

Policy Title: Billing and Collection Policy	Date of Origin: 08/22/2016
Site(s): Jupiter Medical Center; Pavilion	Type: Multiple Departments
Policy Owner: Patient Financial Services	Department(s): Patient Financial Services
Review/Revise Date: 09/08/2019	Date Approved: 09/08/2016

Policy Statement

All patient balances generated after time of service for either non-insured patients or insured patients with remaining financial responsibility will be handled in accordance with this policy.

Purpose

To ensure Patient Financial Services appropriately uses staff resources and supports the hospital finance department in the accurate and timely reporting of patient Accounts Receivable by transferring uncollectible accounts to bad debt in a timely manner and (if necessary) primary and secondary collection agency activity—only after Jupiter Medical Center and the Pavilion (JMC) makes reasonable efforts to determine whether an individual is eligible for financial assistance under its Financial Assistance Policy (FAP).

Scope

Patient Financial Services

Definitions

- AGB – Amounts generally billed for emergency or other medically necessary care to individuals who have insurance coverage.
- Application Period – means the period during which JMC must accept and process an application for financial assistance under its FAP in order to have made reasonable efforts to determine whether the individual is FAP-eligible. The Application Period begins on the date the care is provided to the individual and ends on the later of the 240th day after the date that the first post-discharge billing statement for the care is provided or at least 30 days after JMC provides the individual with a written notice that sets a deadline after which ECAs may be initiated.
- ECAs – Extraordinary Collection Actions are actions taken by JMC against an individual related to obtaining payment of a bill for care covered under JMC’s FAP that require a legal or judicial process or involve selling an individual’s debt to another party or reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
- FAP – JMC’s Financial Assistance Policy
- FAP Contact Information – JMC Customer Service Department, 1701 Military Trail, Suite 160B, Jupiter, FL 33458, Telephone Number (561) 263-7440.

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- FAP-Eligible Individual – An individual eligible for financial assistance under JMC’s FAP (without regard to whether the individual has applied for assistance under the FAP).

Policy

I. Collection Actions

- A. It is the policy of JMC not to engage in ECAs against an individual to obtain payment for care before making reasonable efforts to determine whether the individual is eligible for assistance under its FAP.
- B. Subject to the guidelines set forth herein, JMC patient accounts may be subject to the following collection actions:
 1. Following the initial bill, monthly statements and collection letters are mailed and phone calls are completed in an effort to collect all outstanding balances due.
 2. Subject to the provisions set forth herein, patient balances generated after time of service for either uninsured or insured patients with remaining financial responsibility may be transferred to a bad debt collection agency within 150 days of discharge. If accounts remain unpaid within 300 days of discharge, they may be placed with a secondary collection agency vendor for further collection efforts.
 3. ECAs that may be utilized by JMC (or other authorized party), subject to the provisions set forth herein, include:
 - a. Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus;
 - b. Commencing a civil action against an individual. Commencement of a civil action will be determined on a case-by-case basis. Legal approval can only be authorized in writing by the Director, Patient Financial Services, or his/her designee.
- C. JMC will take the following actions at least 30 days before first initiating one or more of the above ECA(s) to obtain payment for care:
 1. Provide the individual with a written notice that indicates financial assistance is available for eligible individuals, identify the ECA(s) that JMC (or other authorized party) intends to initiate to obtain payment for the care, and state a deadline after which such ECA(s) may be initiated that is no earlier than 30 days after the date that the written notice is provided.
 2. Provide the individual with a plain language summary of the FAP with the written notice described above.
 3. Make a reasonable effort to orally notify the individual about JMC’s FAP and about how the individual may obtain assistance with the FAP application process.

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- D. If JMC aggregates an individual's outstanding bills for multiple episodes of care before initiating one or more ECAs to obtain payment for those bills, it will refrain from initiating the ECA(s) until 120 days after it provided the first post-discharge billing statement for the most recent episode of care included in the aggregation.
- E. If JMC defers or denies, or requires a payment before providing, medically necessary care to an individual with one or more outstanding bills for previously provided care, JMC will provide the individual with a FAP application form and a written notice indicating that financial assistance is available for eligible individuals and stating the deadline, if any, after which JMC will no longer accept and process a FAP application submitted (or, if applicable, completed) by the individual for the previously-provided care. The deadline will be no earlier than the later of 30 days after the date that the written notice is provided or 240 days after the date that the first post-discharge billing statement for the previously-provided care was provided. JMC will also provide the individual with a plain language summary of the FAP with the written notice, and make a reasonable effort to orally notify the individual about JMC's FAP and about how the individual may obtain assistance with the FAP application process. If a FAP application is timely received by JMC, it will process the application on an expedited basis.

