# GRANT REGIONAL HEALTH CENTER, INC.

**SUBJECT: GENERAL CREDIT AND COLLECTION AGENCY POLICY** **RESPONSIBILITY OF: BUSINESS OFFICE**

**EFFECTIVE DATE: 05/01/96 REVISED DATE: 11/17/2015; 07/29/2017, 04/26/2022**

**POLICY:**

Grant Regional Health Center (GRHC) will make every effort to collect delinquent accounts through in-house measures. For those individuals who qualify, or may qualify, for financial assistance under GRHC’s Financial Assistance Policy (FAP), GRHC will not engage in any Extraordinary Collection Action against the individual to collect payment for medical care before GRHC has made reasonable efforts to determine whether that individual is eligible for such financial assistance. Certain accounts, however, will need to be forwarded to a collection agency when these in-house measures fail to bring in payment. This policy is to insure GRHC is offered every opportunity to receive payment for services rendered.

Extraordinary collection activities (ECAs) that GRHC may take related to a billing statement for medical care covered under the FAP include reporting adverse information about the individual to credit reporting agencies or credit bureaus, garnishment of wages, civil action on bank accounts or personal property, or placing a lien on personal property. GRHC may also sell an individual’s debt to another party; these debt sales will not be ECAs and are done pursuant to a written agreement between GRHC and the purchaser of the debt pursuant to 26 C.F.R. § 1.501(r)-6(b)(2).

# PROCEDURE:

In accordance with the General Credit and Collection Guidelines, the Business Office staff is tasked to follow the Billing Process through the Electronic Health Record (E.H.R) System. When all payments have been received on the patients account and the account moves into a self-pay status, the Business Office will check Medicaid eligibility in the Forward Health Portal for the calendar year in which service was provided for each patient. If the portal shows Medicaid participation within the calendar year the patient will qualify through presumptive eligibility for financial assistance. If the portal shows no active Medicaid participation then the Business Office continues the collection process in the following manner:

1. An initial letter will be generated informing the patient that his or her insurance has paid its allotted portion of the bill, and a balance still remains and this balance may be the responsibility of the patient. A payment option brochure will be included with this letter along with information regarding GRHC’s FAP. In addition, the patient is asked to contact the Business Office staff or third party designee to make payment arrangements or to receive a FAP Application, which is also available on the GRHC website.
2. FAP applications will be accepted for up to 240 days from the date that the first billing statement is sent to the patient (hereinafter, the Application Period).
3. On a monthly basis, the Business Office staff or third party designee will review all “Self-Pay” accounts to determine which accounts may be suitable for submission to a Collection Agency. These accounts are then transferred to bad debt within the system and forwarded to the Collection Agency for further action. No ECAs will be initiated for at least 120 days from the date that GRHC provides the first post-discharge billing statement for the care. In the event that GRHC aggregates an individual’s outstanding bills for multiple episodes of care, GRHC will refrain from initiating ECAs until 120 days after it provided the first post-discharge billing statement for the most recent episode of care included in the aggregation.
4. Once a patient account enters into GRHC’s collection process, a letter will be sent to the patient detailing the patient’s financial responsibility to GRHC and referring the patient to the Business Office to make payment arrangements. No further services will be rendered to the patient or family of the patient, except emergency room care and medically necessary care, until payment arrangements are made.
5. In an effort to determine whether an individual is eligible for financial assistance, at least 30 days prior to initiating an ECA to obtain payment for care, GRHC will:
	1. Provide the individual with a written notice that does the following:
		1. States that financial assistance is available for eligible individuals;
		2. Identifies the ECA(s) that GRHC intends to initiate to obtain payment for the care;
		3. States a deadline after which ECA(s) may be initiated that is no earlier than 30 days after the date that the written notice is provided; and
		4. Includes a copy of the FAP Plain Language Summary.
	2. Make a reasonable effort to orally notify the individual about the FAP and how the individual may obtain assistance with the FAP Application process.
6. When an initial application is received during the Application Period, the Business Office staff or third party designee will assess it for completeness.
	1. If a complete application is received, the Business Office will process the application as described in Section 7.
	2. If an incomplete application is received, the Business Office will take the following steps:
		1. Suspend any ECAs that GRHC has initiated with respect to the individual;
		2. Provide the patient with written notice that the application has been received and that clearly describes the additional information and documents required under the FAP that must be submitted to complete the evaluation of the application. The written notice will include specific contact information, including address and phone number, for the Business Office or third party designee who the patient can contact directly for assistance in completing the application; and
		3. The Business Office staff or third party designee will attempt additional follow up with the patient by phone or mail to offer assistance in gathering of required information and documents to complete the FAP Application.
		4. The individual will be given a reasonable time to complete and submit the application. If the individual subsequently submits a complete application during the Application Period (or, if later, such other reasonable timeframe allowed by GRHC), then GRHC will process the application as described in Section 7.
7. Upon receipt of the completed FAP Application and supporting information and documents, GRHC will proceed in the following manner:
	1. GRHC will make a determination as to whether the individual is FAP-eligible according to the FAP;
	2. GRHC will notify the individual in writing of the eligibility determination and the basis for the determination;
	3. If the individual is determined to be FAP-eligible for financial assistance for an amount other than free care, GRHC will provide the individual with a billing statement that indicates the amount the individual owes for the care as a FAP-eligible individual; and how that amount was determined and that states, or describes how the individual can get information regarding, the AGB for the care;
	4. If a payment had been made by the patient on account to GRHC or third party designee, a refund to the individual will be made for any amount he or she has paid for care that exceeds the amount he or she is determined to be personally responsible for paying (unless less than $5); and
	5. GRHC will suspend any ECAs that have been initiated with respect to the individual and take all reasonable measures to reverse any ECAs taken against the individual.
8. Accounts not qualifying for financial assistance through the FAP will be processed according to GRHC collection processes.
9. GRHC may, at its discretion, enter into pre-arranged payment plans with patients. If a patient falters from the payment plan, GRHC will send a written notice as described in Section 5 above, at least 30 days prior to sending the account to collections.

The Business Office Manager or designee is responsible to maintain an open file of all accounts forwarded to the Collection Agency. If a payment is made on an account in Collections, the Business Office Manager is responsible to inform the Collection Agency of said payment.

AUTHORIZED BY: /s/ Terri Abing

Board of Directors, Chair

Date reviewed/revised:

## Date/Initials Date/Initials Date/Initials

Distributed to: Business Office