



Margaret Mary Health

Administrative Policy

Title: Collection and Billing Policy

Effective Date: October 8, 2015

Revised Date:

Approved By:

POLICY:

This policy applies to Margaret Mary Health and its employed medical partners, together with the Financial Assistance Policy, this policy is intended to meet the requirements of applicable federal, state and local laws including section 501[®] of the Internal Revenue Code of 1986, as amended, and the regulations there under. This policy establishes the actions that may be taken in the event of nonpayment for medical care provided by Margaret Mary Health. This includes, but is not limited to, Extraordinary Collection Actions. The principles behind this policy are:

- Treat all patients and individuals equally with dignity and respect;
- Ensure appropriate billing and collection procedures are uniformly followed;
- Ensure reasonable efforts are made to determine whether the patient and other individual(s) responsible for payment of all or a portion of a patient account (a "Guarantor") are eligible for assistance under the Financial Assistance Policy.

PROCEDURE:

1. Subject to compliance with the provisions of this policy, Margaret Mary Health may take any and all legal actions including Extraordinary Collection Actions to obtain payment for medical services provided.
2. Extraordinary Collection Action includes one (1) or more of the following:
 - a. Selling an individual's debt to another party, unless the purchaser is subjected to certain restrictions.
 - b. Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
 - c. Deferring or denying, or requiring a payment before providing, medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under the Financial Assistance Policy.



- d. Actions that require legal or judicial process, except for claims filed in a bankruptcy or personal injury proceeding.
3. Margaret Mary Health will not engage in Extraordinary Collection Actions, , either directly or by any debt collection agency or other party to which Margaret Mary Health has referred the patient's debt before reasonable efforts are made to determine whether a patient or Guarantor is eligible for assistance under the Financial Assistance Policy.
4. All patients will be offered a plain language summary and an application form for financial assistance under the Financial Assistance Policy as part of the patient intake or discharge process.
5. At least three (3) separate statements for collections of self-pay accounts shall be mailed or emailed to the last known address (including an email address) of the patient or Guarantor. At least sixty (60) days shall have elapsed between the first and last of the required three mailings. Provided, however, no additional statements need to be sent after the patient or Guarantor submits a completed application for financial assistance under the Financial Assistance Program or has paid-in-full. It is the patient's and/or Guarantor's obligation to provide correct contact information at the time of service or upon moving. If an account is subsequently determined by Patient Financial Services to not have a valid address, then additional statements are not required to be sent. All billing statements provided for self pay accounts will include, but not be limited to, the following information:
 - a. An accurate summary of the hospital services covered by the statement;
 - b. The charges for such services;
 - c. The amount required to be paid by the patient or Guarantor, or, if such amount is not known, a good faith estimate of such amount as of the date of the initial statement; and
 - d. A written notice that notifies and informs the patient or Guarantor, about the availability of financial assistance under the Financial Assistance Policy, including the telephone number of the department and direct website address where copies of the Financial Assistance Policy, the plain language summary thereof, and the application form may be obtained.
6. At least one of the statements mailed or emailed will include written notice that informs the patient or Guarantor about the Extraordinary Collection Actions that are intended to be taken if the patient or Guarantor does not apply for financial assistance under the Financial Assistance Program or pay the amount due by the billing deadline. Such statements must be provided to the patient or Guarantor at least thirty (30) days before the deadline specified in the statement, provided that this deadline must also be no less than 120 days after the first post discharge statement.



7. Patient's/Guarantor's propensity to pay will be scored based on the assessment of the patient's/Guarantor's likelihood to pay and dollar amount of the self-pay account.
8. Prior to initiation of any Extraordinary Collection Action, an oral attempt will be made to contact the patient or Guarantor by telephone at their last known telephone number to notify the individual about the Financial Assistance Policy and about how the individual may obtain assistance with the application process. In addition, during all conversations between the patient and/or Guarantor about the financial assistance that may be available under the Financial Assistance Policy.
9. Extraordinary Collection Action may be commenced as follows:
 - a. If any patient or Guarantor fails to apply for financial assistance under the Financial Assistance Policy by 120 days after the first post discharge statement, and the patient or Guarantor has received a statement with a billing deadline (described above), then Margaret Mary Health or a collection agency may initiate Extraordinary Collection Actions.
 - b. If any patient or Guarantor submits an incomplete application for financial assistance under the Financial Assistance Policy prior to the application deadline, then no Extraordinary Collection Action may not be initiated until after each of the following steps have been completed:
 - i. Patient Financial Services provides the patient or Guarantor with a written notice that describes the additional information or documentation required under the Financial Assistance Policy in order to complete the application for financial assistance.
 - ii. Patient Financial Services provides the patient or Guarantor with at least thirty (30) day's written notice of the Extraordinary Collection Action that Margaret Mary Health or collection agency may initiate against the patient or Guarantor if the Financial Assistance Policy application is not completed or payment is not made. The completion deadline for payment may not be set prior to 120 days after the first post discharge statement.
 - iii. If the patient or Guarantor who has submitted the incomplete application subsequently completes the application for financial assistance and Patient Financial Services determines definitively that the patient or Guarantor is ineligible for any financial assistance under the Financial Assistance Policy, Margaret Mary Health will inform the patient or Guarantor in writing the denial and include a thirty (30) day's prior written notice of the Extraordinary Collection Actions that Margaret Mary Health or the collection agency may initiate against the Guarantor; provided, however, that the billing deadline may not be set prior to 120 days after the first post discharge statement.



- iv. If the patient or Guarantor who has submitted the incomplete application fails to complete the application by the completion deadline set in the notice provided pursuant to Paragraph (ii) above, then Extraordinary Collection Actions may be initiated.
 - v. If an application, complete or incomplete, for financial assistance under the Financial Care Policy is submitted by the patient or Guarantor, at any time prior to the application deadline, Margaret Mary Health will suspend Extraordinary Collection Actions while such financial assistance application is pending.
10. After the commencement of the Extraordinary Collection Actions is permitted under this policy, collection agencies shall be authorized to report unpaid accounts to credit agencies and to file judicial or legal action, garnishment, obtain judgment liens and execute upon such judgment liens using lawful means of collection. Prior approvals of Patient Financial Services shall be required before initial lawsuits may be initiated. Margaret Mary Health and external collection agencies may also take any and all legal actions including but not limited to telephone calls, emails, texts, mailing notices, and skip tracing to obtain payment for medical services provided.
11. Patients and Guarantors may contact Margaret Mary Health to obtain information regarding eligibility or the programs that may be available and to request a copy (or a Spanish translation thereof) of this Policy, the Financial Assistance Policy, the application form, and the plain language summary. These materials are available via mail, email, and the Margaret Mary Health website at www.mmhealth.org or by visiting our facility in the patient financial services office, admissions and registration areas, or emergency department.

Brian Daeger/VP of Finance