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Patient Collection Practice

Policy:

Patients generally have some amount of their TidalHealth bill that they are responsible for after insurance payments or if they have no insurance. TidalHealth will collect patient liability portions in a fiscally responsible manner in concert with all federal and state laws and regulations. For purposes of this policy, TidalHealth shall include TidalHealth Peninsula Regional, TidalHealth Nanticoke, TidalHealth McCreedy Pavilion, TidalHealth Primary Care, and TidalHealth Specialty Care.

Collection is pursued based on the patient's ability to pay defined by their willingness to cooperate, response to communication, income and assets; or their unwillingness to cooperate by failing to respond to communications or withholding payment when income or assets deem payment is possible.

TidalHealth may use outsource vendors to provide patient collection and/or pre-collection services. Vendors act in accordance with TidalHealth policies and wherever policy notates employee, financial services department, or other such wording – vendor and/or vendor employees are included without such notation.

The Maryland Hospital Association's and American Hospital Association's billing guidelines are used as a guide to set our policy. All hospital regulated services will be charged consistently as established by the Health Services Cost Review Commission (HSCRC), and the amounts generally billed (AGB). All patients seen by a TidalHealth provider, at TidalHealth Nanticoke hospital, or in an unregulated area at TidalHealth Peninsula Regional, will be charged the fee schedule plus the standard mark-up which is the AGB method. Self-pay patients, for all services that are not regulated by the HSCRC, will receive a discount to reduce charges to the amount TidalHealth would be reimbursed by Medicare, which is the prospective method. For self-pay patients, the amount will not exceed the Medicare fee schedule for all unregulated services.

TidalHealth provides financial assistance (FA) to patients that are determined eligible based on criteria in the Uncompensated Care/Financial Assistance policy which can be found on the TidalHealth website at: tidalhealth.org/patientforms
tidalhealth.org/patientbills

When a patient has requested or submits a financial assistance application within the first 240 days of the first post-discharge billing statement, Extraordinary Collections Actions (ECA) will be suspended. An ECA is defined as any legal action and/or reporting of the debt to a consumer reporting agency.

If a patient submits an incomplete application, assistance will be provided to complete the application and a reasonable amount of time will be allowed to do so. An application can be completed orally. If the application is approved in full, all ECA will be terminated. Any amount exceeding \$5 that has already been collected from the patient or guarantor for approved dates of service shall be refunded to the patient if the determination is made within two years of the date of care.

If the application is approved for partial assistance, ECA will be terminated for the approved amount. If the collection agency has obtained a judgment or reported any adverse information to a consumer reporting agency and the patient is subsequently found to be eligible for financial assistance, or has paid the bill in full, the collection agency shall inform the consumer reporting agency within 60 days.

If financial assistance is denied, the patient may request reconsideration by submitting a letter to the Associate Vice President of Finance (Revenue Cycle) indicating the reason for the request.

All applications approved by TidalHealth Peninsula Regional will apply to the same approved dates of service for TidalHealth Nanticoke, TidalHealth Primary Care and TidalHealth Specialty Care. Other providers that rendered service for those same dates of service are not included in this policy. Once a request has been approved, service eight months before the approval and twelve months after the approval will be included in the adjustment for TidalHealth. See also the policy for Financial Assistance / Uncompensated Care.

Collections from patients will be pursued in the most customer oriented and professional manner as possible, following TidalHealth collection guidelines. We only engage in electronic communications on financial matters when patients request us to do so or initiate an electronic request.

Patients may request interest-free payment arrangements.

Charging of interest, court costs, attorney fees, late fees, or any administrative fees prior to a court judgment being obtained is prohibited.

Every effort will be used to encourage payment without the necessity of seeking legal enforcement to pay. Accounts may be placed with a collection agency for collection assistance when the patient has received a sufficient number of statements, which generally equates to 3 or more based on the amount due, but no sooner than 75 days from the first post-discharge billing statement showing a patient balance. The patient will be given a 30-day notice of intended ECA on the last statement if a completed financial assistance application is not received and they have not paid the amount due within 120 days of the first post-discharge billing statement. In addition to the written statements, a reasonable effort is made to orally notify the patient of the intended ECA. ECA will not be initiated until at least 120 days after the first post-discharge billing statement.

