



## POLICY AND PROCEDURE

### TITLE: **Patient Billing and Collections**

EFFECTIVE DATE: January 1, 2025

OWNER OF THIS DOCUMENT: VP, Patient Financial Services

SCOPE: This document applies to Baptist Health Care, Inc. and all its wholly owned subsidiaries (BHC).

STATEMENT OF PURPOSE: To provide clear and consistent information for conducting billing and collection functions on behalf of BHC in a manner that promotes compliance, patient satisfaction, and that aligns with BHC's charitable mission and values.

### DEFINITIONS:

**Billing Statement:** A bill for services rendered. This can be a summary of activity or a detailed bill, listing each charge on a patient account.

**Collection Agency:** External agencies that are retained by BHC to collect delinquent patient accounts.

**Elective Services:** Health care services that are not Medically Necessary.

**Emergent:** Medical care that is necessary to treat a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) and the lack of immediate medical attention could reasonably be expected to result in placing the health of the patient, or, in case of pregnancy, the unborn child in serious jeopardy, the significant impairment to bodily functions, or serious dysfunction of any bodily organ or part.

**Extraordinary Collection Activities:** As defined in IRS regulation 501(r),

**Financial Assistance:** Reduction of a patient's account balance as set forth in the Financial Assistance Policy.

**Guarantor:** The person who is financially responsible for a patient's bill.

**Medically Necessary:** Health care services that are (1) at a minimum, covered Medicaid services; (2) reasonably determined by the treating physician to be necessary to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering, or pain, result in illness or infirmity, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available; (3) the most appropriate supply or level of service for the patient's condition that can be provided safely; and (4) not provided primarily for the convenience of the patient, the patient's family, physician or caretaker.

POLICY:

1. BHC's billing and collection policies will align with its charitable mission and values and will comply with the Affordable Care Act, Fair Debt Collection Practices Act, 501(r) IRS Billing and Collection rules, and the No Surprise Billing Act as well as all other relevant federal and state regulations.
2. Collection Agencies and any third parties engaged on BHC's behalf to engage in billing or collection services will comply with this policy and all applicable laws and regulations.
3. BHC will offer Financial Assistance in accordance with its Financial Assistance Policy and may also offer payment plans for those patients who do not qualify for Financial Assistance.
4. BHC nor its Collection Agencies or any third parties acting on its behalf will engage in Extraordinary Collection Practices.
5. Using Billing Statements, written correspondence, electronic message, and phone calls, BHC will make all efforts to inform patients of their financial responsibility and available Financial Assistance options, as well as follow up on outstanding account balances, while ensuring transparency during the billing and collection process.
6. Every patient will be given a reasonable period to understand and resolve his or her financial responsibility.
7. BHC may postpone or cancel non-Emergent or Elective care for any patient who is unable or unwilling to be financially cleared prior to service.
8. Patients are expected to partner with BHC to provide all necessary personal information to ensure accurate patient billing and Financial Assistance processing.
9. BHC will pursue payment on patient accounts consistently, regardless of race, gender, age, religion, education, insurance coverage, or any other discriminatory differentiating factor
10. BHC will comply with the requirements surrounding the Emergency Medical Treatment and Active Labor Act (EMTALA) and prohibits requiring payment from patients in the emergency department setting that would impact the provision of medical screening or stabilizing care.
11. BHC will maintain a Customer Service department that is available to assist the patient with any questions related to their Billing Statement.
12. Patients may request an itemization of their medical services at any time.

13. All collection efforts and Guarantor/patient communications by BHC or its agents will be documented on the patient's account in the billing system.

PROCEDURE:

1. Registration and Pre-Service Payments:
  - a. It is the patient's responsibility to provide BHC with accurate information regarding health or other relevant insurance and the patient is expected to assign to BHC benefits due from their insurance.
  - b. BHC will obtain demographic and insurance information prior to or at the time of service.
  - c. Patients will be requested to provide identification, demographic, and payer information such as insurance cards, driver's license, telephone numbers (including cell phone), and e-mail address to ensure accuracy of registration.
  - d. With the exception of Emergent services, BHC expects patients to pay their financial obligation prior to or at the time of service.
  - e. BHC will provide price estimates to most patients upon request.
  
