Holy Cross Health: Billing and Collection of Patient Payment Obligations

Owner/Dept: Julie Keese, VP Revenue Mgmt/ Office of Chief Financial Officer	**Date approved:**
Approved by: Anne Gillis (RHM Chief Financial Officer), Annice Cody (President Holy Cross Health Network), Louis Damiano (RHM President)	**Next Review Date:**
Affected Departments: Emergency Registration, Financial Counseling, Legal Services, Patient Access Services, , Patient Registration, Pre-Arrival Services, Revenue Management, Trinity Health Enterprise Patient Financial Services	

Purpose

To outline the Holy Cross Health policy for ensuring that billing and collection practices for patient payment obligations are fair, consistent and compliant with state and federal regulations. To ensure that Holy Cross Health does not engage in extraordinary collection actions before every reasonable effort has been made to determine whether the individual is eligible for financial assistance for the care received.

This policy is intended to fulfill Holy Cross Health's commitment to:

- Providing access to quality health care services with compassion, dignity and respect for those we serve, particularly the poor and the underserved in our communities;
- Caring for all persons, regardless of their insurance status or ability to pay for services; and
- Assisting patients who cannot pay for part or all the care that they receive.

Applies to:

- Revenue Management
- Finance
- Legal Services
- Billing and Collection Business Associates
- Trinity Health Enterprise Patient Financial Services Colleagues

Policy Overview

Holy Cross Health will strive to achieve a billing process that is clear, concise, correct and patient friendly and make available specific information in an understandable format about Holy Cross Health's charges for services provided.

Whenever possible, Holy Cross Health will attempt to collect patient payment obligations prior to or at the time hospital services are provided. Patient balances not collected prior to or at the time of patient discharge will be billed to the patient as outlined within this policy. In general, self-pay patients will be sent a minimum of three statements for balances owed from the date the patient is discharged or for insured patients, the date a third-party payer identifies the patient balance owed, before the patient's unpaid balance is submitted to a collection agency for collection. These statements will generally occur over a span of 90 – 120 days and will be generated based on Trinity Health established billing guidelines. Holy Cross Health will list unpaid balances with the Credit Bureau no sooner than 90 days from placement with a collection agency, after all reasonable collection efforts have been made in compliance with hospital policies and procedures.

Prior to forwarding to a collection agency, self-pay balances will not be waived or adjusted by the hospital unless the patient or family meets the criteria of Holy Cross Health's patient financial assistance policy or presumptive financial assistance as outlined in this policy.

Holy Cross Health will make available a short-term interest free payment plan for those patients whose financial condition requires additional time to pay their balances. Holy Cross Health also offers an interest-free loan program for patients who qualify. Holy Cross Health will always make reasonable efforts to determine whether an individual is eligible for financial assistance under this policy before pursuing any extraordinary collection efforts. Holy Cross Health will also take all reasonably available measures to reverse collection efforts related to amounts owed by patients found to be eligible for financial assistance.

Pre-Service/Point of Service Collections

Patients who are pre-registered for hospital or professional services and are self-pay or have an insurance co-payment or deductible due will be asked to either pre-pay the estimated amount due, pay at the time of arrival for services or upon discharge. This does not include those people seeking emergency medical treatment or any other service covered by EMTALA regulations. Emergency Center patients will be asked to pay after the medical screening is complete or upon discharge. In all emergency cases, medical services will not be delayed or denied based upon ability to pay.

Information Regarding Charges

Holy Cross Health supports price transparency and is committed to providing information that will assist patients and the public with understanding and estimating their out-of-pocket costs for hospital services. We make this information available by:

- Posting a representative list of the most commonly used hospital services along with an estimated price range for each service listed. This list is prominently displayed in all hospital registration and cashier's areas, the emergency center and on the hospital's website. This list is updated quarterly and is based on the average patient charges billed for each service over the past six months.
- Posting each hospital's charge description master (CDM) on the hospital's website which reflects the standard charges for all items and services provided by each hospital. This information is updated semi-annually to coincide with the Health Services Cost Review Commission rate setting schedule.
- Posting a consumer-friendly list of shoppable services which reflects standard charges for a limited set of services that can be scheduled in advance at each hospital. This information is also updated semi-annually.

All charge questions or patient requests for charge estimates for hospital services are forwarded to and processed by the financial counseling department in a prompt and courteous fashion. Written estimates for services are provided to the patient upon request and within 2 business days from the patient's request for a written estimate. All patients will be informed that information provided to them regarding hospital charges are estimates and their actual charges will vary depending upon the patient's condition and level of care or other services that are required and provided to the patient.

All registration, financial counseling, customer service, cashier and patient business service center colleagues are trained regarding the availability of charge information and the process for forwarding patient requests for charge estimates to the financial counseling department.

