

ORGANIZATION-WIDE POLICY

Patient Financial Responsibility Collections

Section:	Finance and Billing	Policy Owner:	Patient Financial Services Director
Department:	Patient Financial Services	Original Date:	03/2012

RESPONSIBILITY: Chief Financial Officer, Director of Patient Financial Services, Director of Access Management, Director of Accounting, Accounting Staff, Patient Financial Services Staff, Access Management Staff

PURPOSE:

To provide uninsured and underinsured patients with information concerning the patient responsibility portion of their financial obligation to Rainy Lake Medical Center for services rendered. Rainy Lake Medical center will follow the No Surprise Billing Act for our self-pay patients. Rainy Lake Medical Center will make available and explain to our patients all avenues of assistance, consistent with the mission and values of Rainy Lake Medical Center and compliant with the Minnesota Attorney General Collection Agreement and pertinent regulatory agencies.

POLICY:

Rainy Lake Medical Center will provide our underinsured patients with information regarding our extended payment plan options and Financial Assistance Programs to ensure they are offered all options of assistance, taking into account each individual ability to contribute to the cost of their care. Rainy Lake Medical Center will provide our self-pay patient's with the estimate for elective and non-emergent services as outlined in the No Surprise Billing Act from CMS, by notifying the patient of their financial responsibility prior to the scheduled service. We will collect a percentage down for services at time of registration. Also we will provide information on our financial assistance programs, offer assistance in applying for Medicaid/Minnesota Care through MNSure, give direction to a broker that can assist if they qualify for a Qualified Health Plan, and explain our payment plan options to our self-pay patients. This will all, take into account their individual abilities to contribute to the cost of their care. Rainy Lake Medical Center will also be available to assist patients that need information regarding insulin assistance programs and other programs that may possibly help our patient's receive assistance for their care.

DEFINITIONS:

Medical Center: International Falls Memorial Hospital Association DBA Rainy Lake Medical Center (RLMC). The Medical Center includes - Critical Access Hospital, two Rural Health Clinics, and Specialty Care Clinic.

Financial Assistance Program: RLMC Financial Assistance Program provides assistance to uninsured and underinsured patients regardless of their ability to qualify at no cost or reduced cost as outlined in the Financial Assistance Policy.

Uninsured: Patient with no insurance

Underinsured: Patient that has insurance but high deductibles, copays, and coinsurance

Non Emergent Services: Medical Services that are not considered to be urgent or life threatening, Examples; telemedicine, radiology, lab, preoperative and postoperative services; preventive medical services, elective treatment.

Elective Services: Medical Services that are Not Medically necessary and can be safely delayed without great risk to the patient's health. Such as, cosmetic, cataract surgery, hip replacements, knee replacements.

Third Party Coverage/Payer: An obligation on the part of the insurance company or governmental program which contracts with the Medical Center and patients to pay for the care of covered patients and services, and may include

settlements, judgments, or awards actually received related to the negligent acts of others which have resulted in the medical condition or which the patient has received medical center's services.

CMS: Centers for Medicare and Medicaid Services is a federal agency that administers the nation's major healthcare programs, including Medicare, Medicaid, and the Children's Health insurance program. They collect and analyze data, produces research reports and works to eliminate instances of fraud and abuse within the healthcare system.

Broker: Insurance Agent

MNSure: Health insurance marketplace for the state of Minnesota. The exchange enables people and small businesses and individuals to purchase health insurance at either no cost thru Medicaid, small premiums through Minnesota care, or to purchase health insurance at federally subsidized rates.

No Surprise Billing Act: A law that protects patients from receiving unexpected medical bills from out-of-network providers or facilities. The law applies to Emergency Services, Non Emergent services, at in-network facilities and air ambulance services. The patient can only be charged their regular in-network cost-sharing amounts. The out-of-network provider or facility must provide the patient with a notice and a consent form if they plan to balance bill the patient.

Balance Bill: A practice in which the providers (medical centers) bill patients for the difference between the amount they charge and the amount that the insurance pays. It can happen with providers who are out of network or who do not accept the rates or terms of the insurance.

PROCEDURE:

Rainy Lake Medical Center will abide by the following policies/procedures for all patients receiving services not covered by any type of insurance coverage, to include non-covered services, co-payments, co-insurance, and deductibles.

