



Policy/Procedure Title: Billing and Collection Policy	Current Effective Date: September 2019	Approved by: Business Office Manager
	Origination Date: 10/14/15 Dates Reviewed: 9.15, 9.16, 10.17, 9.18, 9.19 Dates Revised:	
Distribution: Business Office	Category: BO	Policy #: BO 218

SCOPE:

Business Office

PURPOSE:

It is the goal of this policy to provide clear and consistent guidelines for conducting billing and collections functions in a manner that promotes compliance, patient satisfaction, and efficiency. Through the use of billing statements, written correspondence, and phone calls, Highland District Hospital and its designees will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts. Additionally, this policy requires Highland District Hospital to make reasonable efforts to determine a patient’s eligibility for financial assistance under Highland District Hospital’s financial assistance policy before engaging in extraordinary collection actions to obtain payment.

POLICY STATEMENT:

After our patients have received services, it is the policy of Highland District Hospital to bill patients and applicable payers accurately and in a timely manner. During this billing and collections process, staff will provide quality customer service and timely follow-up, and all outstanding accounts will be handled in accordance with the IRS and Treasury’s 501(r) final rule under the authority of the Affordable Care Act.

DEFINITIONS

Extraordinary Collection Actions (ECAs): A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may only take against an individual to obtain payment for care *after* reasonable efforts have been made to determine whether the individual is eligible for financial assistance. These actions are further defined in Section II of this policy below and include actions such as reporting adverse information to credit bureaus/reporting agencies along with legal/judicial actions such as garnishing wages.

Financial Assistance Policy (FAP): A separate policy that describes Highland District Hospital’s financial assistance program including the criteria patients must meet in order to be eligible for financial assistance as well as the process by which individuals may apply for financial assistance.



Reasonable Efforts: A certain set of actions a healthcare organization must take to determine whether an individual is eligible for financial assistance under Highland District Hospital's financial assistance policy. In general, reasonable efforts may include making presumptive determinations of eligibility for full or partial assistance as well as providing individuals with written and oral notifications about the FAP and application processes.

PROCEDURE:

I. Billing Practices

A. Insurance Billing

1. For all insured patients, Highland District Hospital will bill applicable third-party payers (as based on information provided by or verified by the patient) in a timely manner.
2. If a claim is denied (or is not processed) by a payer due to an error on our behalf, Highland District Hospital will not bill the patient for any amount in excess of what the patient would have owed had the payer paid the claim.
3. If a claim is denied (or is not processed) by a payer due to factors outside of our organizations control, staff will follow up with the payer and patient as appropriate to facilitate resolution of the claim. If resolution does not occur after prudent follow-up efforts, Highland District Hospital may bill the patient or take other actions consistent with current regulations and industry standards.

B. Patient Billing

1. All uninsured patients will be billed directly and timely, and they will receive a statement as part of the organization's normal billing process.
2. For insured patients, after claims have been processed by third-party payers, Highland District Hospital will bill patients in a timely fashion for their respective liability amounts as determined by their insurance benefits.
3. All patients may request an itemized statement for their accounts at any time.
4. If a patient disputes his or her account and requests documentation regarding the bill, staff members will provide the requested documentation in writing within 10 days (if possible) and will hold the



account from being sent to an outside collection agency for 30 days or until the dispute is resolved.

5. Highland District Hospital or its designees may approve payment plan arrangements for patients who indicate they may have difficulty paying their balance in a single installment. Payment plans will not exceed 24 months.
 - a. The Business Office Manager has the authority to make exceptions to this policy on a case-by-case basis for special circumstances but not to exceed 48 months.
 - b. Highland District Hospital is not required to accept patient-initiated payment arrangements and may refer accounts to a collection agency as outlined below if the patient is unwilling to make acceptable payment arrangements or has defaulted on an established payment plan.

II. Collections Practice

- A. In compliance with Ohio State and federal laws, and in accordance with the provisions outlined in this Billing and Collections Policy, Highland District Hospital may engage in collection activities—including extraordinary collection actions (ECAs)—to collect outstanding patient balances.
 1. Patient balances may be referred to a third party for collection at the discretion of Highland District Hospital. Highland District Hospital will maintain ownership of any debt referred to debt collection agencies, and patient accounts will be referred for collection only with the following caveats:
 - a. There is a reasonable basis to believe the patient owes the debt.
 - b. All third-party payers have been properly billed, and the remaining debt is the financial responsibility of the patient. Highland District Hospital shall not bill a patient for any amount that an insurance company is obligated to pay.
 - c. Highland District Hospital will not refer accounts for collection while a claim on the account is still pending payer payment. However, Highland District Hospital may classify certain claims as “denied” if such claims are stuck in “pending” mode for an unreasonable length of time despite efforts to facilitate resolution.



