Title: Billing and Collection Policy

Attachments: A.

Purpose:

This policy addresses collection activities for both uninsured patients and insured patients, including copayments, co-insurance, and deductibles. Greater Hudson Valley Health System (GHVHS) is committed to informing patients regarding their financial responsibilities and available financial assistance options, and communicating with patients regarding outstanding accounts in a manner that treats patients with dignity and respect.

As described herein, GHVHS will not engage in any extraordinary collection actions (see Section III) against an individual to obtain payment for care before reasonable efforts have been made to determine whether the individual is eligible for assistance under the Financial Assistance Policy (FAP).

Definitions:

AGB means “Amounts Generally Billed” for emergency or other medically necessary care to individuals who have insurance coverage. “Application Period” means the period during which GHVHS must accept and process an application for financial assistance under its FAP submitted by an individual in order to have made reasonable efforts to determine whether the individual is eligible for financial assistance under the policy. The Application Period begins on the date the care is provided and ends on the latter 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 GHVHS provides the individual with a written notice that sets a deadline after which extraordinary collection actions (“ECAs”) may be initiated.

A/R means “accounts receivable”

ECAs mean “Extraordinary Collection Actions” – a list of collection activities as defined by the Internal Revenue Service and the U.S. Treasury Department that healthcare organizations may only take against an individual to obtain payment for care after reasonable efforts have been made to determine whether the individual is eligible for financial assistance.

FAP means the “Financial Assistance Policy”
FAP-Eligible Individual means an individual eligible for financial assistance under the Financial Assistance Policy.

Patient means the individual receiving medical treatment and/or, in the case of an emancipated minor or other dependent, the parent, legal guardian or other person (guarantor) who is financially responsible for the patient.

Policy:

Securing Payment / Establishing Payment Arrangements or Financial Assistance:

GHVHS shall maximize collections by securing payment or arranging for payment terms for individual patient balances owed. GHVHS will assist in identifying payment sources, including establishing payment arrangements or financial assistance for those who qualify. The following options are available to patients:

a. Cash, debit card, check, or credit card, health spending card with credit card logo (there will be a returned check fee of $20 for returned checks). Payment plans are also available to patients.

b. Patients with existing accounts with balances will be offered discounts to make payment in full.

GHVHS Collection Process:

The Credit & Collection Department will attempt to collect all debts by way of monthly statements, telephone contacts, and/or collection letters for 120 days from the first post-discharge billing statement. Credit Representatives will:

a. Request payment in full.

b. If full payment is not possible, a payment arrangement option will be offered.

c. If patient is not able to pay, the Financial Assistance Program will be offered.

i. When a patient does not qualify for Financial Assistance, Patient Financial Services may in its discretion apply other discounts, including for example discounts to encourage prompt payment or to recognize unique cases of financial hardship.

Accounts that remain unpaid and not in the organization’s financial assistance application process, after a collection effort of 120 days and/or have not remitted a payment within 45 days, will be referred to an outside collection agency and are subject to ECAs. The unresolved accounts will be assigned to the agencies, by an alpha split, established within the EPIC system routing rules. Returned mail deemed as a bad address will be referred to outside collection agency at any point in the 120 day cycle. Contact the Credit and Collections Department for an accurate Agency Listing.

Bankruptcy:

When GHVHS or collection agencies are notified of a bankruptcy notice, related accounts will be placed on hold and written off once the discharge of debt is confirmed.

Pre-Bad Debt:

a. A weekly EPIC data extract is generated to identify patients with balances due. This dataset is forwarded to the EPIC IT Analyst who electronically conducts a search, using the GHVHS insurance eligibility vendor, for active Medicaid coverage. The output is reviewed by the credit and collection representatives prior to agency referral to identify patients that may have active and valid Medicaid coverage, which is not listed on their account(s) for the date of service in review. In the event that active coverage is identified it will be billed accordingly and removed from the pre-bad
debt workflow. After the primary bad debt agency has worked the account for 180 days with no success, accounts are to be returned as uncollectible. The primary bad debt agency will flag Medicare uncollectible accounts for review for Medicare bad debt reporting on the cost report. Excluding Physician Billing (PB) and Urgent Care balances, any Hospital Billing (HB) account with a balance above $1,400 will be referred to a secondary collection agency after return from the primary agency. All PB and Urgent Care balances, greater than the small balance write-off amount, will go to the secondary collection agency after the primary collection agency returns the account as uncollectible.

b. The secondary bad agency will work accounts for 180 days and return accounts over 180 days according to the placement date that do not have a payment plan or hold status.

c. The annual Medicare cost report will be updated to reflect any payment received after an uncollectable balance write-off was noted.

d. All agency recommendations for litigation are reviewed for accuracy. No litigation is pursued on any account prior to agency referral. Once an account is approved for legal action, all information provided to GHVHS will be reported to the appropriate collection agency.

e. Agencies will report GHVHS balances $250 and over to the credit bureaus after 90 days from placement. At such time when the account is returned as uncollectable to GHVHS, the account will be removed from reporting to the credit bureaus.

f. A reconciliation will be performed monthly between the agency and GHVHS of the open hospital A/R to the open A/R accounts of the collection agencies to be completed by the end of the following month.

g. Each month the collection agencies will remit detailed lists of paid accounts and uncollectible accounts to the Credit & Collection Department.

