

<p style="text-align: center;"><b>Billing and Collection Policy</b></p> <p style="text-align: center;"><b>Holzer Health System</b></p>	Original Date of Issue:	7/2017
	Revision Date:	
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	Effective Date:	04/29/2021
	Policy Number	
<b>Department: Revenue Cycle</b>		
<b>Scope and Application:</b> For the purposes of this policy, Holzer Health System includes Holzer Clinic LLC, Holzer Hospital Foundation dba Holzer and Holzer Medical Center Jackson.		
<b>Policy:</b> Holzer Health System (HHS) shall pursue collection of patient balances from patients who have the ability to pay for services and make reasonable efforts to identify patients who may be eligible for financial assistance. Collection procedures shall be applied consistently and fairly for all patients regardless of insurance status. All collection procedures must comply with applicable laws and in accordance with the HHS Financial Assistance Program (FAP) and 501(r) of the Internal Revenue Code.		
<b>Purpose:</b> To establish reasonable procedures regarding collection of patient accounts, including actions that may be taken by HHS or contracted external collection agencies and law firms.		

### **Introduction**

HHS uses the following procedures as guidance on reasonable billing, collection and payment processes. Collection agencies and law firms may be enlisted after aforementioned reasonable collection efforts have been exhausted. Agencies may help resolve accounts where patients have not made appropriate payments or have not provided reasonable financial or other data to support their request for financial assistance. Collection agencies and law firm staff must uphold the confidentiality of each patient. All agencies and law firms must comply with applicable laws including but not limited to HIPAA for handling protected health information.

### **Policy Statements:**

#### **Financial Expectations**

Consistent with this policy and the financial assistance policy, HHS will clearly communicate with patients and/or the patient guarantor financial expectations as early in the appointment and billing process as possible.

1. Patients are responsible for understanding their insurance coverage and for providing the needed documentation to aid in the insurance collection process.
2. Patient may be required to pay a pre-service deposit or estimated co-pay and deductible prior to services (except in the Emergency Department and other emergent situations) or amounts may be collected after services are provided.
3. Patients are generally responsible for paying self-pay balances, including any amounts not paid by insurance companies or applicable third party payers.
4. If the patient has a previous bad debt or outstanding balance, HHS may request amounts owed before future appointments are granted. If arrangements cannot be made for resolving the patient's outstanding balance, future non-emergency care may be limited or denied. Pre-service deposits may be required for non-emergency services.

#### **Insurance Collections**

HHS must maintain and comply with policies and procedures to ensure the timely and accurate submission of claims to all known primary health plans or insurance payers ("Payer") clearly identified by the patient. If HHS timely receives from the patient complete and accurate information about the Payer but does not timely submit a claim to the Payer and the Payer denies the claim based on that untimely filing, the patient will be responsible for only the amount that the patient would be liable to pay had the Payer paid the claim. However, if HHS determines that it either timely filed the claims or was provided inaccurate or incomplete information; the patient will be held responsible for all charges.

HHS shall not refer any bill to a third-party collection agency or attorney for collection activity while a claim for payment of the services is pending with a contracted payer. HHS may refer a bill to a third party collection agency or attorney following an initial denial or untimely denial of the claim by a payer. HHS will not refer any bill to a third party collection agency or attorney for collection activity when a claim is denied by a third party payer due to Holzer Health System's error and such error results in the patient becoming liable for the debt when they would not otherwise be liable.

HHS reserves the right to substantiate an error has been made and if HHS determines an error was not made, the patient may be held liable. Patients must sign authorization allowing HHS to bill the patient's health plan, insurance company or any other third party payer, and must cooperate with HHS in a reasonable manner by providing requested information to facilitate proper billing to a patient's health plan or insurance carrier. HHS makes every reasonable attempt to collect from all known Payers, with whom HHS has a contract and non-contracted payers for services provided to assist patients in resolving their bills.

### **Self-Pay Balance Resolution**

HHS will employ reasonable procedures in a fair and consistent manner to collect self-pay balances, maintaining confidentiality and patient dignity. Financial assistance will be offered to patients whose income or assets will not allow full payment of services within a reasonable time.

The process for self-pay collection procedures are adhered to by fully complying with this policy. HHS has developed a streamlined process for patients to question or dispute bills, including a phone number patients may call, website where electronic inquiries can be made and an address to which they may send written correspondence. The phone number and address shall be listed on all patient statements and collection notices sent by HHS. Reasonable attempts will be made by HHS to return telephone calls made by patients to this number as promptly as possible, but in no event later than five business days after the call is received.

HHS will consider reasonable payment plans, such as dividing payments over two or three months and longer if deemed appropriate due to large account balances. If a patient has additional services and additional self-pay balances are owed, HHS may require increases to the patient's current payment plan, based on the patient's ability to pay.

