



Evangelical Community Hospital and Affiliates

Title: Billing and Collections Policy

PURPOSE:

The purpose of this policy is to describe the billing and collection policy for Evangelical Community Hospital and its employed medical partners. It is intended to meet the requirements of applicable federal, state and local laws, including, without limitation, section 501(r) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. This policy establishes the actions that may be taken in the event of nonpayment for medical care provided, including but not limited to extraordinary collection actions. The guiding principles behind this policy are to treat all patients and the individuals responsible equally with dignity and respect. In addition, the purpose of the policy is to ensure appropriate billing and collection procedures are uniformly followed and to ensure that responsible efforts are made to determine whether the patient or individuals responsible for payment of all or a portion of a patient account is eligible for assistance under the Financial Assistance Program.

RESPONSIBILITY: All Evangelical Community Hospital Staff

PROCEDURE: Self Pay Policy

1. A statement is mailed to the patient's last known address for the patient or responsible individual when the patient balance becomes self-pay, and at day 34. Statements will also be sent on 34 days after the itemized bill and 39 days after previous by the early out vendor, provided that no additional statements need be sent after the responsible individual submits a complete financial assistance application under the FAP. At least 60 days shall have elapsed between the first and last mailing of the statement. Accounts are eligible for phone calls within 30 days when the account becomes self-pay.
2. It is the obligation of the responsible individual to provide the correct address at the time of service or upon moving. If the statement is returned undeliverable without a forwarding address, a reasonable effort will be made to obtain the correct address for the patient. If a valid address cannot be identified, the determination for "Reasonable Effort" will have been made.
3. A statement is mailed for each encounter the patient has. All patient account statements will include but not limited to:
 - a. An accurate summary of the hospital/medical services covered by the statement.
 - b. The charges for the services rendered.
 - c. Payments and adjustment activity on the encounter, if applicable.
 - d. The amount to be paid by the responsible individual.
 - e. A conspicuous written notice that notified and informs the responsible individual about the availability of Financial Assistance under the hospital FAP including telephone number for Patient Financial Services and direct website address where copies of the documents may be obtained.



Evangelical Community Hospital and Affiliates

4. The following payment schedule will be used when arranging payment plans.
 - Balances \$ 10.00 - \$ 250.00 = 3 months
 - Balances \$ 250.01 - \$ 500.00 = 6 months
 - Balances \$ 500.01 - \$1,000.00 = 9 months
 - Balances \$1,000.01 - \$2,000.00 = 12 months
 - Balances \$2,000.01 and over = 18 months
5. An acceptable minimum payment is \$50.00 per month for total balances of \$500.00 or less if the payment schedule above cannot be reached.
6. The final statement mailed will include written notice that informs the responsible individuals about extraordinary collection actions that are intended to be taken if the responsible individual does not apply for financial assistance under the FAP or pay the amount due by the billing deadline, or the last day of the notification period of 240 days. At any time during the 240 day notification period the patient may apply and be considered for financial assistance. A statement will be mailed at least 30 days before the deadline specified in the statement and will include the Plain Language Summary
7. All overpayment refunds will be issued within 60 days from discovery.

Extraordinary Collection Actions (ECAs) may commence as follows:

1. If any individual fail to apply for financial assistance under the FAP by 240 days after the first statement is mailed, and the responsible individual has received the final statement, which includes the Plain Language Summary, then Evangelical Community Hospital may initiate ECA's.
2. If a responsible individual has applied for financial assistance under the FAP in the last six months, and the Patient Access determines definitively that the responsible individual is ineligible for any financial assistance under the FAB, Evangelical Community Hospital may initiate ECAs.
3. If any responsible individual submits an incomplete application for financial assistance under the FAP prior to the application deadline of 240 days, then ECAs may not be initiated until after each of the following has been completed:
 - a. Patient Access provides the responsible individual with written notice that describes the additional information or documentation required under the FAP in order to complete the application for financial assistance, which will also be accompanied by the Plain Language Summary.
 - b. Patient Access provides the responsible individual with at least 30 days prior written notice of the ECAs that Evangelical Community Hospital may initiate against the responsible individuals if the FAB application is not completed or payment is not made; however, provided the deadline for completion or payment may not be set prior to 240 days after the first post discharge statement.
 - c. If the responsible individual who has submitted the incomplete application completes the application for financial assistance, and the Patient Access determines definitively that the responsible individual is ineligible for any financial assistance under the FA policy, Evangelical Community Hospital may initiate ECAs.



