

CAMPBELL COUNTY MEMORIAL HOSPITAL

PATIENT ACCOUNTING DEPARTMENT POLICY & PROCEDURE

SUBJECT: ACCOUNTS RECEIVABLE BILLING AND COLLECTION PROCEDURE

POLICY: This Policy describes certain discounts that may be available to patients with respect to self-pay balances. This policy also sets forth the actions that the Hospital may undertake in the event of non-payment of any patient balance for Hospital services. This policy also sets forth the measures that the Hospital will undertake to ensure that reasonable efforts are made to determine whether a patient is eligible for financial assistance under the Campbell County Memorial Hospital Financial Assistance Policy, prior to commencing any extraordinary collection actions in an effort to collect the account.

DEFINITIONS:

- A. Application Period – The period during which the Hospital must accept and process an application for financial assistance pursuant to the Campbell County Memorial Hospital Financial Assistance Policy. Copies of the Financial Assistance Policy and the Financial Assistance Application are available at http://www.cchwyo.org/As_Our_Patient/Financial_Assistance.aspx. The Application Period begins on the date that the healthcare services are provided and ends on the 240th day after the Hospital provides the first post-discharge Billing Statement for the care.
- B. Billing Statement – Any notice mailed or delivered to the patient requesting payment. The notice can be the first post-discharge Billing Statement for the care, any routine monthly Billing Statement thereafter or a Pre-Collection letter.
- C. Extraordinary Collection Action (ECA) – Any action against the patient related to obtaining payment of a patient balance where such action requires a legal or judicial process. By way of example, ECA's include most types of liens, foreclosure on real estate, attachment or seizure of bank accounts or personal property, commencing a civil action, causing arrest or a writ of body attachment, or garnishment of wages or other income. The term ECA also includes the reporting of a patient debt to a credit bureau or agency. However, ECA's do not include liens asserted by the Hospital on the proceeds of a personal injury judgment, settlement or compromise, nor the filing of a claim in a bankruptcy proceeding. ECA's also include selling a debt, delaying or denying medically necessary care because a person hasn't paid prior bills, or requiring pre-payment for medically necessary care because a person hasn't paid prior bills.
- D. Patient Account Representatives - Personnel in the Hospital's Patient Accounting Office who educate patients regarding the Hospital's financial policies, including but not limited to the Financial Assistance Policy and the terms of this Self Pay Billing and Collection Policy.
- E. Notification Period – The time period during which the Hospital must notify the patient about the availability of financial assistance. The Notification Period begins on the first date care is provided to the patient and ends on the 120th day after the Hospital provides the first post-discharge Billing Statement for the care.

- F. Patient Balance – Any balance on an account that is not paid by insurance, governmental payor, or other third-party payment source.

- G. Plain-Language Summary – The written summary of the Campbell County Memorial Hospital’s Financial Assistance Policy, a copy of which is attached to the Policy and available at http://www.cchwyo.org/As_Our_Patient/Financial_Assistance.aspx. The Plain-Language Summary will be publicized as described in the Financial Assistance Policy.

- H. Pre-Collection Letter – A Billing Statement that is mailed or delivered to the patient by the Hospital at least 30 days prior to the commencement of one or more ECA’s to obtain payment of the balance due, and including the other required content described below.

PROCEDURE:

- 1. Payment options available to patients for self pay balances utilizing hospital services are as follows:
 - A. In house, interest free payment arrangements will be offered to extend payments over a period of time until the account is paid in full. The required monthly payment is based on the original self-pay balance or the balance after insurance pays:

SELF PAY BALANCE	REQUIRED MONTHLY PAYMENT
\$50 and below	Payment in full
\$51 – 400	\$50
\$401 – 1000	Credit extended for 6 months
\$1001 and over	Credit extended for 12 months

- B. Prompt Pay Discounts:
 - 1. Uninsured
30% Discounts will be offered to self- pay patients when the total balance minus the 30% is paid within 30 days from the date of first billing. See the Payment options policy for more details.
 - 2. Underinsured
15% discounts will be offered to insured patients that have yearly deductibles of \$2500 or more per individual and \$5000 or more per family. See the Payment Options policy for more details.

- C. Interest bearing extended payment plans offered by third party vendors
 - 1. Bank Loans
 - 2. Receivable Solutions - A third party agency that is not a collection agency and does not credit report. Accounts are referred here to protect the guarantor’s credit rating when interest free payments to the hospital cannot be maintained. Accounts transferred here are not considered delinquent or Bad Debt.

