

Medical Billing Software: Luxury or Necessity

Although it's probably not the reason you went into medicine in the first place, the fact is, in the United States in 2012 - medicine is a business. And, if you have your own practice, or partner in one, you have to be keenly aware of this in order to survive, thrive and continue to be around to help your patients.

As blood flow is to a human being, cash flow is to a business - shut it down - or create impedances to the flow, and the survival of the patient is threatened.

That is why medical billing software is no longer an option or a luxury - it's a necessity. In the last several years, medical billing software has moved from the "nice to have" category to becoming the central nervous system of your practice. It allows you to monitor and provides real time feedback on the crucial ratios that impact the financial health of your practice - as well as greatly enhancing the performance of those metrics.

Here's how:

- Effectiveness - A major reason for small practices suffering cash flow problems is that they do not send out bills promptly and completely. Good medical billing software greatly increases the odds that your practice will actually bill someone for the care you have provided and the services you have performed. One thing is certain - you will not get paid for what you did not bill. Proper software and procedures will eliminate that fear you get late at night, wondering if your staff has billed for this procedure or that service.
- Efficiency - Even after you get control of what is to be billed, the billing process itself is wildly complicated and time consuming - unless you never handle any insurance or other third party payments. Good medical billing software will free up and empower your admin staff to concentrate on efficient workflow, scheduling, follow-up and other tasks to make your practice run smoother and more profitably.
- Improved cash flow - as we said - the life flow of any business. The sooner your bills get processed completely and accurately, the sooner you get paid. We've all heard the horror stories of the billing merry go round - where entities that have a financial incentive to delay payment as long as possible often find a way to do so. Don't give them any additional ammunition with poorly structured, incomplete, or missing bills.
- Improved management - the number one rule in business is that you can't manage what you can't measure. Unless you know the "what and why" of your receivables problem, it's hard to fix it. Good medical billing software will provide a new, fresh look into the financial performance of your practice that will amaze - and perhaps, in the beginning, terrify you. The good news is that it will, in its very application, improve those metrics. You know how you get frustrated with patients that take a "head in the sand" approach to their health. Don't do that with respect to the financial health of your practice.

Getting your medical billing software in place will allow your focus to get back to providing excellent care to those who need it. Medical billing software can give you the peace of mind that the financial health of your practice is being carefully and continually monitored.