

## **Risk Tip: Should You Charge Patients Who Don't Show up for Appointments?**

This is a tricky question. The best policy, of course, is to prevent no-shows from occurring in the first place.

Some physicians have had good results with practice communications that emphasize how missed appointments disrupt the practice, and an unfilled slot is a lost chance to help another patient. Other practices have set up telephone reminder systems to alert patients of an upcoming appointment, typically within the next 24 to 48 hours.

Even so, prevention can only go so far. Consequently, some practices have adopted the practice of charging a fee for missed appointments.

Like most aspects of practice management, there are pros and cons with this approach, and some states may not even allow it. As always, check with your legal counsel, managed care organizations and Medicaid/Medicare as appropriate before instituting a procedure of this nature in your practice.

### **Pros:**

- It sends a message about the respect the physician and the patient should have for each other's time.
- In a busy practice, no-shows keep other patients from receiving timely medical care.
- Missed appointments deprive the no-show patient of needed care, as well as the continuity of care, and it exposes physicians to malpractice risk if an untreated condition worsens.
- Charging may recoup some of the revenue lost for the missed appointment.
- No-shows waste the time of staffers who prepare for appointments and spend time trying to determine why the appointment was missed.

### **Cons:**

- Patients often resent what they perceive to be unfair fees. Not only may you lose a few patients, your staff may balk at having to deal with the angry phone calls.
- Patients have been known to file claims in response to billing disagreements, and it's not unheard of for patients to complain to a state board after receiving a bill they feel is unwarranted.
- Sending billing statements for missed appointments costs you money in supplies and postage. It also can divert your staff from more important tasks. It's possible you'll spend more money trying to collect no-show fees than you'll get back.
- Some third-party payers permit charging for missed appointments, but others don't. In that case, can your office track who can be charged and who cannot? (Note: Medicare allows patients to be billed for missed appointments, as long as non-Medicare patients are also billed.)
- If the physician has a tendency to run late, patients can become frustrated. It is not unheard of for patients to try to bill the physician for the time they had to wait past the appointment time.

Before you begin charging for missed appointments, consider whether the negatives outweigh the positives. Some practices have decided it is better to establish consistent policies rather than charging patients for missed appointments. For example, some physicians will “fire” a patient who repeatedly fails to show up for appointments without canceling.

It’s also important to be aware of other reasons patients may miss appointments. Some patients do so for financial reasons or because they worry that the treatment will be painful. In these situations, you may decide that charging for missed appointments is counterproductive and would only serve to damage the physician/patient relationship.

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