no-show fees so long as your no-show policy is a known policy of your practice and your patients are aware they would be responsible for a no-show fee for failing to show up or cancel an appointment in a timely manner. I recommend working with healthcare counsel to incorporate such a policy into your privacy practices that are (or should be) distributed to patients at check-in. (Be advised that the Federal HITECH Act of 2010 has modified privacy policy requirements.) You may also want to promulgate your no-show charge policy at your front desk so its visible. If you elect to incorporate a no-show cancellation charge, also have patients reminded of same when appointments are initially made and on any appointment confirmation calls.

With regards to collecting co-pays, deductibles and co-insurance, if you do not collect all of the above, you may be opening your

practice up to potential exposure for insurance fraud, the repercussions of which may be severe. When collecting or attempting to collect co-pays, the standard is you are required to make a good faith effort to collect, which has been translated to practice as asking patients for payment at the time of service, sending out notices of late payments and possibly sending off late bills to collection. There is no bright line rule of what is required to satisfy the "good faith" requirement, but exceptions do exist when the patient is indigent (known to be and can prove that they cannot pay) or when services are a professional courtesy.

Jennifer Kirschenbaum, Esq. manages Kirschenbaum & Kirschenbaum, P.C.'s healthcare department, and writes a legal newsletter bi-weekly answering practitioner questions. For additional information on this topic or any other matter related to your healthcare practice, contact Jennifer at (516) 747-6700 x. 302 or at Jennifer@Kirschenbaumesq.com. If you are interested in joining the listserv, visit www.nyhealthcareattorneys.com.

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