II. Determining Financial Assistance Eligibility

- A. JMC will make reasonable efforts to determine whether individuals are eligible for financial assistance as follows:
 - 1. Notify individuals about the FAP before initiating any ECAs to obtain payment for the care and refrain from initiating such ECAs for at least 120 days from the date JMC provides the first post-discharge billing statement for the care;
 - 2. In the case of an individual who submits an incomplete FAP application during the Application Period, notify the individual about how to complete the FAP application and give the individual a reasonable opportunity to do so as described herein; and
 - 3. In the case of an individual who submits a complete FAP application during the Application Period, determine whether the individual is FAP-eligible for the care and otherwise meets the requirements described herein.
- B. JMC will process FAP applications in accordance with the provisions set forth below.

III. Processing FAP Applications

- A. Submission of Complete FAP Application:
 - 1. If an individual submits a complete FAP application during the Application Period, JMC will:
 - a. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);

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- b. Make a determination as to whether the individual is FAP-eligible and notify the individual in writing of the eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination;
- c. If JMC determines the individual is FAP-eligible, JMC will:
 - i. Provide the individual with a billing statement that indicates the amount the individual owes for the care as a FAP-eligible individual (assuming the individual is eligible for assistance other than free care) and how that amount was determined and states, or describes how the individual can get information regarding, the AGB for the care.
 - ii. Refund to the individual any amount he or she has paid for the care (whether to the hospital facility or any other party to whom the hospital facility has referred or sold the individual's debt for the care) that exceeds the amount he or she is determined to be personally responsible for paying as a FAP-eligible individual, unless such excess amount is less than \$5 (or such other amount published in the Internal Revenue Bulletin).
 - iii. Take all reasonably available measures to reverse any ECA (with the exception of a sale of debt) taken against the individual to obtain payment for the care.
2. If the provisions of Section 1 above are met, and JMC has not violated the anti-abuse rule described below, JMC may initiate or resume ECAs against the individual.
3. If, upon receiving a complete FAP application from an individual who JMC believes may qualify for Medicaid, JMC may postpone determining whether the individual is FAP-eligible for the care until after the individual's Medicaid application has been completed and submitted and a determination as to the individual's Medicaid eligibility has been made.

B. Submission of Incomplete FAP Application

1. If an individual submits an incomplete FAP application during the Application Period, JMC will:
 - a. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);
 - b. Provide the individual with a written notice that describes the additional information and/or documentation required under the FAP or FAP application form that the individual must submit to JMC to complete his/her FAP application and includes the FAP Contact Information with the notice.

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- 2. If an individual who has submitted an incomplete FAP application during the Application Period subsequently completes the FAP application during the Application Period (or, if later, within a reasonable timeframe given to respond to requests for additional information and/or documentation), the individual will be considered to have submitted a complete FAP application during the Application Period.

C. Failure to Submit FAP Application

Unless and until JMC receives a FAP application from an individual during the Application Period, JMC may initiate ECAs to obtain payment for the care once it has notified the individual about the FAP as described herein.

IV. Miscellaneous Provisions

- A. *Anti-Abuse Rule* – JMC will not base its determination that an individual is not FAP-eligible on information that JMC has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.
- B. *No Waiver of FAP Application* – JMC will not seek to obtain a signed waiver from any individual stating that the individual does not wish to apply for assistance under the FAP, or receive the information described above, in order to determine that the individual is not FAP-eligible.
- C. *Final Authority for Determining FAP Eligibility* – Final authority for determining that JMC has made reasonable efforts to determine whether an individual is FAP-eligible and may therefore engage in ECAs against the individual rests with the Patient Financial Services Department.
- D. *Agreements with Other Parties* – If JMC sells or refers an individual’s debt related to care to another party, JMC will enter into a legally binding written agreement with the party that is reasonably designed to ensure that no ECAs are taken to obtain payment for the care until reasonable efforts have been made to determine whether the individual is FAP-eligible for the care.
- E. *Providing Documents Electronically* – JMC may provide any written notice or communication described in this policy electronically (for example, by email) to any individual who indicates he or she prefers to receive the written notice or communication electronically.

Related Documents

Financial Assistance Policy
Plain Language Summary

References

Section 501(r) of the Internal Revenue Code of 1986, as amended, and the Final Treasury Regulations issued thereunder dated December 2014.

Approved by: Finance Committee; Policy Committee; Hocking, Dale	Approve Date: 09/08/2016
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