

Policy: PATIENT/GUARANTOR BILLING AND COLLECTIONS

DEPARTMENT SPECIFIC: REVENUE CYCLE							
Folder	Business Office			Sub-Folder (If Applicable)	Click here to enter text.		
Effective Date	9/2/2016	Approved Approver/Date	STEVE HAAS, VP FINANCE, CFO September 02, 2016				
Last Reviewed/ Revised Date	6/23/2017	OSHA Category (If Applicable)	Choose an item	Standard (If Applicable)	Click here to enter text.	Number of pages	3

PURPOSE:

To establish a process of managing, billing, and collecting patient/guarantor responsible balances due to SoutheastHEALTH for services provided to the patient/guarantor.

SKILL LEVEL: Patient Financial Services

GUIDELINES:

SoutheastHEALTH will assist all patients in the billing of insurance claims to governmental agencies, commercial insurance carriers and other third party payers. This policy outlines the process for managing all patient/guarantor responsible balances due to SoutheastHEALTH for services provided. Self-pay patients/guarantors (patients without health care insurance) will be cooperated with fully while being encouraged to satisfy their financial obligations to SoutheastHEALTH on a timely basis. An atmosphere of mutual understanding between the patients we serve and SoutheastHEALTH will be maintained at all times. SoutheastHEALTH will only bill for services actually provided to patients and will provide assistance to patients seeking to understand the cost of their care. Staff will also attempt to resolve questions and objections to the satisfaction of the patient.

PROCEDURE:

1. All patients/guarantors will be provided a billing statement with a summary of charges, insurance payments / adjustments and balance due from the patient / guarantor.
2. SoutheastHEALTH will conduct account follow-up with patients/guarantors as follows:
 - Billing statements will be sent to the patient/guarantor routinely every 30 days with payment options, including information regarding Financial Assistance / Charity Care / Uninsured Discount

- Telephone contact will begin within 21 days of the initial billing statement. Payment options including short term monthly payment plan, Financial Assistance / Charity Care / Uninsured Discount will be discussed (refer to the applicable policies)
 - At 150 days from the initial billing statement, unresolved accounts will receive a “Final Demand” for payment statement. At this time the account will qualify for collection action
 - At 180 days from the initial billing statement, unresolved accounts may be placed with an external collection agency
3. SoutheastHEALTH offers several different payment options to settle accounts:
- Payment in full:
 - Cash, Check, MasterCard, Visa, Discover
 - Three equal installments over 90 days
 - Short term monthly payment arrangements may be established to resolve the account balance within 12 equal monthly installments
 - Terms longer than twelve (12) months may be considered based upon special circumstances and approved by Director – Revenue Cycle
 - Financial Assistance / Charity Care / Uninsured Discount is available, refer to the policy guidelines
4. Collection Agency – Primary. Unresolved accounts will be assigned at 181 days from initial billing and will remain with the primary collection agency for 180 days from placement.
- Collections efforts will be conducted utilizing patient/guarantor billing statements, collection letters and telephone contact
 - Payment arrangements are available as stated above
 - Financial Assistance / Charity Care / Uninsured Discounts are available as stated above
 - Accounts will not be reported to the Credit Bureau
 - Accounts will not be subject to legal collection efforts
5. Collection Agency - Secondary. Unresolved accounts will be assigned at 331 days from initial statement date and will remain with the secondary collection agency for 180 days from placement.
- Collections efforts will be conducted utilizing patient/guarantor billing statements, collection letters and telephone contact
 - Payment arrangements are available as stated above
 - Financial Assistance / Charity Care / Uninsured Discounts are available as stated above

6. Unresolved accounts are subject to credit bureau reporting at 60 days from placement with the secondary agency
 7. All unresolved accounts are subject to legal action. Any collection costs incurred, such as attorney fees and/or court costs will become the responsibility of the patient /guarantor and will be added to the account balance
8. Bad Debt
- Unresolved accounts that have completed the collection process will be considered “uncollectable” and subject to bad debt write-off

REFERENCES:

77 Fed. Reg. 38147, 38154, 38155
Prop. Treas. Reg. 1.501(r)-1(b) (14), 77 Fed. Reg. 38147, 38161
Prop. Treas. Reg. 1.501(r)-5(d), 77 Fed. Reg. 38147, 38161
Prop. Treas. Reg. 1.501(r)-6(b) (4), 77 Fed. Reg. 38147, 38161
IRC 501(r) (6)
77 Fed. Reg. 38147, 38156

Attachments: N/A