### **Collection Agency**

Third-party debt collection agencies may be enlisted only after all reasonable collection and payment options have been exhausted. Agencies may help resolve accounts for services where patients are uncooperative in making payments, have not made appropriate payments, or have been unwilling to provide reasonable financial and other data to support their request for financial assistance. Collection agency staff must uphold the confidentiality and individual dignity of each patient. All agencies must meet all HIPAA requirements for handling protected health information.

When reviewing the account for referral to a collection agency, the responsible person will confirm that:

1. There is a reasonable basis to believe that the patient owes the debt.
2. All known Payers have been properly billed such that any remaining debt is the financial responsibility of the patient. Where the patient has indicated an inability to pay the full amount of the debt in one payment, consideration of a reasonable payment plan is required provided that HHS may require the patient to provide reasonable verification of the inability to pay the full amount of the debt in one payment.
3. The patient has been given a reasonable opportunity to submit an application for Financial Assistance.

- a. If a patient submits a complete application for Financial Assistance after an account has been referred for collection activity, HHS will suspend ECA's until the patient's application has been processed and notified the patient of HHS's determination.

### **Legal Action**

HHS may pursue legal action against patients who keep insurance payments or settlement proceeds related to the medical services, patients who refuse to pay a bill and do not appear to be eligible for financial assistance or have not cooperated in the process to make that determination. Legal follow-up and commencing a lawsuit is appropriate and permitted subject to the following:

1. Authorization to take legal action against a patient for the collection of medical debt will be provided on a case-by-case basis.
2. Legal action will not be filed against any particular patient to collect medical debt until HHS determines that:
  - a. There is a reasonable basis to believe that the patient owes the debt;
  - b. All known Payers have been properly billed;
  - c. The patient indicates an inability to pay the full amount of the debt in one payment;
  - d. HHS has offered the patient a reasonable payment plan;
  - e. The patient has been given a reasonable opportunity to submit an application for Financial Assistance if the facts and circumstances suggest that the patient may be eligible for the FAP.

### **Enforcement**

It is the policy of HHS, through adoption of this Policy by the applicable governing boards and of Holzer Health System, that this Policy must be enforced for all collection staff, collection agencies and attorneys. Any abusive, harassing, or misleading language or conduct by its employees responsible for collecting medical debt from patients and from its debt collection agencies and attorneys and their respective agents and employees will be addressed through corrective action procedures.

### **Equal Opportunity**

When making decisions throughout the collection process, HHS is committed to upholding the multiple federal and state laws that preclude discrimination based on race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state or local laws.

### **Confidentiality**

HHS staff must uphold the confidentiality and individual dignity of each patient. HHS must meet all HIPAA requirements for handling personal health information.

### **Extraordinary Collection Actions**

Actions that HHS may take, or authorize a collection agency or law firm to take, related to obtaining payment of a bill for medical care include the following:

1. Deferring, denying or requiring a payment before providing medically necessary care because of an individual's non-payment of one or more bills for previously provided care;
2. Actions that require legal or judicial process including but not limited to:
  - a. Commencing a civil action or lawsuit against the patient or responsible individual;
  - b. Garnishing an individual's wages after securing a court judgment;
  - c. Attaching or seizing an individual's bank account, other personal property, or other judgment enforcement action permissible under state law after securing a judgment;
  - d. Placing a lien on an individual's property after securing a judgement provided that placing a lien against and individuals personal injury recovery,

settlement, compromise or judgment is not considered an extraordinary collection action (ECA).

Placing a patient's account with a collection agency is not an extraordinary collection action. ECA's for hospital services will not commence for a period of 120 days after the date of the first-post discharge billing statement for the applicable medically necessary or emergency medical care.

### **HHS Reasonable Efforts to Identify Patients Eligible for Financial Assistance**

HHS assists individuals prior to pursuing extraordinary collection action (ECA) by the following:

1. Assist patients who may qualify with the Federal Government requirements to apply for Ohio Medicaid and/or any other public assistance programs within their state of residence;
2. Make reasonable efforts to orally notify individuals about HHS financial assistance policy;
3. Assist individuals with the financial assistance program application process once all other payer sources have been exhausted;
4. Establish payment arrangements in accordance with HHS Financial Assistance Policy.

### **Related Documents**

501(r) Financial Assistance Policy

### **Definitions**

- **Holzer Health System** - includes and refers to the following entities:
  - Holzer Hospital Foundation dba Holzer (including Home Health, and Hospice);
  - Holzer Medical Center - Jackson;
  - Holzer Clinic LLC;
  - Holzer Senior Care (including Holzer Assisted Living - Gallipolis and Holzer Assisted Living - Jackson);
  - Holzer Dental Clinic Jackson, LLC dba Dental Health Partners; and
  - Holzer Vanguard (including Holzer Family Pharmacy)