

## Billing and Collection Policy

### Policy

It is the policy of Olmsted Medical Center (OMC) to pursue collection action on patient balances when a patient has the ability to pay for services. OMC will make all reasonable efforts to identify patients who may be eligible for financial assistance. Collection action will be applied fairly and consistently regardless of a patient's insurance status. For those patients unable to pay, the financial assistance policy will be followed.

After all reasonable collection and payment options have been exhausted, collection agencies and law firms may be enlisted to assist OMC in resolving balances. Collection agencies and law firms will adhere to the Health Insurance Portability and Accountability Act (HIPAA).

### Financial Expectations

OMC will clearly communicate with patients regarding financial expectations as early in the appointment and billing process as possible.

- Patients are responsible for providing OMC their current insurance information at the time services are rendered.
- Patients are responsible to understand their insurance benefits.
- Patients may be requested to pay for copayments and/or deductibles prior to services (this excludes emergent services).
- Patients may be requested to pay 50% of their patient responsibility estimate (deductible, coinsurance, or copays) for high-dollar non-emergent procedures. (This percentage is not higher than the calculated AGB.)
- Patients are responsible for paying self-pay balances, including balances unpaid by insurance carriers.
- If the patient has a previous collection balance, OMC may request payment at the time of the non-emergent service before future appointments may be granted. OMC will not delay medically-necessary services based upon previous collection balance owed.

### Collection Actions

OMC will take all reasonable efforts to work with a patient on resolution of their bill including:

- Business Service brochures are given to all new patients and available at all locations for the public. They include the following information:
  - financial assistance
  - extended payment plans
  - zero percent bank loan
  - price estimates.
- Patient financial counselors are available to discuss:
  - financial assistance
  - extended payment plans
  - zero percent bank loan
  - price estimates
  - insurance eligibility through MnSure/HPE certified Consumer Assisters.
- OMC will file claims to insurance carriers that the patient has supplied in a timely manner. If this information has not been supplied in a timely manner and the insurance denies the claim due to timely filing, this balance will become the responsibility of the patient. OMC will bill the patient the balance that the insurance applies to their deductible, coinsurance, copay, or non-covered service.
- Three statements are sent for patient responsibility balances (self pay or unpaid balances after insurance processing) at current, 30 days, and 60 days (before courtesy calls are made) which include information regarding:
  - financial assistance
  - location to obtain Financial Assistance Plain Language Summary
  - extended payment plan
  - zero percent bank loan.

- Three to five courtesy phone calls to resolve balance (Financial Assistance, payment plan, or zero percent bank loan).
- When reviewing the account for referral to a collection agency, patient financial counselors in the Business Office will confirm that:
  - there is a reasonable basis to believe that the patient owes the debt
  - they will review accounts to ensure statements, courtesy calls, and insurance eligibility review has taken place.
- OMC utilizes a third party to conduct an electronic review for presumptive eligibility of patient information to assess financial need through Transunion/Ebureau. Accounts that have been approved under this process will be applied to the Financial Assistance program, and further collection action will not take place.
- Collection agencies will take all reasonable efforts to work with a patient on resolution of bill by providing information on Financial Assistance and payment plans.
- OMC may proceed with extraordinary collection action (legal action) against patients when patients have refused to pay their debt owed to OMC and do not appear to be eligible for financial assistance or have refused to supply the information necessary to process the Financial Assistance application. An account being sent legal is appropriate when:
  - approval is applied on a case-by-case basis.
  - OMC has determined that the patient owes the debt
    - All payers have been properly billed.
    - Payment options have been reviewed and declined by patient.
    - Patient is not eligible or has not cooperated with the financial assistance process.
    - It has been determined that a patient has not qualified for a public assistance program.
  - After each account has been reviewed by a patient financial counselor from the Business Office, the authorization to approve extraordinary collection action (legal action) will be approved by the business services manager.
- Revised in accordance with 501(r) of the Internal Revenue Code, effective January 1, 2016.