

Handling Returned Checks and Fees

Description

Returned checks from patients because of Non Sufficient Funds (NSF) is a not a common occurrence as it once was. Today, many merchants use such check approval services to accept and process personal checks at the time of sale. These services have dramatically reduced the number of returned checks.

Although there is no guarantee that a patient won't write a bad check, these check approval services usually will guarantee the merchant if their customer does write a bad check, but only for the amount of the check.

If a patient does bounce a check we need to handle the NSF check (returned check) and any associated fees or charges separately.

Procedure

1. Browse for and make patient active
2. Open the Patient's Account
3. Open the Original invoice and credit the payment transaction line for the returned check
 - a. If the invoice was sent to the Patient Ledger, you'll need to send the selected invoice back to the Patient's Account for editing
4. On a New invoice, select SEL insurance plan and enter a transaction for any bank charges or fees associated with the returned check. (e.g. Procedure Code - NSFCH)
 - a. (optional) Remember to change the provider on this invoice to the designated practice provider.
5. Click Save and Post All

Financial Reporting

Handling your returned checks and any associated bank charges and fees this way is:

- Efficient
- Maintains the integrity of the practice's AR
- Provides for accurate chargeback for associated NSF fees
- Maintains correct reporting for provider salary based on collections, and
- Allows financial reporting of both returned checks and associated charges / fees

Please refer to the [OD Professional – Crediting Transactions and Invoices](#) job aid for additional information.