- D. Hospital Assistance
Campbell County Memorial Hospital has established a fund to offer financial assistance to eligible persons who cannot afford to pay for care. See the Hospital Assistance Funding policy for detailed information regarding this program.

- 2. Delinquent Account follow up/collection process:
 - A. The hospital payment terms are included on all itemized bills.
 - B. Insurance accounts

- The collection process starts after insurance payment or denial
 - A guarantor statement which includes the required monthly payment will be mailed every 30 days thereafter until the account(s) are paid in full or transferred to Bad Debt
 - A 90-day collection period will ensue
 - An attempt to contact the guarantor/patient will be made after every missed payment
 - If no payment is received in the 90 day period the account(s) will be transferred to Bad Debt
3. Self- Pay follow-up/ collection process
- An informational letter is mailed with each self-pay summary bill outlining the patient of their payment options.
 - A guarantor statement will be mailed 30 days after the first detail bill and every 30 days thereafter until the account(s) are paid in full.
 - The required monthly self-pay payment based on the hospital credit terms will print on the monthly statement.
 - A 90-day collection period will ensue.
 - An attempt to contact the guarantor/patient will be made after every missed payment.
 - During this period, the absence of payment will result in transfer of the account(s) to Bad Debt.
4. Follow-up/collection process when minimum monthly payment not met
- If the patient is unable to make the payment required by the hospital in-house interest free credit terms, a 60 day collection period will ensue.
 - A dunning message indicating the partial payment will be placed on the statement.
 - An attempt will be made to contact guarantor/patient to discuss all payment options including both extended payment plans
 - If a partial payment is made again in the next statement cycle a dunning message indicating the transfer of the account to an outside agency will be placed on the statement.
 - A letter will be sent to the patient with details about Receivable Solutions and the transfer of their accounts.
 - The account(s) will be transferred to Receivable Solutions

EXTRAORDINARY COLLECTION ACTIONS (ECA'S)

1. Subject to compliance with the provisions of this policy, the Hospital may take any and all legal actions, including Extraordinary Collection Actions (ECA), to obtain payment for healthcare services provided.
2. The Hospital will not engage in any ECA's, either directly or by any debt collection agency or other representative, before reasonable efforts are made to determine whether the patient is eligible for assistance under the Campbell County Memorial Hospital Policy, including through:
 - Conspicuous public displays that inform guarantors about the Financial Assistance Program. Such displays will be located in the emergency room and all admissions areas that include the following information,
 1. Financial Assistance is available under Hospital's Financial Assistance Policy
 2. Information about how or where to obtain information about the Financial Assistance Policy and application process.
 3. Information about how or where to obtain copies of this Financial Assistance Policy, a Plain-Language Summary of this Financial Assistance Policy, and the Financial Assistance Application.

- Hospital will make available a paper copy of the Plain-Language Summary of this Financial Assistance Policy to all patients as part of the intake and/or discharge process.
- Hospital will include the following information on all billing statements:
 1. Financial assistance is available under Hospital's Financial Assistance Policy.
 2. The telephone number of a Hospital office or department that can provide information about the Financial Assistance Policy and process.
 3. The direct website address (URL) on which this Financial Assistance Policy, the Plain-Language of this Financial Assistance Policy and the Financial Assistance Application are available.

The written notice on billing statements will be conspicuously placed and of sufficient size to be clearly readable.

