

## **PATIENT BILLING AND COLLECTIONS**

**Originator: Patient Accounting**

**Approved By: Mark T. Steele, M.D., Executive Chief Clinical Officer**

**Policy:** Truman Medical Centers (TMC) is committed to adhering to billing and collections processes compliant with all state and federal laws, regulations, guidelines, and policies. TMC will make reasonable efforts to determine eligibility for financial assistance by 120 days from the first post-discharge billing statement prior to initiating any Extraordinary Collection Action (ECA) to obtain payment for care.

**Scope:** ☒ Corporate ☐ Facility ☐ Department

Hospital Hill	Lakewood	Long Term Care	University Health Surgery Center
X	X		X

### **Procedure:**

#### **I. Billing Patient Balances**

- A. TMC or its contracted vendor will send four statements over a course of 120 days from the date of the patient's first post-discharge statement prior to considering placing unpaid balances with a collection agency. Patients with no valid mailing address will be contacted by phone, if a phone number is available.
- B. Bills and statements to patients residing in the defined catchment area will include notification of TMC's [Financial Assistance Policy \(FAP\)](#).
  1. The front of the statement will carry a brief message referencing the catchment area (Kansas City or Jackson County, Missouri), the phone number to call for information, and the full web address for online information, including the application form.
  2. The back of the statement will carry a Plain Language Summary of the FAP.
- C. The final statement for all patients will include a message indicating that TMC intends to place the account with a collection agency 30 days from the statement date, and that that action may have a negative effect on the patient's credit history
- D. Consideration for placement with a collection agency will occur if the patient does not pay the account in full, make a payment arrangement commensurate with the balance as determined by TMC and approved by an authorized representative of TMC, or qualify for financial assistance as outlined in the [Financial Assistance Policy \(FAP\)](#).

#### **II. Financial Assistance Application**

- A. TMC, a contracted vendor or the collection agency will notify patients about financial assistance and the financial assistance application in the course of each conversation to collect payment for care.
- B. A financial assistance application and the financial assistance program requirements form may be mailed to patients by the contracted vendor, TMC or a

collection agency. Patients will also be informed of other methods of obtaining the financial assistance application as outlined in the [Financial Assistance Policy \(FAP\)](#).

- C. Financial assistance applications may be submitted up to 240 days from the first post-discharge billing statement.
- D. If a patient submits an application that is denied due to being incomplete, the following events will occur:
  - 1. If any ECAs have been initiated, they will be immediately suspended.
  - 2. The patient will be notified in writing of any additional information needed to complete the application deficiencies.
  - 3. The patient will have 30 days to complete the application process, or respond with any missing documentation that resulted in the initial denial of the application.
- E. A complete financial assistance application will be processed as follows:
  - 1. Determination will be made of the patient's qualification for financial assistance.
  - 2. The patient will be notified in writing of the approval or denial.
  - 3. Payments that have made on accounts that are eligible for financial assistance will be refunded or transferred to other outstanding account balances.
  - 4. TMC will take all reasonably available measures to reverse any ECAs that may have been initiated on the account.

**Definitions:**

**Extraordinary Collection Actions (ECA):** Certain actions taken by TMC to obtain payment of a bill for care covered under TMC's [Financial Assistance Policy \(FAP\)](#). These include, but are not limited to, selling an individual's debt to another party; reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus; deferring or denying or rewiring payment before providing medically necessary care because of an individual's nonpayment of one of more bills for previously provided care; actions that require a legal or judicial process, including placing a lien, foreclosing on property, attaching a bank account.