Financial Assistance

Information regarding Holy Cross Health's financial assistance program will be prominently displayed to alert patients to the availability of financial assistance to settle their bills. This information is made available through signage and financial assistance information located in all hospital registration and cashier areas, the emergency center, notices on all hospital billing statements, through the hospital's website and through contacting financial counseling and customer service staff. Where it is possible for Medicaid or other funding programs to cover the patient's medical expenses, that information will be shared with the patient. Financial counseling staff will be available to assist all patients requesting financial assistance.

Billing Process

Billing statements for patient payment obligations are generally submitted to patients after final medical record coding and according to the standard timeframes established by management. Although this is generally from one to five days, this process can take up to 30 days post discharge or after third party payer

adjudication. Patient payment obligations may be referred to an outside vendor for billing.

- Patients will receive an initial statement from Holy Cross Health or outside billing vendor outlining what insurance, if any, is being billed, a summary of the services received, including the price, information about other bills the patient may receive from hospital-based physician groups and contact information for those groups. Included with the hospital bill and in each written communication to the patient regarding collection of the hospital bill will be the Hospital Patient Information Sheet which provides information on Holy Cross Health's financial assistance program, the patient's rights and obligations regarding their bill and information on how to contact the hospital with questions or complaints regarding their bill.

- Patients will be sent a minimum of three statements by Holy Cross Health and/or an outside billing vendor, including phone calls as appropriate, for balances owed over a period of 90 – 120 days from the patient's discharge date if self-pay or the date a third party payer identifies the patient balance owed before the patient's unpaid balance is submitted to a collection agency for collection. Payment plans and financial assistance will be discussed with the patient if they indicate that there is a need for accommodation. The outside billing vendor will return the account to Holy Cross Health at the end of 90 days from their receiving the account, provided there is no financial assistance application pending or an active payment plan in place. Any insurance information found by the outside billing vendor will be returned to Holy Cross Health. Holy Cross Health is responsible for submitting the bill to insurance and direct follow-up with the insurance to resolve the outstanding balance on the patient's account.

- Holy Cross Health will utilize customized billing processes for uninsured patients seen at the Holy Cross Health Centers and the OB Clinics. These processes may be designed to consider expected resources, financial assistance credits and other communication difficulties and may rely primarily on personal contact with those patients. No routine patient statements will be generated or collection activity pursued for these patients for services received at the Health Centers and within the OB Clinics. Other hospital services provided to health center and clinic patients are to be handled according to the same billing procedures as other patient accounts at the hospital.

- Holy Cross Health will respond promptly and courteously to patients' questions or complaints about their bills and to requests for financial assistance.

Payment Plans

Holy Cross Health will make available to all patients who qualify a short-term interest free payment plan with defined payment time frames based on the outstanding account balance. Holy Cross Health also offers an interest-free, patient

loan program for those patients who have the ability to pay but cannot meet the short-term payment requirements. The patient loan program is administered with the assistance of an external agency.

Discounts

No "professional courtesy" or employee discounts are permitted on balances not covered by insurance. Discounts to payers or self-pay patients for hospital services will be allowed based on regulations from the Health Services Cost Review Commission.

Discounts on professional services for uninsured patients that do not qualify for financial assistance are allowed. A pre-pay discount of 10% is available if the uninsured patient can pay in full prior to services or at the time of service. A self-pay discount is also available on balances owed for professional services and is calculated based on the highest commercial rate paid for the service at that time. Discounts on professional services in excess of the pre-pay and self-pay discounts mentioned above may be made on a case-by-case basis upon evaluation of the collectability of the account.

Refunds

Refunds will be provided on amounts exceeding $25 collected from a patient or guarantor of a patient who, within a 2-year period after the date of service, provides documentation to the Hospital that demonstrates the patient was eligible for free care at the time of service. If the patient or the guarantor of a patient does not cooperate with the Hospital by providing the required documentation in order to determine free care eligibility, the Hospital will document the lack of cooperation and may reduce the 2-year period to no less than 30 days after the date the Hospital requests the required documentation from the patient or the guarantor of the patient.

If a patient is enrolled in a means-tested government health care plan that requires the patient to pay out-of-pocket for hospital service, the Hospital will comply with the terms of the patient's plan regarding refunds.

Presumptive Financial Assistance

Holy Cross Health recognizes that not all patients are able to complete the financial assistance application or provide supporting financial documentation. Holy Cross Health may grant financial assistance for patients unable to provide required documentation such as deceased patients with no known estate, homeless or unemployed patients, patients qualifying for public assistance programs who receive non-covered medically necessary services, patient bankruptcies, and members of religious organizations who have taken a vow of poverty and have no resources individually or through the religious organization.

For patients who are non-responsive to the application process, other sources of information, if available, may be used to make an individual assessment of financial need prior to referral to an outside collection agency. This information

will enable Holy Cross Health to make an informed decision on the financial need of non-responsive patients.

