

<b>Policy Category: Single Billing Office, Collections</b>		<b>Policy Number: NA</b>
<b>Approved By: Charles Meadows, Network Vice President, Revenue Cycle</b>		
<b>Effective Date: 1/1/2016</b>	<b>Review Date: 12/14/2015</b>	<b>Last Revised Date: 8/4/2014</b>

**Purpose:**

The purpose of this policy is to establish guidelines for collecting guarantor self-pay balances and for resolving account balances when guarantors are unable to pay their balances in full. Self-pay balances include uninsured balances and balances that become guarantor liability after adjudication with commercial, government or other primary payers. It is understood that Community Health Network will make every reasonable effort to bill and collect charges owed from commercial, government and other payers as a convenience to guarantors and related patients.

**Policy:**

It is network policy to consistently deploy industry standard and improved processes to collect all guarantor self-pay balances and to provide reasonable accommodations for those guarantors who are unable to pay their balances in full during the normal collections process. At its discretion CHNw will engage the use of third party partners to aid and assist in collection activity following consistent, defined business processes.

**Responsibilities:**

1. The Network Vice President of Revenue Cycle is responsible for administration and maintenance of this policy.
2. Single Billing Office, Central Billing Office or other Patient Service operations is responsible for following this procedure.

**Processes and Procedures Followed in Collection and Resolution of Self-pay Balances:**

1. Appropriate efforts are made to collect insurance co-pays, minimum uninsured patient contributions and additional amounts, as defined by the Financial Assistance Policy, on or before a patient's date of service. Continuous improvement is exercised to increase the amount of patient liability that is collected pre-service. Patients who cannot pay the minimum pre-service amounts may be pre-qualified for medical necessity and financial assistance prior to the scheduling of their requested services.
2. Following the date of discharge charges for uninsured patients/guarantor's will become their responsibility and the normal collection process begins. The patient will receive statements requesting payment in full. In addition, outbound telephone collections calls can be made to the guarantors following the due date of their first statement. Guarantors can make their payment by personal check, credit card, debit card, FSA card, certified check, money order or cash through U.S. Mail, on-line web based portals as appropriate, telephone, or by visiting most Community facilities.

3. Guarantors can request assistance with their bill any time during the pre-service or normal collections process through: one on one conversation with financial representatives, telephone, email, fax and/or My Chart or other web based portals as appropriate. Directions on who to contact and how is widely publicized on statements, eCommunity.com, other web based portals, brochures and other written communications. Guarantors can also request assistance when responding to outbound collections calls.
4. Several programs / plans are offered to assist guarantors with payment of their bill or resolving their account.
  - A. Programs / plans available to uninsured patients or for uninsured services may include:
    - a. Automatic discounts of up to 60%,
    - b. Negotiated flat-rate discounts,
    - c. Medicaid eligibility screening,
    - d. Assistance with enrollment in the Healthcare Marketplace,
    - e. Assistance with enrollment for Social Security Disability, and
    - f. Assistance with enrollment for Prescription Drug replacement
  - B. Programs / plans available to all guarantors to assist with payment of their bill or account resolution may include:
    - a. Re-bill to existing insurance company,
    - b. First time bill to a new or additional commercial or government payer,
    - c. Audit or appeal of disputed charges,
    - d. Handling of bankruptcy or estate claims,
    - e. Establishing an interest free Payment Plan Arrangement (PPA)
      - i. PPAs are established for a guarantor's total account balance or, for a portion of the balance with the difference being paid at the time the PPA is established.
      - ii. PPAs are billed in-house or through a third party administrator on a monthly basis.
      - iii. Guarantors are expected to satisfy their outstanding balance with the shortest possible payment term. The minimum monthly payment amount is \$25. The minimum term is 3 months. The maximum length of term is variable based on the amount set up on a payment plan. The use of a payment term calculation tool or schedule is required to help establish system wide consistency for payment terms and monthly payment amounts.
      - iv. When a payment plan is established, a confirmation letter stating the guarantor's commitment to follow the plan and the details of the plan is produced and mailed to the patient. The account is categorized as a payment plan for tracking and monitoring purposes.
      - v. A patient who has a delinquent account is allowed one month to make up the missed payment. Delinquent accounts may be set up for special handling and outbound collections calls. When guarantors fail to meet the payment schedule the accounts are no longer eligible for a payment plan, must be paid in full and may qualify for placement with a collection agency.
    - f. Financial Assistance (charity)
      - i. The final step in the normal account resolution process is Financial Assistance. Guarantor's can apply for financial assistance and have all or a portion of their

balance reduced based on their qualifying financial need. See Financial Assistance policy for additional information.

5. Under normal circumstances accounts will remain in the normal collection process for approximately 120 days. If the account remains unpaid or unresolved it is transferred to a collection agency for ongoing collection activity. Guarantor's who are sent to a collection can be reported to credit bureaus and are subject to legal proceedings. However, collection agency vendor partners of CHNw strictly adhere to IRS 501R guidance as it relates to credit reporting and financial assistance qualifications.
6. Accounts will remain with a primary collection agency for approximately 365 days. Accounts not satisfied, on a payment arrangement or pending garnishment after 365 days may be recalled and placed with a secondary collection agency.

### **Policy Review**

This policy can be reviewed by anyone and comments should be sent to the Executive Director, Revenue Cycle or Manager, Single Billing Office Client Services for review.

Changes to this policy will be recommended for approval by the Executive Director, Revenue Cycle with final approval Vice President, Network Revenue Cycle.