

Policy and Procedure

Title: Patient Billing and Collection Process		Control No.:	Version: 6
Replaces: v.5 Patient Billing and Collection Process			
Policy Owner: Deena Nobles (Manager - Patient Responsibility Services), Patient Responsibility Services			
Reviewers: Dean Verret (Director - Patient Financial Services), Joann Cannata (Director - Risk and Regulatory), Monica Allen (Cancer Service Line Administrator) Cancer Clinic, Patient Financial Services - Administration, Regulatory And Risk			
Approvers: Cory Leonard (VP - Financial Services) Administration		Date Approved: 02/05/2025	Date Last Reviewed: 02/05/2025

Purpose:

This policy sets forth guidelines for consistent billing and collection processes on all Guarantor balances.

Scope:

This policy applies to all Guarantors of patients that have an outstanding hospital patient balance at Terrebonne General Health System.

Policy/Procedure:

Terrebonne General Health System is committed to following a consistent approach to notify all Guarantors of financial responsibility and provide 180 days to resolve account balances before transferring accounts to bad debt. Collection efforts may include statements, telephone calls, letters, online bill pay and access to a customer service representative which can provide assistance regarding billing inquiries.

A. Statements

- Statements are generated after determination of patient responsibility.
- A minimum of 6 patient statements are sent based on a 30 day cycle.
- It is the patients' responsibility to inform the hospital of any active insurance coverage(s) applicable to their visit within 180 days from the first statement date. If active insurance coverage is discovered after the timely filing period, the balance will remain patient responsibility.
- Patients will not be sent a statement for any balances not previously billed to the patient within 12 months of determination of patient responsibility.

B. Additional collection activity process

- a. Accounts may be eligible for outbound collection calls which may either be made in house or by an Early Out Collection vendor responsible for making outbound collection calls.
- b. Accounts will be placed with an Early Out Collection Vendor from the first statement date.
- c. At day 150, legal letter is sent from in house counsel through Early Out Vendor.
- d. Accounts remain with Early Out Collection Vendor until the outstanding balances reach 180 days from the first statement date and 6 statements and the in house legal letter have been sent.

C. Bad debt determination and transfer process

- a. Accounts qualify for bad debt placement when the account balance is outstanding for a minimum of 181 days from the first statement date.
- b. Collection attempts are made for a minimum of 45 days from the date of placement.
- c. When normal collection attempts fail, the collection agencies can recommend legal action. Legal action may include phone calls and letters in order to effect collections. In addition, after obtaining prior approval from Terrebonne General Health System leadership, the collection agencies' legal counsel can seek judgments and garnishment of wages for effective collection of a bad debt.
- d. Terrebonne General Health System collection agencies may report patients to the various credit reporting agencies.
- e. Unresolved accounts with no payment for 120 days or accounts not on an active payment arrangement may be closed and returned to Terrebonne General Health System to be tagged as uncollectible bad debt in the patient accounting system.

D. Uninsured Discount

- a. For patients who are uninsured, the financial assistance discount is applied to gross charges for the eligible services after first deducting the uninsured discount on technical charges. The Uninsured discount represents the average payor yield by reviewing Medicare and commercial actual and expected Payments (including the patient portion) over the prior twelve month period. In no event are gross charges billed to a patient approved for Financial Assistance without a corresponding discount.

Enforcement and Exceptions:

- A. Early placement to an outside collection agency may be determined by a representative regardless of age for the following reasons:
 - a. Mail Returns/Skips
 - b. Deceased/Successions
 - i. Accounts with outstanding balances may be referred to an outside agency for further research to determine if a claim against the estate should be filed.
- B. Some accounts are not sent to collection agencies based on an inability to contact the patient and are instead marked as uncollectible bad debt.
 - a. Persons may be considered presumptive uncollectible under the following circumstances:
 - i. Persons who are mentally or physically incapable of providing documentation and have no known family or other assistance;
 - ii. Deceased person with no apparent estate or spouse financially able to satisfy the debt;
 - iii. Persons whose identity cannot be established;
 - iv. Persons who are incarcerated;
 - v. Transient, homeless persons.
- C. The director, managers and supervisors of Patient Financial Services are responsible to communicate, monitor and measure compliance of the above documented policies and procedures.
- D. Requests for exception to this policy must be submitted to the Chief Operating Officer, or designee, and describe the reasons for requesting the exception.
- E. Prior to the approval of any exception request, policy requirements will continue to be abided by

Definitions:

- A. Early Out Collection Vendor: Outside agency responsible for the outsourcing of collection attempts prior to being considered bad debt.
- B. Guarantor: The party responsible for payment of charges not covered by insurance or all charges when the patient does not have insurance coverage (Self-Pay/Private-pay patient).
- C. Reasonable Collection Efforts: A minimum of 6 patient statements are sent based on a 30 day cycle; patients are provided 180 days to resolve account balances or apply for financial assistance before transferring accounts to bad debt; and, patients may obtain the financial assistance plain language summary during the registration process.

Equipment:

N/A

References:

Financial Assistance Program Policy

Self-Pay Reductions Policy

Payment Plans for Self Pay Balances