

Upfront Payment Guidelines in Brief

The Upfront Payment Guidelines 2010 provide best practice recommendations on payment for healthcare services. The term “upfront payment” refers to the requirement for insured patients to pay 100% of a healthcare bill at the time of receiving services. They were developed because insured persons may sometimes avoid seeking care or experience family cash flow problems when they have to pay for healthcare “upfront”.

The Guidelines aim to limit the practice of requiring upfront payment. They can help patients be smarter users of healthcare by clarifying what is expected from providers, insurers and themselves. For example, the Guidelines encourage the public to confirm costs before receiving healthcare; and they remind providers that it is good practice to inform patients about their fees. The Guidelines are as follows:

30-day guarantee for claims reimbursement	Assures providers of payment within 30 days or less for all “clean claims” submitted. When providers are paid promptly by insurers, they are less likely to charge patients upfront.
Standardized claim forms	Encourages providers to use a standard form to give insurers all the necessary information to pay for a claim. When insurers have all the information they need, they can pay promptly.
Stakeholder responsibilities	Improves public and provider awareness about their role in the process of paying for healthcare, so that providers can avoid charging upfront.
Electronic access to patients’ insurance status	Provides real time confirmation of patient insurance coverage and helps to ensure claims are only submitted for persons with insurance.
Display of fee guides	Encourages healthcare providers to disclose information about the cost of services before they are delivered.
Disclosure about specialists’ referral costs	Encourages providers to inform patients about specialists’ healthcare costs at the time of referral.
Electronic claims submission procedures	Improves the timing of claims submission using electronic upload processes.
Electronic claims reimbursement procedures	Improves the timing of payment to providers for claims submitted using electronic mechanisms.
Health Service Level Agreements (HSLAs)	Contracts between insurers and providers that detail how providers will be paid for services given to insured persons. They can help make the claims process more efficient.