

Section:	Patient Finance and Billing	Policy Owner:	Chief Financial Officer
Department:	Fiscal Services	Original Date:	01/1996

RESPONSIBILITY: Patient Financial Services Department

PURPOSE:

To ensure that Rainy Lake Medical Center has financial stability to provide medical services to the community.

POLICY:

Rainy Lake Medical Center will not discriminate against patients, including on the basis of their ability to pay for medically necessary care. The patient or legal representative is required to cooperate with Patient Financial Services to ensure accounts are resolved which could involve third party payers, self-pay, or financial assistance support.

DEFINITIONS:

Medically Necessary Care is health care services or supplies needed to diagnose or treat an illness, injury, condition, disease or its symptoms that meet acceptable standards of medicine. Services that are elective and cosmetic in nature are not considered medically necessary care.

PROCEDURE:

Payment Responsibility

The patient or legal representative is ultimately responsible for all charges incurred. Payment for services will include:

- cash, check or credit card from patient/guarantor
- payment plans allowing patients extra time to resolve self-pay portions of the bills
- completing financial assistance applications

Non-Discrimination of Services

Necessary medical services will be provided regardless of the patient's ability to pay.

Emergency or Urgent Services

Medical services will be provided regardless of the patient's ability to pay; however, the credit policies will be enforced after Emergency or Urgent services have been rendered. Emergency patients will receive medical screening to determine the extent and severity of the emergency. Only after a patient is deemed to be medically stable will any financial information be requested from them.

Assignment of Benefits

Rainy Lake Medical Center may bill non-contract insurance plans as a courtesy to its patients *if* the patient provides the required insurance information and signs an assignment of benefits statement.

Insurance Coverage

- Adequate insurance is defined as medical health care coverage by a recognized company (governmental or private). This coverage can be in-network or out of network. If coverage is out of network patient will be responsible for any out of network exclusions. Patient must provide proof of coverage.
- Authorization of services from a managed care organization and/or primary care physician (PCP) must be obtained if required.

Uninsured Patients/Non-Covered Services

Payments for all charges that are not covered by insurance may be due and payable at the time of services or discharge. A pre-admission deposit may be required. In the event patients are unable to pay:

- Refer them to state or federally funded programs for assistance
- Financial Assistance determination
- Payment plans may be offered to patients unable to pay their entire bill

Pre-admission Program

- Pre-admission information may be requested prior to scheduled admissions and outpatient services.
- Patients may be requested or required to make payment of the anticipated charges for elective, uninsured services *prior to* Rainy Lake Medical Center admission or outpatient services

Verification of Information

All information given regarding the ability to pay, third-party insurance, employment, etc., will be subject to verification.

Unpaid Insurance Balances

Patients may be requested to make full payment of unpaid balances when insurance payments are not received after 120 days from date of billing.

Third-Party Litigation

Rainy Lake Medical Center may place a hospital lien (per state requirements) on a patient's third party liability claims (i.e., automobile accidents, liability claims, etc.) with the exception of *verified* Worker's Compensation Claims, and where "No Fault" automobile insurance prevails. Medicare Secondary Payer (MSP) requirements will be followed as outlined in the Medicare Billing section of Publication 10. State requirements regarding Medical Assistance will be followed.

Prior Unpaid Accounts

Prior to providing elective services, Rainy Lake Medical Center may request the payment of prior outstanding accounts, including bad debts, or have specific payment arrangements approved by Patient Financial Services.

Management of Self-Pay Accounts

Accounts which cannot be collected by Rainy Lake Medical Center (or extended business office) after normal in-house collection procedures will be referred to a collection agency, magistrate or attorney for further collection action in accordance with Rainy Lake Medical Center's established guidelines.

Legal Action

If deemed appropriate by the Chief Financial Officer or delegated representative, Rainy Lake Medical Center may take legal action, including the execution of a lien on personal property, in order to collect balances owed.

Third-Party Audits

Rainy Lake Medical Center recognizes the need for audits of insurance claims by insurance companies or their contracted audit firms. Rainy Lake Medical Center will cooperate in making available required information as outlined in the Third-Party Audit Guidelines.

Discounts

Accounts will not be reduced or discounted unless approved by the Chief Financial Officer or designee with the exception of those that qualify for the Attorney General Uninsured/underinsured discount.

Financial Assistance Program Determination

If a patient is determined to be financially indigent, Patient Financial Services will assist the patient/guarantor in applying for financial assistance. If no source of financial assistance is available, Rainy Lake Medical Center will review the account for Financial Assistance Program.

Contractual Allowances

Contractual adjustments, bad debt write-offs, policy adjustments, etc. will be handled in accordance with strict Finance Department procedures.

Refunds

Overpayments will be refunded to the appropriate party - normally the insurance company or guarantor. Patients' refunds will not be processed until all active or past due accounts are paid in full. Refunds less than amount determined by the State will not be refunded unless specifically requested by the patient/guarantor or insurance company.

Medical Assistance Eligibility

All self-pay receivables balances may be referred to the appropriate agency to determine eligibility.

Accounts will be placed in a unique financial class for Medical Assistance pending; however, these accounts will receive the same collection process as self-pay accounts.

Accounts greater than 90 days from discharge will require verification every fifteen days while cases are still pending. Accounts determined ineligible will be moved to "self-pay" status with ongoing follow-up.

REFERENCES: N/A

RELATED POLICY & PROCEDURES:

See Patient Financial Services Departmental Policy Manual

CONTRIBUTING/REVIEWING DEPARTMENTS/INDIVIDUALS:

Patient Financial Services Director

Board of Trustee Reviewed and Approved: 9/26/2023