Evangelical Community Hospital and Affiliates

- d. If the responsible individual who has submitted the incomplete application fails to complete the application by the completion deadline set in the notice described in item B, then ECAs may be initiated.
 - e. If the responsible individual submits a financial assistance application, complete or incomplete, under the Financial Assistance Policy at any time during the application period, Evangelical Community Hospital will suspend ECAs while the financial assistance application is pending. Question or concerns regarding applications or assistance, call 570-522-4445.
 - f. If the responsible individual has questions regarding his or her statement, he or she may contact Patient Financial Services at 570-768-3000.
4. After the commencement of the ECAs is permitted under section 3 above, external collection agencies shall be authorized to report unpaid accounts to credit agencies. Evangelical Community Hospital and external collection agencies may also take including but limited to telephone calls, mailing notices, and skip tracing to obtain payment for medical services rendered.

Self Pay Discount Policy:

Evangelical community Hospital (ECH) and Evangelical Ambulatory surgery Center (EASC) provide prompt pay discounts for both true self pay and residual self pay balances. Evangelical Medical Services Organization (EMSO) provides a true self pay discount on services for uninsured patients.

- 1) Prompt Pay Policy for Uninsured and Insured Patients (ECH & EASC Only – Hospital Billing)
 - a. If a patient has a true self-pay balance (no insurance) or residual self-pay balance (i.e. deductible, coinsurance, copay, etc.) a 10% prompt pay discount will be offered to the patient. This 10% discount also applies to point-of-service collections.
 - b. The patient will be eligible for the 10% prompt pay discount on any self-pay balance that is paid in full within 30 days of the initial statement date from the organization's self-pay department.
 - c. Any self-pay balances that are paid in excess of 30 days from the initial bill date will not be eligible for the prompt pay discount.
 - d. Pre-posted discounts will be reversed in the event payment in full is not received within 30 days of the initial bill date.
 - e. The patient must be informed by the organization's self-pay department that if the balance is not paid in full or a payment plan (see #4 under Self Pay Policy above for payment plan guidelines) is not established within 120 days from the initial statement date, the account will be sent to a bad debt collection agency.
 - f. A patient must be offered the opportunity to apply for the organization's Financial Assistance Program if he/she expresses financial hardship.
 - g. Under no circumstances will additional discounts be applied to self-pay balances.
 - h. In the event that a patient requests a refund due to having made payment in full without having received the appropriate discount, a refund will be issued. The refund amount will be the dollar amount equaling the 10% prompt pay discount he/she was entitled under this policy



Evangelical Community Hospital and Affiliates

2) True Self-Pay Discount Policy (EMSO Only – Physician Billing)

- a. Uninsured patients are entitled to a self-pay discount of 10% on the bill's total charges as long as the balance is paid in full prior to the account placing in bad debt.
- b. Discount is to only be applied to services rendered and does not apply to retail items (i.e. hearing aids, supplements, DME, etc.)
- c. The patient must be informed by the EMSO's self-pay collections vendor that if the balance is not paid in full or a payment plan (see #4 under Self Pay Policy above for payment plan guidelines) is not established within 120 days from the initial statement date, the account will be sent to a bad debt collection agency.
- d. A patient must be offered the opportunity to apply for the EMSO's Financial Assistance Program if he/she expresses financial hardship.
- e. Under no circumstances will additional discounts be applied to self-pay balances.
- f. In the event that a patient requests a refund due to having made a payment in full without receiving the appropriate discounts, a refund will be issued. The refund amount will be the dollar amount equaling the 10% true self pay discount he/she was entitled to under this policy.