The following exceptions may result in the immediate referral to a collection agency:

- Bankruptcies (to ensure all requirements are met)
- Skips – unable to locate and mail is returned
- Estate Settlements (for appropriate follow up and potential filing of a claim)
- Incomplete or ineligible financial assistance applications if patient is uncooperative
- Workers' Compensation involved in litigation and delay in payment (to gain employer resolution)
- Accident cases involved in litigation and delay in payment
- Patients uncooperative in applying for medical assistance

Taking legal action is permitted by our Collection Agencies after the internal process has been exhausted which includes the lack of payment from the patient either in full or by satisfactory payment arrangements, no request for Financial Assistance or a denied Financial Assistance application due to income or failure to complete, and after review by senior collection staff. TidalHealth will take active oversight of all debt collection actions and polices of the collection vendors. Collection actions include, but are not limited to:

- Wage Garnishments
- Auto Lien
 - a. The lien is executed when the auto is sold or through the estate upon the death of the patient and spouse.
- Real and Personal Property Liens
 - a. When placed on primary residence, the lien is executed when the property is sold or through the estate upon the death of the patient and spouse.
 - b. When placed on secondary, vacation, or other residence, the lien may only be executed if patient is unresponsive or payment arrangements prolong repayment past five (5) years.
 - c. When placed on business property, if property is necessary for primary income production, the lien is executed when the property is sold or through the estate upon the death of the patient and spouse. If property is not associated with primary source of income, the lien may only be executed if patient is unresponsive or payment arrangements prolong repayment past five (5) years.
 - d. When placed on other personal property, the lien may only be executed if patient is unresponsive or payment arrangements prolong repayment past five (5) years.

Suits will not be advanced without case-by-case sign-off by an authorized TidalHealth employee. ECA actions are suspended if a request for financial assistance is granted or requested within 240 days of the first post-discharge billing statement.

Collection agencies may report patient debt information to consumer reporting agencies only if the non-payment period exceeds 365 days from the first post-discharge billing statement. Medical debts with a balance less than or equal to \$500 are not reported to consumer reporting agencies. The agency must report payments made within 60 days of the date the obligation was met.

TidalHealth will not freeze or seize bank accounts, cause an individual to be arrested, or subject an individual to a writ of body attachment.

A legal order to appear in court in reference to an outstanding bill may be served at the request of the Collection Agency or by TidalHealth’s attorney. Personal or body attachments which could be used for enforcing appearance at court are not permitted.

The patient or guarantor may file a complaint against TidalHealth or an outside collection or other agency used by TidalHealth by speaking to any staff member in Patient Financial Services. All complaints related to collection practices must be reviewed by the Associate Vice President of Finance (Revenue Cycle) or the Senior Manager of Patient Accounts.

OVERALL PRINCIPLES

- Concern over a medical bill should never prevent any individual from receiving emergency health services. We will communicate this message clearly to prospective patients and to local community service agencies, and make it clear that emergency services will be provided without regard to ability to pay.
- We assist patients in obtaining health insurance coverage from privately and publicly funded sources whenever appropriate.
- We have financial assistance policies and practices that are consistent with our mission and values, and with federal and state law, and that take into account each individual’s ability to contribute to the cost of his or her care, as well as TidalHealth’s financial ability to provide the care.
- We will strive to make our financial assistance policies clear and understandable and to communicate in a manner that is dignified and in languages appropriate to the communities and patients served. These policies are made readily available to prospective and current patients and to the community at large.
- Debt collection policies – by both TidalHealth staff and external agencies – should reflect the mission and values of TidalHealth, and should be monitored carefully to avoid unintended consequences.
- We accept all individuals, regardless of the ability to pay, for emergency medical screening and for stabilization services, as necessary, within the scope of TidalHealth’s capabilities and capacity.
- We seek collection of a claim, including collection from an insurer or payment arrangements with the person who is responsible for payment of the care rendered.
- We ensure that an emergency admission or treatment is not delayed or denied pending determination of coverage or requirement for prepayment or deposit.
- We post adequate notice of the availability of medical services and the general obligation of TidalHealth to provide charity care.

Approval Signatures

Step Description

Approver

Date