2. Insurance Billing:
  - a. BHC will make reasonable efforts to verify patient insurance information through online tools and payer databases.
  - b. Following the patient's medical service, BHC will make reasonable attempts to bill a claim for those services to the patient's insurance company in a timely manner.
  - c. If a payer denies an otherwise valid claim due to factors outside of BHC's control, BHC may follow up with the payer and patient as appropriate to facilitate payment of the claim.
  - d. If resolution does not occur after reasonable follow-up efforts, BHC may bill the patient or take other actions consistent with payer contracts.
  - e. Once the insurance company makes payment on the claim, BHC will issue a Billing Statement to the patient for all applicable co-payments, co-insurance, deductibles, or other out of pocket costs that were not paid prior to the service.
  
3. Billing Statements:
  - a. Within seven (7) days of discharge, BHC will send an itemized statement to the patient or Guarantor. This statement is for information purposes as required by Florida law and is not a Billing Statement.
  - b. A Billing Statement will be sent to the patient at a minimum of three incremental thirty-day billing cycles, in compliance with the Centers for Medicare and Medicaid Services (CMS) rules.
  - c. Patients may receive separate bills for services rendered at BHC for the facility service and the practitioner services.
    - i. The hospital or facility bill reflects the room rate, medical supplies, pharmacy items and other services, including those provided in a BHC provider-based

clinic.

- ii. The practitioner bill reflects the charges for professional services or procedures performed by the Practitioner.
  - d. Within 120 days from the date of service, BHC will notify a patient about its Financial Assistance Policy and will give that patient at least 240 days from the date of the first post-discharge or other Billing Statement to submit a Financial Assistance Application.
  - e. Patients will continue to receive Billing Statements during the Financial Assistance application process.
  - f. BHC will make reasonable efforts to respond to all patient Billing Statements returned by the United States Post Office as undeliverable.
  - g. Accounts whose most recent demographic information contains a bad Guarantor address designation may be referred to a third-party vendor to verify the correct address via the U.S. Postal Service database. If the correct address is not identified then the account will be placed with a Collection Agency.
4. Collection:
  - a. Accounts that have not been paid within thirty (30) days after the third Billing Statement may be sent to a Collection Agency.
  - b. BHC will not assign accounts to Collection Agencies before making reasonable efforts to determine whether the patient is eligible for Financial Assistance.
  - c. BHC will not assign accounts to Collection Agencies if the patient or Guarantor has entered into a payment plan with BHC and is in compliance with that plan.
  - d. BHC and its Collection Agencies will suspend collection agency activity against a patient once the patient has submitted a completed Financial Assistance application.
  - e. BHC nor its Collection Agencies or any party acting on its behalf will engage in Extraordinary Collection Activities.
5. Legal Action:
  - a. In certain scenarios BHC may engage a law firm to assist with collection of patient balances. In these cases, BHC will ensure the following:
    - i. Accounts identified for legal collection action should be identified separately from bad debt accounts turned over to a Collection Agency.
    - ii. BHC will send a written notice to all patients recommended for legal action.
    - iii. If a judgement/lien court notice has been received, the appropriate adjustment will be made on the accounts as identified in the notice, the account will be documented, and the notice filed.
    - iv. BHC will suspend any legal activity against a patient once the patient has submitted a Financial Assistance application regardless of whether the application is complete or not.
6. Payment Plans:
  - a. BHC will offer flexible payment plan arrangements if a patient is unable to pay his or her bill in full and is not eligible for Financial Assistance.
  - b. Individuals on payment plans are expected to make the agreed payment timely



on a pre-determined basis. Failure to comply with the terms of a payment plan may result in the account being sent to a Collection Agency.

- c. If a patient is no longer able to meet the payment plan terms due to their financial situation changing, they must contact a BHC customer service representative for assistance, including Financial Assistance options.

REFERENCES:

Affordable Care Act

Fair Debt Collection Practices Act

No Surprise Billing Act

IRS 501(r) regulations

RELATED DOCUMENTS:

Financial Assistance

Financial Assistance Application

RESCISSION: Credit and Collection, effective January 2021, is hereby rescinded.