What Exactly Is Accounts Receivable?

A Special Report by Debra Moorhead

One of the first things I like to get out of the way when I go into a practice to start consulting with a team about accounts receivable is to making sure everyone is on the same page and understands exactly what we are talking about when we use the term "accounts receivable."

Technically, "accounts receivable" is an accounting term used to describe the money owed to a particular business from its patrons at the end of a business cycle. Historically, accounts receivable were tracked *annually* because people could be trusted to pay their debts. Over time, businesses were forced to become more intense with their tracking due to people becoming more and more unethical over time.

In dentistry, specifically, "accounts receivable" refers to the money owed to the practice by patients. This money could be due from the patients' insurance companies, so the insurance portion is counted in with accounts receivable. The remainder is from patients who somehow got out of the office without paying at time of service, or whose insurance company paid less than estimated.

Just to be perfectly clear, any money owed to the practice from vendors is *not* treated as accounts receivable. So, for example, if you have returned an order but not received the refund yet, that is *not* accounts receivable. Even though the vendor technically owes you money, we are not dealing with that here.

In the Zero Accounts Receivable training system, we look at ways to reduce and eliminate the undesirable situations that cause a practice's accounts receivable to soar too high.

Whether it's due to a non-assertive Dentist, team, team member, a poorly constructed or implemented system, or just an oversight of the ramifications of not paying enough attention to the issue, Zero Accounts Receivable will solve the issue, and get you and your team motivated to collect money.

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I hope you have enjoyed my article. What you have read is just a small part of the advice I give in my work consulting individual Dentists and their teams.

If you or your team are having trouble collecting money from your patients or their insurance companies, you may be in the situation where you qualify to be one of the handful of new clients I will work with in the next 12 months.

But I've found through experience that there's only one way to be sure, and that is to have a short conversation on the phone.

In our conversation, I would ask you to tell be about your practice goals and experience, so I can assess whether this training is appropriate for you and your practice.

The initial conversation is no charge.

Just like you, my time is limited, but I would enjoy discovering if my advice can help you accomplish your goals and have the impact it has for my clients.

To find out about my availability for a no-charge, no-obligation conversation, please call my office at (606) 748-1570, or send me a short email at Debra_M@alltel.net

Thank you . . .I am looking forward to speaking with you.

Sincerely,