The Fee-for-Service and Capitation Payment Cycles

Claims Preparation I
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Introduction

The majority of the insurance plans generally reimburse medical costs on a fee-for-service basis; however some insurance plans require that payments are made in advance. Capitation is a fixed insurance plan. Pre-payments or advance payments are made to a medical provider for necessary contracted services to patients who are plan members. Fee-for-service is a payment process in which the payment for medical services is made either before or after services are provided by the health care professional.

Determining Financial Responsibility For The Patients Visit

- Verify and establish services the insurance covers.
- Affirm that patients medical conditions are medical necessary for services.
- Verify and establish what is not covered by the insurance.
- Confirm the billing rules of the insurance plan.
- Affirm patient’s responsible fee.