

# Baptist Health Care - Patient Financial Services

## POLICIES/PROCEDURES

### Payment Collections Policy

Subject: **Credit and Collection Policy**

### PURPOSE

To create a fair and efficient process of collecting payment for services rendered that will reflect Baptist Health Care's goal of providing quality health care to the community it serves regardless of race, creed, color, sex, national origin, sexual orientation, handicap, age or ability to pay.

### POLICY

Baptist Health Care (BHC) has established the goal of meeting the medical needs of the communities it serves. This encompasses the following:

- Treat all patients equally – with dignity, respect, and confidentiality.
- Evaluate all requests for financial assistance using established guidelines that are consistently applied yet allow for unique financial circumstances.
- Respond promptly to patient inquiries regarding their bills and requests for financial assistance.
- Ensure outside collection agencies follow hospital billing and collection guidelines.
- Follow a consistent collection program that enables Baptist Health Care to communicate financial responsibility to the patient before services are rendered.

### PROCEDURE

**Patient Liability** –The patient or his or her legal representative is ultimately responsible for all charges incurred unless the patient has submitted accurate, verifiable, and complete insurance coverage information. BHC will bill the patient's insurance carrier (including managed care plans) as dictated by contract terms, after verification of eligibility and benefits.

- a) **Verification of Information** – All information given regarding the ability to pay or responsible party including third-party insurance, auto insurance coverage and fault, accident reports, employment status, credit status, etc., will be subject to verification.
- b) **Insufficient Insurance Information** - Determination of insurance eligibility is based in large part on information supplied by the patient or guarantor. If there is insufficient information to submit an insurance claim, the patient may become responsible for the balance in full.

**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.

### **Health Insurance Coverage**

- a) **Assignment of Benefits** – BHC will bill the patient's insurance plan if the patient provides the required insurance information and signs a consent/assignment of benefits statement.
- b) **Co-Payments/Deductibles/Co-insurance** – Patients with insurance that cover a portion of the hospitalization (co-payment) or a pre-set deductible must pay the difference between the insurance allowable and the anticipated insurance payment. This payment will be requested and is due at the time of service or discharge. Co-payments/deductibles/co-insurance is a contractual obligation the patient has with their personal insurance coverage/company. It is contractual required that BHC attempt to collect co-payments/deductible/co-insurance from the patient. A preadmission, pre-service deposit may be required.
- c) **Contractual Adjustments** – Health insurance and governmental agency contractual adjustments, bad debt write-offs, etc., will be handled in accordance with BHC's Patient Financial Services contractual adjustments guidelines in accordance with health plan reform.
- d) **Unpaid Insurance Balances** – Patients may be requested to make full payment of unpaid balances if payment is not received from the patient's insurer within 90 days from the date of claim submission.

**Preadmission/Preservice Deposits:** BHC recognizes that as patient's out-of-pocket contractual requirements (co-payments/deductibles/co-insurance) increase and more people do not have insurance, patient may not be able to pay entire out-of-pocket at prior to or at time of service. BHC will allow deposits to be paid by the patient. Deposits will reduce the outstanding balance; however will not remove the obligation of paying the remaining balance. The following is the guideline to determine the required deposit:

If a patient cannot pay the minimum required deposit, the patient must reschedule services until minimum deposit can be made. If patient does not wish to reschedule due to stating the service in emergent, the service must be presented to Chief Medical Officer to determine if service can be rescheduled or should occur. Regardless if the service is deemed emergent, the patient is still responsible for the outstanding balance.

**Pre-Service Program** – BHC will pre-admit all patients when possible. The method of payment will be verified prior to the patient's admission.

**Uninsured Patients/Noncovered Services** – Payment for all charges that are not covered by insurance are due and payable at the time services are rendered or on the date of discharge. A preadmission/preservice deposit may be required for elective services prior to admission or outpatient services.

