

Advances in Electronic Payment Processing

By Don Singer, EZCheck

As technology continues to reduce paper and paperwork from practice management, methods of getting paid from patients and insurance companies are following suit.

A recent example of this is the introduction of check imaging technology to provide practices with the ability to eliminate delivering paper checks to their bank for deposit. This new technology, called **remote deposit capture**, allows a user to attach a document-imaging device to a PC so paper checks can be imaged in the office and electronically deposited in the bank. Once a user runs the paper check through the imaging device, the check information and image are sent via secure web-server hosts to the user's bank as an image file. The receiving bank then processes the check images for deposit in a similar manner to how it would have processed the actual paper checks.

The advantages to the user are many including eliminating the need to transport paper checks to their bank, the ability to have check images and data available instantly by logging into their account, the elimination of any bank fees associated with paper check deposits and returns, the ability to see and redeposit returned items much faster than in the paper check arena, and reduced labor and handling time and costs that come from going paperless.

Banks also benefit from the conversion of a paper check to an electronic image since they are not required to maintain a paper check-processing center with employees or costly equipment.

Remote deposit capture allows for the conversion of any type of paper check into an image, including: personal, insurance, corporate, and even travelers' checks and money orders. It also accommodates converting checks received both in person or through the mail.

Other electronic check conversion services available to practices today include **electronic check conversion** for patient checks using a check imager attached to a credit card terminal. This service allows the user to image and cancel the paper check in a few seconds and then hand the patient back their cancelled paper check on the spot. The practice receives funding directly into their bank account in one to two business days. An additional benefit to practices using electronic check conversion is that once a transaction is authorized, it can also be guaranteed so that the practice does not see or get debited back for any returned checks. *This feature eliminates the need to receive, reconcile, or try to collect on returned checks.*

While remote deposit capture and electronic check conversion both convert paper checks into electronic funding, other services are available to practices that **process payments from patients' checking accounts without needing a paper check.**

For example, web-based **checks by phone** services allow users to input check information into a secure web-server while speaking with patients on the phone that want to make a payment immediately. That service eliminates the need for the patient to write out and mail a paper check to the provider and gives the provider the ability to collect payment whether or not the patient follows through with mailing a check.

Another example of technology allowing providers to get paid from patients without the need to use paper or paper checks is web-based **recurring ACH payments**. This system allows providers to schedule patient payments in advance, and automatically receive funding as scheduled. The user simply enters scheduled payment dates and amounts into the system software and the system automatically debits the patient's account and funds the provider's account per their mutual agreement.

Houston-based EZCheck is a TDA Perks Program partner. EZCheck is one of the nation's top 10 electronic check services providers, with clients in all 50 states. For more information, contact Don Singer, Senior Vice President at (800) 797-5302 ext. 3313, or dons@ezchk.com.