BURGESS HEALTH CENTER ONAWA, IOWA POLICY AND PROCEDURE MANUAL	**POLICY NUMBER:** 882.3035.0
DEPARTMENT: Burgess Clinics	**EFFECTIVE DATE:** 12-1-2015
POLICY: Billing - Payment, Billing, Credit and Collections Policy	**SUPERSEDES NUMBER:** None

I. PURPOSE

Burgess Clinics (BCs) strive to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. The purpose of this policy is to create guidelines for expectation of payment, the orderly and reasonable extension of credit, and the effective collection of unpaid accounts.

II. SCOPE

Level 3 - This policy applies to all individuals who receive services from or at BCs within the designated service area, and from that, incur a financial obligation to BCs. The information contained and reference in the Policy applies solely to healthcare services provided at and billed by BCs.

III. RESPONSIBILITY

It is the responsibility of the Clinic Billing Supervisor to assure adherence to this policy.

IV. GUIDELINES

A. Goals – it is the goal of the BCs Payment, Credit and Collections Policy:

1. Treat all patients equitable, with dignity, respect and compassion.
2. Ensure that no patient is denied care for inability to pay for non-elective services.
3. Educate patients on the expectation of payment.
4. Collect all co-payments and anticipated out of pocket patient responsibility at the time of service for all services, unless qualified credit is established or prior payment arrangements are made.
5. Comply with all local, state and federal laws, including Internal Revenue Code 501(r).

B. Definitions:

1. **Burgess Clinics** include the Decatur, Dunlap, Mapleton, Sloan and Whiting clinic locations.
2. **Government Health Care Program** means any plan or program providing health care benefits, whether directly through insurance or otherwise, that is funded directly, in whole or in part by the U.S. Government or any state health care program. It includes Medicare, Medicaid, TriCare, VA, and state Medicaid programs. It does not include the Federal Employees Health Benefits Program.
3. **Insured** means a patient who has a health insurance policy which could require such patient to make payment of Out of Pocket Expenses, or fails, in whole or part, to cover certain medical services or procedures. An insured patient may be underinsured but is not uninsured.
4. **Guarantor** means the person(s) that are financially/legally responsible for the patient.
5. **Non-elective Services** are services certified as necessary to the health and well-being of the patient by a licensed provider.
6. **Out of Pocket Expense(s)** means any payment for services, including but not limited to any deductible, copayment, coinsurance, non-covered services, or other payment that is the financial responsibility of the Guarantor under the terms of any applicable Government Health Care Program or any other Third Party Payor.
7. **Third Party Payo**r means any governmental Health Care Program or Commercial Health Insurance Plan.
8. **Uninsured** means any patient having no health insurance.
9. **Underinsured** means any patient insured by a health insurance policy or that is a beneficiary of a health spending account (the amount that the patient/Guarantor has on deposit with the Health Savings Account being considered insurance), but lacks coverage or the financial resources to cover out of Pocket expenses.

C. Procedure:

1. **Payment.** Patients or their responsible parties are expected to pay their full liability for services rendered, including any applicable discounts within thirty (30) days of receipts of their first bill. The expectation of payment of the copayment and/or deductible will be discussed with the patient at the time the service is scheduled.

   a. **Insured Payment prior discharge:** BCs Registration staff and/or Financial Counselor will request estimated routine Out of Pocket Expense for clinic services prior to discharge.

b. **Uninsured:** BCs Registration staff and/or Financial Counselor will assist the patient with financial arrangements at the time of scheduling. Staff will request payment with the deposit amount to be determined according to the estimated total amount due.

c. **Forms of payment:**
   (1) BCs will accept payment in cash, debit card, check, money order, ACH account auto-deduction, or credit card.
   (2) BCs Financial Assistance Program Application.
   (3) BCs Installment Payment Plan.

d. **Insurance Coverage:** BCs will bill a Third Party Payor at the time of service if the patient presents adequate information to determine coverage and proper filing of the claim, with the exception of automotive insurance companies. Reimbursement is expected from such Third Party Payor(s) within 60 days of billing. Patient and/or Guarantor are responsible for any Out of Pocket Expenses.

e. **Prompt Payment Discounts**: Self-pay patients, those without insurance benefits, are offered a 20% discount for making payment in full on the date of service. Discounts do not apply to self-pay patients outstanding balances.

2. **Billing.**
   a. Billing statements are sent to the guarantor, for account balances of $5.00 or more, as soon as the statement becomes available in the billing system.
   b. The guarantor of the account is expected to make payment in full within 30 days of the statement date.
   c. Statement will continue to be sent on a 28-day billing cycle until balances are paid in full.
   d. Balances less than $5.00 may be adjusted-off at the discretion of the Clinic Billing Supervisor if no other open encounters or adjustments expected from insurance.

3. **BCs Installment Payment Plans.** For patients who do not otherwise qualify for the BCs Financial Assistance Program and cannot reasonably make payment in full within 30 days of the statement date, BCs will accommodate the following guarantor payment arrangements:
   a. Outstanding balances are expected to be paid in full within 6 months of setting up installment payments. The minimum monthly payment for any outstanding balance is $25.
   b. Alternative Installment Plans: Requests for alternative installment payment terms must be referred to the Clinic Billing supervisor for review and approval.
   c. Documentation regarding installment plans will be noted in the billing system.

4. **Missed Payments.** Failure to make agreed upon payments under an Installment Plan or Settlement Plan may result in the cancellation of the payment arrangement, demand issued for payment in full and referral to a third party collection agency for additional collection activities. Payment arrangements may be reinstated at the discretion of the Clinic Billing Supervisor, and in all cases where a Patient/Guarantor pays all plan arrears by a BFC approved date.

5. **Collection Services.** Patients/Guarantors who do not pay their BCs bill in full after 3 billing statements and who do not respond to an attempt to set up Installment Plan, Settlement Plan or Financial Assistance may be turned over to a third party collection agency. Making occasional payments does not satisfy the need for an agreed upon Installment Plan.
   a. A Courtesy Notice will be issued to guarantors if there has been no response on the account after two billing statements. The Courtesy Notice will explain options for payment and expectations that payment arrangements be made otherwise further collection efforts will occur.
   b. A Final Notice will be issued to guarantors if there has been no response on the account after three billing statements. The Final Notice will explain expectations for payment arrangements.
   c. Following mailing of the Final Notice, an attempt will be made to contact the guarantor by phone. Phone contact will be documented.
   d. Accounts with balances greater than 120 days old and with either no attempts by the guarantor to arrange, or payment arrangements have not been adhered to, will be turned over to a third party collection agency.
   e. Account documentation will be completed using the Delinquent Account Worksheet and will be noted in the billing system.
   f. Guarantors will be notified in writing that future services, for them and members of their immediate family, are expected to be paid at time of service.
   g. If accounts are turned over to collections for a second time, guarantors and members of their immediate family may be dismissed from the practice.

V. AUTHORITY

This policy is issued by Burgess Clinics and recommended for approval by:

Teresa Butler, RN, BSN, CPHQ
Vice President of Clinical Services

This policy has been reviewed by:

Cindy Holt
HR/Admin Assistant

This policy has been approved by:

Fran Tramp
President