For the purpose of helping financially disadvantaged patients, a third-party may be utilized to conduct a review of patient information to assess financial need. This review utilizes a healthcare industry-recognized, predictive model that is based on public record databases. These public records enable Holy Cross Health to assess whether the patient is characteristic of other patients who have historically qualified for financial assistance under the traditional application process. In cases where there is an absence of information provided directly by the patient, and after efforts to confirm coverage availability are exhausted, the predictive model provides a systematic method to grant presumptive eligibility to financially disadvantaged patients.

In the event a patient does not qualify under the predictive model, the patient may still provide supporting information within established timelines and be considered under the traditional financial assistance application process.

Bad Debt Identification and Collection Process

Patient payment obligations that are not collected by the outside billing vendor within 90 days from receipt of an account will be returned to Holy Cross Health for evaluation and possible referral to an outside collection agency. After the screening of an account for potential presumptive financial assistance is completed, all remaining, eligible accounts will be written off Holy Cross Health's accounts receivable and transferred to a bad debt status within the health system's patient accounting system.

Accounts will be referred to a collection agency based on the following guidelines and standards:

- No account balances below $10 are referred to a collection agency as they are written off as small balance administrative adjustments.
- Bad debt placement will be rescheduled on those cases where more time or further collection activity is needed.
- All bills sent to patients by the collection agency will contain information on how to file a complaint against the hospital or the outside collection agency regarding the handling of the patient’s bill. Collection agency will notify Holy Cross Health of all complaints received.
- The collection agency will communicate with patients (call, written correspondence, fax, text, email, etc.) and their representatives in compliance with the Fair Debt Collections Act and HIPAA privacy regulations.
- Holy Cross Health will not sell any patient medical debt to a third party.

Credit Bureau Reporting

Collection agencies may report outstanding debts to the Credit Bureau no sooner than 90 days from placement after all reasonable collection efforts have been made and eligibility for financial assistance is determined. Cases will be excluded and not reported if there is an active payment plan, known financial assistance eligibility on the date of service, possible insurance issue or known dispute regarding any part of the account balance. Collection agencies will be responsible for updating the Credit Bureau when payments are received within 60 days after the patient's payment obligation is fulfilled.

Legal Action

Collection agencies may pursue legal action for individuals who have the means, but do not pay, or who are unwilling to pay. Legal action may also be pursued for the portion of the unpaid amount after application of any financial assistance identified. Approval by the Holy Cross Health CFO, their direct report, or the functional leader for the Trinity Health Patient Business Service Center must be secured prior to proceeding with a legal action to collect a judgment (i.e. lien, garnishment of wages). Holy Cross Health will seek to vacate any judgment awarded or strike any adverse information reported to a consumer reporting agency on a patient who is later found to be eligible for free care on the date of service for which the judgment was awarded or the adverse information was reported. Interest will not be charged on accounts unless a judgment has been obtained against the debtor.

Collection agencies shall not pursue action against the debtor's person, such as arrest warrants or "body attachments." Holy Cross Health recognizes that a court of law may impose an arrest warrant or other similar action against a defendant for failure to comply with a court's order or for other violations of law related to a collection effort. While in extreme cases of willful avoidance and failure to pay a justly due amount when adequate resources are available to do so, in general, the hospital will first use its efforts to convince the public authorities not to take such an action, and if this is not successful, consider the appropriateness of ceasing the collection effort to avoid an action against the person of the debtor.

Liens on property of individuals may be placed for the portion of the unpaid amount after application of any financial assistance identified. Placement of liens requires approval by the Holy Cross Health CFO, their direct report, or the functional leader for the Trinity Health Patient Business Service Center. Holy Cross Health will not force the sale or foreclosure of a patient's primary residence to collect a debt owed on a hospital bill. Liens on primary residences can only be exercised upon the sale of the property and certain asset value in the property will be protected as documented in the Holy Cross Health Patient Financial Assistance policy.

Related Documents

Refer to the following related policies:

- Holy Cross Health: Patient Financial Assistance

References	• Trinity Health. Trinity Health Finance Policy No. 1 "Financial Assistance to Patients", December 8, 2021 • Trinity Health. Trinity Health Finance Procedure RE.PFS.3, "Financial Assistance to Patients", April 6, 2022 • Code of Maryland Regulations (COMAR) 10.37.10.26A and 10.24.10.04 • CMS-1694-F and CMS-1717-F2 • Maryland Code Annotated, Health-General Article § 19-214.1
Questions and more Information	Contact the Regional Director, Hospital Site Operations at extension 301-754-7651 with questions and for more information.
Policy Modifications	The Holy Cross Health Board of Directors must approve modifications to this policy. In addition, this policy will be presented to the Board for review and approval every two years.
Approval	This policy was reviewed and approved by the Holy Cross Health Executive Team and Holy Cross Health Board of Directors on October 27, 2022.