- This Financial Assistance Policy, the Plain-Language Summary of this Financial Assistance Policy and the Financial Assistance Application will be available at all times on Hospital's website,
 - Paper copies of this Financial Assistance Policy, the Plain-Language Summary of this Financial Assistance Policy and the Financial Assistance Application will be made available up request and without charge by mail, in Hospital's emergency room and in all admissions areas.
 - Hospital will take reasonable efforts to notify and inform community members about this Financial Assistance Policy in a manner that is reasonably calculated to reach those individuals who are most likely to need financial assistance.
 - If any population with limited English proficiency comprises more than 5% of the population in Hospital's community or more than 1,000 individuals, then all communication methods described in this policy will also be followed in the primary language of that population.
3. During the Notification Period, the Hospital will provide each patient with at least three Billing Statements, each of which includes a conspicuous statement regarding the availability of financial assistance, including:
- A phone number for information about the Financial Assistance Policy and the application process; and
 - A website address where the Financial Assistance Policy, Financial Assistance Application, and the Plain-Language Summary are available.
4. In the event that the Hospital intends to undertake one or more ECA's, the Hospital will mail or deliver to the patient a Pre-Collection Letter at least 30 days prior to commencement of the ECA(s). The Pre-Collection Letter will include all of the following:
- A statement that the Hospital intends to initiate one or more ECA's (identifying the specific ECA's to be undertaken) to obtain payment of the balance due;
 - A date (which must be at least 30 days following the date of the Pre-Collection Letter) by which payment must be made in order to avoid the specified ECA's;
 - A conspicuous statement that financial assistance is available pursuant to the Campbell County Memorial Hospital Financial Assistance Policy; and
 - A copy of the Plain-Language Summary.

Under no circumstances may a Pre-Collection Letter be mailed or delivered to a patient earlier than 30 days prior to the end of the Notification Period. During the 30-day period following the mailing or delivery of the Pre-Collection Letter, the Hospital will continue to make reasonable efforts to orally notify the patient about the availability of financial assistance.

If an intended ECA will cover charges for multiple episodes of care, the timelines associated with the Notification Period (120 days) and the Application Period (240 days) will be measured with respect to

the most recent episode of care at issue (specifically, from the date of the first post-discharge Billing Statement for that care).

5. After the Notification Period has expired, the Hospital may commence one or more ECA's as follows:
 - If the guarantor has not applied for financial assistance under the Campbell County Memorial Hospital Financial Assistance Policy by the last day of the Notification Period, the Hospital may initiate an ECA, but only after the Pre-Collection Letter has been provided and a period of at least 30 days has elapsed thereafter.
 - If the guarantor has applied for the financial assistance but a determination has been made that the patient does not qualify under the Campbell County Memorial Hospital Financial Assistance Policy, the Hospital may initiate one or more ECA's.
 - If a guarantor submits an incomplete Financial Assistance Application prior to the expiration of the Application Period, then ECA's may not be initiated until the following process has been completed:
 - The Hospital provides the patient with a written notice that describes the additional information or documentation required in order to complete the Financial Assistance Application;
 - The Hospital provides the patient with at least 30 days' prior written notice of the ECA's the Hospital may initiate against the guarantor if the Financial Assistance Application is not completed or payment is not made by a specified date; *provided however*, that the deadline for completion or payment may not be set prior to the end of the Application Period.
 - If the guarantor then completes the Financial Assistance Application and the Hospital determines definitively that the guarantor is ineligible for any financial assistance, the Hospital will give the patient an opportunity to establish a payment plan before initiating any ECA's; and
 - If the guarantor fails to complete the Financial Assistance Application by the specified date provided in the written notice, the Hospital may initiate one or more ECA's.
 - If a Financial Assistance Application (whether complete or incomplete) is submitted by a guarantor at any time during the Application Period, the Hospital will suspend any ECA's underway for so long as the guarantor's Financial Assistance Application is pending.
6. The Hospital may authorize external collection agencies functioning on its behalf to undertake ECAs consistent with the provisions set forth above and applicable law. However, any ECA proposed to be undertaken by an external collection agency will require the prior approval of the Hospital in each case specifically as to the particular guarantor and account.
7. The account balances of guarantors who are able, but unwilling, to pay for Hospital services are considered uncollectible bad debts; such accounts will be referred to outside agencies for collection. The account balances of patients who qualify for financial assistance under the Campbell County Memorial Hospital Financial Assistance Policy, but who fail to pay the remaining (discounted) balance when due, are considered uncollectible bad debts for the amount of such balances; such accounts will be referred to outside agencies for collection.
8. If the Hospital refers or sells patient debts to another party during the Application Period, the Hospital will enter into a written agreement with such party that obligates such party to:

- Refrain from engaging in ECA's until the Notification Period has expired and at least 30 days have passed since the Pre-Collection Letter was mailed or delivered to the guarantor;
- Suspend any ECAs if the guarantor submits a Financial Assistance Application during the Application Period; and
- If the guarantor is determined to be eligible for Financial Assistance ensure that the patient is not asked or obligated to pay (and does not pay) more than required, and reverse any ECA's previously taken.

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