1. Continue to train admissions/registration staff, billing staff, and direct patient treatment providers regarding the existence of Rainy Lake Medical Center's Financial Assistance Policy (charity care) and the procedure by which patients may obtain more information regarding financial assistance programs and how to submit an application for our financial assistance program.
2. Patient Access Management Hospital and Rural health clinic / central scheduling: will ask the question who are we billing today for services at the time the appointment is scheduled, the appointment will be scheduled, if patient is a self-pay person access management/scheduling staff will forward the patient in a warm call transfer to our Collection/Financial counselors to provide an estimate for services and explain our financial assistance programs. (see attached initiative printout and flowchart – addendum A) Patient Access management will collect money at time of service for co-pays or down payments from self-pay estimates.
3. Patient Financial Counselor/Collection Specialist: Will review the self-pay patients as the system and access management/scheduling assigns them to the Financial Counselor's work flow. The Financial Counselor/Collection Specialist will then review the patient information for an estimate specific to what is outlined in the appointment notes. (example office visit, CBC labs) The Financial Counselor will run the estimate letters according to the No Surprise Billing Act from CMS and make a phone call attempt to the patient and also mail a copy of the estimate to the patient. During the phone call the Financial Counselor will explain the estimate, along with request a portion down at time of visit, also requesting to set up a payment plan that follows the attached guidelines for the remaining balance, along with counseling the patient and assisting with Applying for insurance or financial assistance programs.

Minimum Payment Table for Terms Contract Patient
\$0.00 – \$100.00: 50% of the balance will be needed as payment
\$101.00 – \$600.00: equal payments of \$50.00 / month
\$601.00 - \$1200.00: equal payments of \$100.00 / month
\$1201.00- \$1800: equal payments of \$150.00 / month
\$1801.00 – \$3000.00: payments equally divided by 12 months
\$3001.00 and greater: will consider payment plans for up to 24 months with monthly minimum payments of \$250.00

If the patient refuses assistance with the Financial assistance program, applying for insurance, or refusing to make a down payment and also refuses a payment plan, the financial counseling staff will refer to our executive team to decide the appropriate next steps for this patient.

RLMC will reserve the right to request the patient to be rescheduled if an agreed payment plan cannot be reached with the patient or refusal to pay a percentage down at time of service if the patient's care is determined to not be medically necessary. Any settlement offers from patients or third party payers will be given to CFO for review to approve, counter offer, or deny.

4. Rainy Lake Medical Center will notify all patients/guarantors of their financial obligations for clinic visits, scheduled services, emergency room visits, and/or inpatient admissions when the charge information becomes available either through phone conversations or statements. As part of the billing process RLMC will provide uninsured patients with a detailed itemized bill, access to billing summaries thru online patient portal, or request an account detail by phone. There will be a phone number for patients to call with questions or disputes on their patient bill or collection notice that is sent to the patient by RLMC. Rainy Lake Medical Center will record and log all patient complaints received by its billing office in our reporting system for review by proper departmental director or executive. Rainy Lake Medical Center Patient Financial Services staff will return phone calls within two business days after the patient's call is received with all correspondence answered/resolved within 10 business days.
5. Rainy Lake Medical Center will pursue collection of self-pay accounts to the following schedule:
An automated statement cycle process is established for each guarantor account. Each Guarantor will receive statements with messages related to the aging of each account with self-pay balance, example 30day / 60day / 90 day / 120 days. If there is not a payment received on the self-pay balance by the 90-day notice, a past due message will be included in the statement and an attempt is made to notify the guarantor by phone of collection efforts. The financial counselor discusses payment options such as patient terms and financial assistance. If payment arrangements are not established and a payment is not received within the next statement cycle run (120 days), a final due message is included with notification and self-pay account is recommended to a collection agency. Credit notes are entered on each account of all actions taken.
6. Accounts with a balance less than or equal to \$2.99 qualify for Small Balance write-off and they are identified and written off automatically. If after 12 months of no statements going out to the patient due to the statement rules, if there is a balance of \$5.00 or below the account will be placed to a small balance write-off.

Rainy Lake Medical Center will not condone abusive, harassing, oppressive, false, deceptive, or misleading language or collections conducted by its debt collection attorneys and agencies, their agents or employees, or hospital employees responsible for collecting medical debt from patients. Reported incidents of this nature should be investigated and addressed in a timely fashion.

REFERENCES:

Minnesota Attorney General website, CMS, No Surprise Billing Act

CONTRIBUTING/REVIEWING DEPARTMENTS/INDIVIDUALS:

Patient Financial Services Director

Chief Administrative Officer

Chief Financial Officer