

SOUTHERN OHIO MEDICAL CENTER POLICY/PROCEDURE	NUMBER: PFS 01.04
	MANUAL SECTION: PATIENT ACCOUNTING PROCEDURES
	EFFECTIVE: DATE OF APPROVAL REVISION: 02/01/019
	SUPERSEDES: N/A
	DEVELOPED BY: Deanie Merrifield/Jay Jacobs
	DISTRIBUTION: DEPARTMENT MANUAL
BILLING AND COLLECTION POLICY – SELF PAY ACCOUNTS	APPROVED: JAY JACOBS DATE: _____
	APPROVED: DEANIE MERRIFIELD DATE: _____

I. POLICY

Southern Ohio Medical Center’s (SOMC) mission is to make a difference. We strive to live out that mission by providing our region with the highest quality of care, delivered by professionals who are among the best in their fields.

Consistent with its mission to provide our region with compassionate, high quality, affordable healthcare services, SOMC strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with SOMC’s procedures for obtaining charity or other forms of financial assistance and to contribute to the cost of their care based on their individual ability to pay. Individuals with the capacity to purchase health insurance will be encouraged to do so as a means of assuring access to health care services, for their overall personal health and for the protection of their individual assets.

To remain viable as it fulfills its mission, SOMC must meet its financial responsibility to appropriately bill and collect for medical services provided to patients.

SOMC does not discriminate on the basis of age, gender, race, social or immigrant status, sexual orientation or religious affiliation in its policies or in its application of policies concerning the acquisition and verification of financial information, offering of payment plans, eligibility for financial assistance and collection practices.

II. PROCEDURES

A. Collecting Patient Health Coverage Information

- Prior to the delivery of any health care services (except for cases that are an emergency or urgent care service level), the patient is expected to provide timely and accurate information regarding their insurance status and demographic information.

- SOMC will make all reasonable and diligent efforts to collect the patient insurance status and other information to verify coverage for the health care services to be provided. These efforts may occur when the patient is scheduling their services, during pre-registration, while the patient is admitted, upon discharge or during the collection process which may occur for a reasonable time following discharge. These efforts may include checking any available public or private insurance databases and following the billing rules of a known third party payer.

B. Billing Practices for Accounts in Self-Pay

SOMC makes the same reasonable effort and follows the same reasonable process for collecting on bills owed by an uninsured or underinsured patient as it does for all patients. The following procedures are followed for self-pay balances due SOMC:

- 1) SOMC places the self-pay account to a third party (UCB) at time of final bill (after patient discharge).
- 2) Prior to a self-pay statement being generated, a presumptive financial evaluation is made to determine if a patient qualifies for financial assistance. The model uses a multi-point verification process to validate presumptive charity findings. The model is constantly validated through 15 million live collection accounts, demographics, credit and financial profiles and economic indicators from the area where we are located. Based on this presumptive evaluation, patients may be eligible for a 63%, 75% or 100% discount. All uninsured patients are eligible for a minimum self-pay discount of 40% of gross charges.
- 3) An initial billing statement is sent to the patient or guarantor for the patient's personal financial obligation. The initial statement includes information regarding any discount presumptively applied if applicable, as well as information regarding the availability of a financial assistance program that might be able to cover additional costs of the services that were provided. The financial assistance application is also on the backside of the statement.
- 4) A second billing statement is generated 30 days from the date of the initial billing statement that indicates that the balance is due now. This statement references that the patient may be eligible for financial assistance and the application is on the backside of the statement.
- 5) A third billing statement is generated 30 days from the date of the second statement that indicates that it is an "urgent notice" and that the account has been reviewed and considered delinquent. This statement references that the patient may be eligible for financial assistance and the application is on the backside of the statement.
- 6) The fourth and final statement is generated 30 days from the date of the third statement and is considered the "final notice" and requests a response within 30 days. This statement indicates that continued failure to respond may result in the account being transferred for collection activity that could involve: placement with a collection agency, legal judgment, placing the account on their credit report as an unpaid debt, wage attachments, bank account garnishments and liens against personal property.

This statement contains the plain language summary reviewing all the financial assistance programs and how to apply.

- 7.) Throughout this billing cycle process subsequent telephone calls have been made and documented in an effort to contact the party responsible for the obligation and inform the patient of the availability of financial assistance and to obtain any additional information needed to resolve the obligation.

C. Payment Plans

SOMC offers interest free payment plans.

Accounts that are in a payment plan will be placed in Financial Class (3) and are worked by the third party collection company.

Once an account has been in a payment plan and the patient misses 3 monthly payments, the account will be sent back to SOMC for review. The account is transferred out of Financial Class (3) and moved to Bad Debt.

D. EMPLOYEE AND EMPLOYEE DEPENDENTS PAYROLL DEDUCTION

According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent.

SOMC employees have the option of Payroll Deduction for their self-pay account balances. Accounts will be placed in Financial Class (4) and are not placed with the third party collection company for early out processing.

If an account has been placed in Bad Debt and forwarded to an agency for collection, Payroll Deduction is no longer an option.