

 <b>Copley Health Systems, Inc.</b>	<b>Effective:</b> 05242018
	<b>Last Review of Revision:</b> 05202020
<b>Policy Title:</b> Self-pay Collections Policy: Patient or Guarantor Billing & Collection	
<b>Policy Type:</b> <input checked="" type="checkbox"/> Administrative <input type="checkbox"/> Patient Care	
<b>Policy Scope:</b> <input type="checkbox"/> Copley Health Systems <input checked="" type="checkbox"/> Copley Hospital <input type="checkbox"/> Single/Multi-Departmental	
<b>Approved by:</b> Chief Financial Officer	
<b>Associated Procedure:</b>	

**Policy:**

Copley Hospital will follow standard reasonable collection procedures to secure financial resolution of private-pay balances, including uninsured patient accounts and residual balances due from insured patients as per the insurance carrier’s remittance advice.

**Policy Provisions:** Standard collection procedures for private-pay balances include:

1. Payment is requested at the time of service for outpatient services. Inpatients are counseled prior to admission, at the time of admission, and/or during the hospital stay regarding payment expectations.
2. Payments terms may be extended to guarantors that request such arrangements in accordance with the department’s payment arrangements policy. The number of payments and the amount of the monthly payments may be determined based upon the balance owed and/or the guarantor’s household income level.
3. Financial Assistance is available to guarantors who meet the eligibility requirements. Income level, household size, residency status, etc., determine eligibility. Federal Poverty Level guidelines are utilized to determine the amount of assistance a household may be eligible for. (See Financial Assistance Program Policy for details) For the patient’s convenience, all statements have an abbreviated version of the Financial Assistance Application on the back.
4. Patient accounts with balances due from the guarantor receive a first time statement for all services on a particular date of service after any/all insurance claims have been adjudicated. Patients who are uninsured receive a 20% discount on all services, in lieu of the discounts often extended under commercial insurance contracts. In addition, an optional 10% prompt-pay discount is offered for all guarantors, whether insured or uninsured, who elect to receive this discount when paying within 30 days of the first billing statement.
5. Monthly cycle statements are sent to all guarantors with outstanding balances. Each cycle statement has a message determined by the age of the account. Guarantors receive a minimum

of two monthly cycle statements beginning 30 days after their first time statement. Accounts with balances greater than \$50 also receive reminder phone calls 15 days after each cycle statement, on day 45 and day 75 of the private-pay billing cycle.

6. Once an account has progressed through the two levels of cycle statements, a final notice is sent. If satisfactory payment arrangements are not made within 30 days of the final notice (120 days total since the mailing of the first statement), the account progresses to bad debt status.

7. Accounts in bad debt status are reviewed and processed on a weekly basis by the Financial Counselor and approved by Manager/Director of Patient Financial Services. Based on the review, the account may be written off as bad debt.

Accounts with balances of \$9.99 or less, or that have no possibility of collection (deceased patients with no estates and bankruptcies), as determined by the Financial Counselor and/or Manager/Director of Patient Financial Services, are written off directly to in-house bad debt, which is not reported to a collection agency or credit bureau.

All other bad debt accounts are placed with either a collection agency or an attorney for collection depending on the circumstances surrounding the accounts status. All bad debt accounts placed with a collection agency or an attorney are listed with a credit bureau until the account is resolved.

**References:**

Financial Assistance Program Policy