**Elective Self Pay** – Patients in this classification will be evaluated for financial liability prior to admission. The patient will be asked to pay the estimated cost of the procedure

before the service is rendered. If satisfactory payment arrangements cannot be reached with the patient, a Representative will contact the admitting physician to determine if the procedure is medically emergent or if it can be rescheduled until acceptable payment arrangements can be established with the patient. Procedures deemed emergent by the ordering physician will be scheduled; non-emergent procedures will be delayed until acceptable payment arrangements can be established. Determination of emergent services may require physician peer-or-peer review with Chief Medical Officer and the ordering physician.

- a) **Flat Fee, Pre-Paid Surgical Procedures** – BHC offers a limited number of flat-fee, pre-paid surgical procedures. In order to qualify for a flat-fee, pre-paid rate, the patient must pre-pay the flat fee no later than ten days before the procedure is scheduled. Additionally, the patient must sign a flat-fee, pre-paid contract that will outline the expected pre-operative, inpatient, and post-operative course and the related charges that are included in the flat fee price.

**Emergent Diagnostic Services** - BHC will perform diagnostic services for any patient regardless of their ability to pay when the medical staff member specially annotates that the requested test or procedure is “emergent.” Determination of emergent services may require physician peer-or-peer review with Chief Medical Officer and the ordering physician.

**In-House Collections** – In the event the patient’s liability portion was not defined and/or collected at the time of admission, the patient or guarantor may be contacted while in-house by a Representative to review all available financial assistance options.

**Patient Payment Options** - BHC offers the following payment options.

- a) **Cash Payments** – BHC will accept cash for payment of self-pay portions. Cash received will be receipted and posted on patient’s account as defined in BHC’s *Payment Posting Policy*.
- b) **Check** – BHC reserves the right to delay scheduling elective procedures until the pre-payment check has cleared.
- c) **Credit Card Payments** – BHC will accept Visa, MasterCard, Discover and American Express. BHC reserves the right to authorize credit card transactions in advance of accepting payment for non-emergent services.

**Patient Financial Assistance Options** - BHC offers the following financial assistance options and Representatives are available to review these choices with patients:

- a) **Discounts** – Several discount options are available for balances not covered by insurance as outlined in BHC’s *Patient Discount Policy*. **NOTE:** Patients covered by federal or state governmental assistance programs such as Medicare and Medicaid are not eligible for prompt pay discounts.
- b) **Catastrophic Inpatient Uninsured High Dollar Accounts/Extenuating Circumstances** – For exceptional self-pay liability balances, BHC reserves the right to authorize a discount utilizing Medicare Inpatient DRG reimbursement

rates as a benchmark. Such extenuating circumstances require the approval of BHC's Executive PFS Director and/or the VP of Revenue Management.

- c) **External Loan Program** – If a patient is unable to make full payment of the patient balance when due, periodic, partial payments may be approved.
- d) **Financial Assistance** - BHC is committed to providing medically necessary quality health care to those who are unable to pay. If a patient is found to be financially indigent or medically indigent as defined in BHC's *Financial Assistance Policy* guidelines and the Financial Assistance Application and supporting documentation has been approved, appropriate Financial Assistance discounts will be applied to the patient's account(s).

**Third-Party Litigation** – BHC will not become involved in disputes arising from third-party claims such as slip and falls, dog bites, guarantor in child custody situations, etc. BHC does not accept letter of protection for payment of services.

- a) **Collection Agencies** – Accounts that cannot be collected by BHC after normal procedures have been attempted may be referred to a collection agency for further collection action in accordance with BHC's *Bad Debt Policy*.
- b) **Legal Action** – If deemed appropriate by the Executive Director of Patient Financial Services and/or Vice President, Revenue Management, BHC may take legal action, including seeking a judgment against a patient, in order to collect balances owed.
- c) **Refunds** – Overpayments will be refunded to the appropriate party, as per BHC's *Refund Policy*.
- d) **NSF Checks** – Non-Sufficient Funds (NSF) checks will be handled in accordance with Patient Financial Services department NSF check procedures.
- e) **Attorney Agreement to Pay** – BHC will not accept a letter of promise to pay from a patient or patient's attorney in effort to continue service without payment.