

# How long does it take to pay a private care bill?

A CONSPIRACY THEORY appears to have taken hold in some parts of the private healthcare sector. The belief is that the online validation processes used by the industry's electronic billing system, Healthcode, can act as a barrier to getting medical bills paid quickly.

**BY PETER CONNOR**  
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This is far from the truth – validation rules are the same for medical bills received by insurers electronically or in the post. And rather than delaying payment, the electronic billing system is helping independent practitioners get their bills paid weeks in advance of paper bills sent by post to the insurers.

Perhaps the reason behind these ill-founded fears is a misunderstanding of the exact point at which insurer validation rules are applied to medical bills. Let me explain the facts. The validation checks applied to online bills are exactly the same for medical bills received by insurers in the post.

The difference is that bills submitted electronically are automatically checked by the Healthcode system against the insurer rules before being sent on to the insurers. Paper bills sent by post are checked only after they have arrived at the insurer's office.

Any queries are highlighted by the Healthcode system so the bill

can be amended and resubmitted in a matter of minutes. Paper bills sent by post to insurers will only start the validation process once they are entered onto the insurers' own systems.

### Queue for investigation

Any queries will result in these bills being suspended and placed in a queue for investigation. This could take anything from two to four weeks and sometimes even longer.

Of course, there will be the odd

occasion when a bill sent through the Healthcode network will be queried and investigated by the insurer. But the thorough validation checks built into the system mean that the vast majority of medical bills are delivered immediately to the insurer and cleared for payment in a significantly shorter time than paper bills.

If you are not convinced, let us imagine for a moment the consequences of removing online validation checks. While this may please some people in the short term, the reality would be that insurer administration systems would cease to cope.

With nearly all the UK's private hospitals transacting their invoicing online, bills would take weeks, maybe months to process, insurers would need hundreds more staff and overheads would escalate. The result? An increase in premiums to cover the cost of all the extra claims assessors required to validate everything by hand.

Less people would be able to afford private medical insurance and consequently there would be less work for independent practitioners. The market would be in serious trouble.



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At the very least, online billing systems are there to reduce the complexity of administration for consultants and specialists and help them get their bills paid more quickly.

Another theory that holds sway among some consultants and specialists is that the Healthcode network is a closed shop, accessible to practices only who use Healthcode's practice management solutions. This is certainly not the case.

### Integrating systems

We are committed to developing our network to allow all independent practitioners to benefit from electronic billing. We are working continuously with third-party practice management software vendors to integrate electronic billing with their systems.

To date, electronic billing is compatible with several practice management systems, including those offered by DGL, Ascensus and TM2, and Healthcode is working with a number of other companies to offer the same compatibility.

Electronic billing plays a vital role in streamlining insurer administration and helping independent practitioners get their bills paid more quickly. It is here to stay and paper billing is on the way out, not least because the private health insurers are pushing for consultants and specialists to use online billing services.

Indeed, the Bupa service, Providers Online, already allows consultants to access details of their transactions and submit invoices online.

Hospitals have been sending their bills to insurers via the Healthcode network for over ten years. Physiotherapy clinics are embracing electronic billing across the board. It is time now for consultants and specialists to follow their example and grasp the opportunities electronic billing offers for increasing efficiency and improving cash flow. ■

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