Medical Marijuana Providers Need Billing, Payment Processing Options



Billing & Payment Processing for Medical Marijuana Cannabis

A Proven Commodity

Marijuana Cannabis is projected to be one of the fastest-growing industries over the next decade. Worldwide cannabis sales more than tripled, from $3.4 billion to $10.9 billion between 2014 and 2018, and Wall Street has forecast that sales will grow $30 billion by 2025. In the U.S., State and Commonwealth medical marijuana laws have changed expeditiously.

Cannabis has become a viable medical product for treating conditions such as Parkinson's Disease, cancer, arthritis, and neurological disorders.

The Challenges in Medical

Unfortunately, those that own/operate medical marijuana practices encounter an assortment of challenges because of a refusal of major financial institutions, private insurance companies – as well as the federal government – to assist them financially. Since cannabis is a controlled substance on the federal level, many banks look at legal businesses selling marijuana products as not worthy of their assistance, refusing them financial support and making it exceedingly complicated to maintain their profits.

Truth is, as this all goes mainstream – 33 states now have legalized medicinal uses of cannabis – entrée to insurance and banking services continues to be a major point of frustration throughout the medical marijuana chain.

Furthermore, for many healthcare providers (not just medical marijuana operations) it's compulsory to run cash only businesses, which can only lead to more aggravation. The cannabis industry has been a cash-only industry since its inception, mainly because cannabis businesses aren't able to do business with federally licensed banks, major private, insurance companies. Medicare / Medicaid will not cover for specific medical marijuana services and prescriptions.

There are several ways, however, to navigate these roadblocks by **employing alternative solutions that can significantly benefit those in medical marijuana.**

One alternative solution is referred to as **cannabis payment processing companies** and **billing groups** *(those that will bill for services outside of marijuana treatment, but still in-house)*, but there are a few things you need to know before choosing the right one.

Make sure your Payment Processing Company Understands the Complicated Legal Jargon

Nothing in the business world is easy and stress-free, and that goes for marijuana payment processing solutions as well. We've described that marijuana processing is not a simple undertaking and the most important thing **you'll want to do is put your business in the hands of a 3rd party company that knows how to deal with the legalities immersed within the industry.**

To process marijuana payments, it's critical that your payment processing company understands the legal issues of the cannabis industry, and just as critical, has the know-how to deal with hostile circumstances where legal authorities have doubts about activities on your account and may try to freeze your money.

Look for an Experience Medical Marijuana Payment Processing Company

It's critical to be mindful that marijuana continues to be identified as a Schedule 1 drug, and there are federal and local protocols and laws that a well-thought-of bill processing company must adhere to. When looking for a marijuana payment processing company, it's imperative to inquire how they deal with any sizeable volume passing through their system. Unfortunately, many third-party processors will gleefully transact your money, but when your business begins to grow, they'll leave you hanging out to dry.

The more transactions they process, the more they have to be accountable for those transactions. Always search for a long-term partner that can deliver a total solution, and that will be completely transparent about all fees and logistics from day one.

In short, look for a processor who is eager to form a long-term relationship and not just close a short-term deal.

Also, be sure the company can provide a merchant account for any cannabis-related business, including eCommerce, CBD products, and cannabis paraphernalia. Here's a good list of those that provide cannabis-friendly payment processing.

Start Small; Think + Plan Big

We're in this struggle together. Marijuana payment processing companies depend on and operate with specific vendors and businesses, so it's in their best interest to defend and support the "small fries" (and currently compromised) as much as possible.

Of course, they'll have to make a profit, but a good payment processor will demonstrate a "thank you" for your business. Additionally, when dealing with a processor that takes a genuine interest, you won't receive boilerplate e-mails or have to call them a dozen times simply to get a response.

If you're a start-up and just getting underway, searching for a reputable medical marijuana processing solution or are looking for a better way to navigate the medical cannabis industry, don't be anxious about working with a company that fits your budget and needs.

Marijuana Billing

Plenty of successful medical marijuana providers have discovered the benefits that outsourced medical billing can bring.

From the get-go, you'll need a medical (marijuana) billing company that can provide an immediate solution – one that:

- Has a thorough understanding of the legal issues of the medical cannabis industry
- Will completely take care of the billing for you
- Has an in-depth knowledge of coding and payer guidelines
- Can follow-up on incomplete documentation
- Can perform stringent audits and verification process(es)
- Offers fast turnarounds of claim submissions
- Provides fast follow-up of rejections
- Can assess your current compliance and privacy programs and identify areas of non-compliance
- Can make sure money keeps flowing into your practice
- Enables you to spend more time with customers and internal business tasks

Benjamin Franklin is quoted as saying, "If you fail to plan, you are planning to fail." We cannot stress enough the importance of sound planning when it comes to the medical cannabis industry. **That's why we ask that you give us a call to discuss how we can help you plot a course through this sometimes difficult pathway.**

Medwave offers all of these marijuana billing benefits, plus others too numerous to list.