I. Extraordinary Collection Actions (ECAs)

GHVHS (or other authorized party) will not engage in ECAs before making reasonable efforts to determine whether a patient is eligible for assistance under the GHVHS FAP. ECAs in which GHVHS (or other authorized party) may engage include:

   a. Garnishing Wages
   b. Placing Liens on Property
   c. Pursuing Legal Action
   d. Credit reporting to the major credit bureaus

II. Determining Financial Assistance Eligibility Prior to ECA

GHVHS will make reasonable efforts to determine whether individuals are eligible for financial assistance. To that end, GHVHS (or other authorized party) will 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 GHVHS provides the first post-discharge billing statement.

GHVHS (or other authorized party) will take the following actions at least 30 days before first initiating one or more of the above ECAs to obtain payment for care:

   a. Provide the individual with a written notice that indicates financial assistance is available for eligible individuals, identifies the ECA(s) that GHVHS (or other authorized party) intends to initiate to obtain
payment for the care, and states 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.

b. Provide the individual with a plain language summary of the FAP with the written notice described above.

c. Make a reasonable effort to orally notify the individual about GHVHS’s FAP and about how the individual may obtain assistance with the FAP application process.

If GHVHS 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.

GHVHS does not defer or deny, or require a payment before providing, medically necessary care to an individual with one or more outstanding bills for previously provided care.

**Processing Financial Assistance (FA) Applications**

GHVHS will process FA applications in accordance with the provisions set forth below.

A. **Submission of Complete FA Application**: If an individual submits a complete FA application during the Application Period, GHVHS will:

1. Suspend any ECAs against the individual (with respect to charges to which the FA application under review relates);

2. Make a determination as to whether the individual is FA-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;

3. If GHVHS determines the individual is FA-eligible, GHVHS will:
   a. Provide the individual with a statement that indicates the amount the individual owes for the care as a FA-eligible individual (if 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 amounts generally billed for the care.
   b. 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 FA-eligible individual, unless such excess amount is less than $5 (or such other amount published in the Internal Revenue Bulletin).
   c. 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.

If, upon receiving a complete FA application from an individual who GHVHS believes may qualify for Medicaid, GHVHS may postpone determining whether the individual is FA-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 FA Application**: If an individual submits an incomplete FA application during the Application Period, GHVHS will:

1. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);

2. Provide the individual with a written notice that describes the additional information and/or documentation required under the FAP or FA application form that the individual must submit to GHVHS to complete his/her FAP application.
a. If an individual who has submitted an incomplete FA application during the Application Period subsequently completes the FA 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 FA application during the Application Period. For the application review and approval process, please refer to Financial Assistance Policy.

VI. Miscellaneous Provisions

Anti-Abuse Rule – GHVHS will not base its determination that an individual is not FA-eligible on information that GHVHS has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.

No Waiver of FA Application – GHVHS 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 FA-eligible.

Final Authority for Determining FAP Eligibility – Final authority for determining that GHVHS has made reasonable efforts to determine whether an individual is FA-eligible and may therefore engage in ECAs against the individual rests with the Director of Credit & Collections.

Agreements with Other Parties – If GHVHS sells or refers an individual’s debt related to care to another party, GHVHS 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 FA-eligible for the care.

Providing Documents Electronically – GHVHS 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.

VII. GHVHS Contact Information

Orange Regional Medical Center/ Orange Regional Medical Group/ Urgent Care
707 East Main Street
Middletown, NY 10940
Telephone-845-333-1000
Website- www.ormc.org

Catskill Regional Medical Center-Harris
68 Harris-Bushville Road
Harris, NY 12742
Telephone-845-794-3300
Website- www.crmcny.org

Catskill Regional Medical Group Urgent Care
38 Concord Road,
Monticello, NY 12701
Telephone-845-333-6500
Website- www.crmcny.org

Catskill Regional Medical Center-Grover M. Hermann
8881 Route 97
Callicoon, NY 12723
Telephone-845-887-5530
Website- www.crmcny.org
### Standard(s):  
501R Final Regulations

### Reference(s):  
GHVHS Financial Assistance Policy

### Author/Title:  
William Scheuermann, Vice President, Revenue Strategy & Managed Care

### Approver/Title:  
James Grigg/ GHVHS CFO

### Concurrences

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### Document Control

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<td>W. Scheuermann, Vice President, Revenue Strategy &amp; Managed Care</td>
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Exhibit A: Agency Listing

**Orange Regional Medical Center/Orange Regional Medical Group**

**Primary bad debt agencies alpha split**

A-L – Transcontinental

M-Z – M.L. Zager, P.C.

**Secondary Bad Debt Agency**

All accounts (A-Z) – Merchants Association Collection Division (MACD)

**Catskill Regional Medical Center/Catskill Regional Medical Group**

**Primary bad debt agencies alpha split**


M-Z – Collection Bureau of Hudson Valley (CBHV)

**Secondary Bad Debt Agency all accounts**

All accounts (A-Z) – Merchants Association Collection Division (MACD)