- d. Highland District Hospital will not refer accounts for collection where the claim was denied due to a Highland District Hospital error. However, Highland District Hospital may still refer the patient liability portion of such claims for collection if unpaid.
- e. Highland District Hospital will not refer accounts for collection where the patient has initially applied for financial assistance or other Highland District Hospital sponsored program and Highland District Hospital has not yet notified the patient of its determination (provided the patient has complied with the timeline and information requested delineated during the application process).

B. Reasonable Efforts and Extraordinary Collection Actions (ECAs)

1. Before engaging in ECAs to obtain payment for care, Highland District Hospital or its designees must make certain reasonable efforts to determine whether an individual is eligible for financial assistance under our financial policy:
 - a. ECAs may begin only when 120 days have passed since the first post-discharge statement was provided.
 - b. However, at least 30 days before initiating ECAs to obtain payment, Highland District Hospital shall do the following:
 - i. Provide a plain language summary of the FAP along with the first billing statement.
 - ii. Provide the individual with a written notice that indicates the availability of financial assistance, lists potential ECAs that may be taken to obtain payment for care, and gives a deadline after which ECAs may be initiated (no sooner than 120 days after the first post-discharge billing statement and 30 days after the written notice)
 - iii. Attempt to notify the individual orally about the FAP and how he or she may get assistance with the application process
2. After making reasonable efforts to determine financial assistance eligibility as outlined above, Highland District Hospital (or its authorized business partners) may take any of the following ECAs to obtain payment for care:



- a. Report adverse information to credit reporting agencies and/or credit bureaus
 - b. Take legal action including but not limited to:
 - i. Garnish wages
 - ii. Place a lien on property
3. If a patient has an outstanding balance for previously provided care, Highland District Hospital may engage in the ECA of deferring, denying, or requiring payment before providing additional medically necessary (but non-emergent) care only when the following steps are taken:
- a. Highland District Hospital or its designees provides the patient with an FAP application and a plain language summary of the FAP
 - b. Highland District Hospital or its designees provides a written notice indicating the availability of financial assistance.
 - c. Highland District Hospital or its designees makes a reasonable effort to orally notify the individual about the financial assistance policy and explain how to receive assistance with the application process.
 - d. Highland District Hospital will process any FAP applications for previous care received within the stated deadline listed in the Financial Assistance Policy.
4. The Patient Financial Advocate is ultimately responsible for determining whether Highland District Hospital and its business partners have made reasonable efforts to determine whether an individual is eligible for financial assistance.
5. The Business Office has the final authority for deciding whether the organization may proceed with any of the ECA outlined in this policy.

III. Financial Assistance

- A. All billed patients will have the opportunity to contact Highland District Hospital regarding financial assistance for their accounts, payment plan options, and other applicable programs.



1. Highland District Hospital's financial assistance policy is available free of charge. Request a copy:
 - a. In person at the Business Office at 1275 N. High St., Hillsboro, Ohio 45133
 - b. By calling the Business Office department at 937-393-6193 or 1-866-393-6100 or mailing a request to 1275 N. High St., Hillsboro, Ohio 45133
 - c. Online at www.hdh.org
2. Individuals with questions regarding Highland District Hospital's financial assistance policy may contact the financial counseling office by phone at 937-840-6512 or in person at 1275 N. High St., Hillsboro, Ohio 45133

IV. Customer Service

- A. During the billing and collection process, Highland District Hospital will provide quality customer service by implementing the following guidelines:
 1. Highland District Hospital will enforce a zero tolerance standard for abusive, harassing, offensive, deceptive, or misleading language or conduct by its employees.
 2. Highland District Hospital will maintain a streamlined process for patient questions and/or disputes, which includes a toll-free phone number patients may call and a prominent business office address to which they may write. This information will remain listed on all patient bills and collections statements sent.
 3. After receiving a communication from a patient (by phone or in writing), Highland District Hospital staff will return phone calls to patients as promptly as possible (but no more than one business day after the call was received) and will respond to written correspondence within 10 days.