

SOP: Preparation and Generation of Patient Bills and Invoices

This SOP details the **preparation and generation of patient bills and invoices**, covering the processes of accurately recording patient services, calculating charges based on treatments and procedures, verifying patient insurance and payment information, and issuing clear and itemized invoices. The purpose is to ensure timely and precise billing to facilitate effective financial management, enhance patient satisfaction, and maintain compliance with healthcare regulations and billing standards.

1. Purpose

To establish standardized procedures for the accurate and timely preparation and generation of patient bills and invoices, ensuring compliance, financial accuracy, and patient satisfaction.

2. Scope

This SOP applies to all staff responsible for patient billing and invoicing within the healthcare facility, including administrative, billing, and financial personnel.

3. Responsibilities

- **Billing Staff:** Record services, calculate charges, generate invoices
- **Insurance Verification Team:** Confirm insurance coverage and payment details
- **Supervisors:** Ensure compliance and accuracy in billing practices

4. Procedure

1. **Recording Patient Services**
 - Document all treatments, procedures, diagnostics, and services provided using the approved electronic health record (EHR) system.
 - Cross-check services against physician orders to ensure completeness.
2. **Calculating Charges**
 - Refer to the current fee schedule for each service rendered.
 - Ensure all applicable items (supplies, medications, etc.) are included.
 - Apply correct procedure and diagnosis codes (ICD, CPT, etc.).
3. **Verifying Insurance and Payment Information**
 - Confirm patient insurance status and eligibility prior to billing.
 - Verify insurance coverage for each procedure/service and note any patient co-pay or deductible responsibilities.
4. **Preparing the Invoice**
 - Compile all chargeable services into an itemized invoice.
 - Include patient and insurance information, service descriptions, dates, and costs.
 - Review for accuracy and completeness.
5. **Issuing & Delivering the Invoice**
 - Send the invoice to the appropriate party (patient or insurer) via approved methods (mail, secure email, patient portal).
 - Retain copies per record-keeping requirements.
6. **Addressing Queries and Corrections**
 - Respond to patient or insurer queries regarding the invoice promptly and courteously.
 - Make amendments if errors are identified and issue updated invoices as necessary.

5. Documentation and Record Keeping

- Maintain detailed and accurate billing records for each patient encounter.
- Secure all billing data according to privacy and compliance regulations (e.g., HIPAA).
- Retain records for the legally required period.

6. Compliance and Quality Control

- Regularly audit billing accuracy against clinical and financial documentation.
- Update billing procedures and forms in line with regulatory or policy changes.
- Provide ongoing training for billing staff.

7. References

- Fee Schedules and Coding Manuals
- EHR and Billing Software Documentation
- HIPAA and Healthcare Billing Compliance Guidelines

8. Revision History

Version	Date	Author	Change Description
1.0	2024-06-01	Billing Supervisor	Initial SOP creation