

## **SUBJECT: COLLECTIONS**

### **PURPOSE:**

The Collections Policy aims to establish guidelines by which the “Practice” will bill for the services it renders to the community it serves.

### **POLICY:**

To ensure billing practices are compliant with applicable laws and regulations.

### **PROCEDURE:**

#### **Billing**

All billings will be performed in accordance with all applicable governmental and other contractual regulations to the best of the “Practice’s ability.

#### **Past Due Balance**

If payment in full for services rendered has not been remitted at the time of service, the “Practice” has issued credit to the guarantor of the patient’s account. Unless designated explicitly by contract with an insurance carrier, the guarantor is liable for payment of services rendered within thirty (30) days after a claim or statement has been issued by the “Practice.” An account balance that has not been paid within thirty (30) days after a claim or statement has been issued is considered past due.

#### **Services Billed to Contracted Carriers**

Services that are billed to an insurance carrier that has contracted with the “Practice” to provide services to their members will be processed according to the specifics of each contract. Clean claims that have not been denied, rejected, or paid by the designated carrier within thirty (30) days will be granted a fifteen (15) day grace period to respond. If the claim is still outstanding after forty-five (45) days from the date of the claim submission, the appropriate biller will review the claim according to the “Outstanding Claims Review” procedure. All instances of nonpayment within the above guidelines will be documented as part of the “Claims Monitoring” program. Carriers that are classified as consistently delinquent will be forwarded to the attention of the Director of Revenue Cycle. If the issues cannot be resolved at this level, the carrier will then be notified of the “Practice’s intention to notify the State Department of Insurance and request a review of the carrier.

#### **Services Billed to Non-Contracted Carriers**

The “Practice” will bill non-contracted carriers directly as a courtesy to the patient. Clean claims that have not been paid within forty-five days of the billing date will be reviewed according to the “Outstanding Claims Review” policy. The outstanding balance will be transferred to a patient’s responsibility, and a statement will be sent to the account guarantor in the following statement cycle.

#### **Patient Balances after Insurance Payment**

Balances that are designated as a patient responsibility after insurance adjudication will be transferred to the appropriate bill type, and the guarantor will send a statement in the following statement cycle.

### **Services Billed Directly to the Patient/Guarantor**

Patients receiving services that are not covered by private or government-sponsored insurance plans will be listed as self-pay. Payment is expected within thirty (30) days of the first statement. Balances not paid within this time frame are considered past due. If payment is not received, two more patient statements will be generated for a total of three patient statements. After three statements, if no payment is received, the patient balance will be adjusted to bad debt and marked accordingly for future reference.

### **Guarantor Statement**

The account guarantor will receive a first statement of balance due as follows:

1. Contracted Carriers- Guarantors will not receive a statement until the carrier has made a determination of patient responsibility according to the terms of the contract with the carrier. Once such a determination has been made and verified as within the terms of the agreement, the guarantor will be issued the first of three potential statements.
2. Non-Contracted Carriers- The account guarantor will be billed in the statement cycle in accordance with the criteria set above.
3. Self-Pay Accounts- The account guarantor will be billed in the next scheduled statement cycle following the delivery of services and posting of charges.

### **Patient Responsibility Grace Period**

A patient/guarantor with a verified outstanding balance that has not made satisfactory payments or arrangements with the "Practice" for payment in accordance with the "Patient Payment Plan" procedure will have their accounts adjusted to bad debt and marked accordingly in the account for future reference. An account will not be adjusted to bad debt until three statements or notices have been sent or three months (90 days) have elapsed from when a balance became a patient's responsibility.

### **No Further Service Due to**

#### **Delinquency**

Account guarantors and/or patients with a delinquent balance that meets the criteria established in the "No Further Service" procedure will be sent a certified letter that the "Practice" is withdrawing from the care of the patient for failure to meet their financial obligations. These notices will be "Practice" wide and cover services at any of the "Practice" locations.

#### **Ability to Pay Self-Pay Balances**

The "Practice" may occasionally render charity care to patients in a self-pay category or with balances that become self-pay after insurance payment. Each case will be considered on an individual basis in accordance with the "Financial Hardship" policies.