



*Pembina County Memorial Hospital
Wedgewood Manor*

Billing and Collections Policy

Purpose:

To ensure that Pembina County Memorial Hospital (“Hospital”) is compliant with the Internal Revenue Code Section 501(r)(4)(A)(iv) and related regulations and requirements.

Definitions:

Emergency Medical Care: Treatment of an emergency medical condition. Emergency medical conditions are defined in section 1867(e)(1) of the Social Security Act as “a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in

- (a) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,
- (b) Serious impairment to bodily functions, or
- (c) Serious dysfunction of any bodily organ or part;

Or with respect to a pregnant woman who is having contractions,

(a) that there is inadequate time to effect a safe transfer to another hospital before delivery, or (b) that transfer may pose a threat to the health or safety of the woman or the unborn child.”

Extraordinary Collection Actions: Each of the following actions is considered an extraordinary collection action:

- Selling an individual’s debt to another party.
- Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
- Deferring or denying, or requiring a payment before providing, medically necessary care because of an individual’s nonpayment of one or more bills for previously provided care that may be eligible for financial assistance.
- Actions that require a legal or judicial process, including liens, foreclosures, attachments, seizures, civil actions, arrests, writs of body attachment, and garnishments.

Medically Necessary Care: A medical treatment that is deemed to be necessary by the patient’s examining physician.

Policy:

Hospital will not engage in any extraordinary collection actions against an individual to obtain payment for a medical liability until Hospital has made reasonable efforts to determine whether that individual is eligible for financial assistance under Hospital’s Financial Assistance Policy.

Extraordinary collection actions against an individual include any extraordinary collection actions taken against any other individual who has accepted or is required to accept responsibility for the individual's hospital bill for care.

Any actions taken by a third party on behalf of Hospital are considered to be taken by Hospital directly.

Procedure:

See Attachment A for a list of actions that may be used by Hospital to obtain payment of a medical liability owed by an individual, including extraordinary collection actions. Attachment A also provides a general timeframe for these actions.

Hospital prohibits the use of all extraordinary collection actions other than the actions listed in Attachment A. This prohibition applies to Hospital and to all other parties acting on behalf of Hospital.

Hospital will not take any of the extraordinary collection actions listed in Attachment A within 120 days of sending the first post-discharge billing statement to an individual.

At Hospital's discretion, a single collection action may be taken to obtain payment for multiple medical care liabilities. However, in such situations, an extraordinary collection shall not be taken within 120 days of sending the first post-discharge billing statement for the most recent instance of medical care included in the extraordinary collection action.

At least 30 days prior to taking any extraordinary collection action against an individual, Hospital shall provide the individual with a written notice that includes the following information.

- Financial assistance is available for eligible individuals.
- The extraordinary collection actions that Hospital, or another authorized third party, intends to initiate against the individual to obtain payment for the care.
- A deadline after which such extraordinary collection actions may be initiated.

The written notice will include a plain language summary of the Financial Assistance Policy. Hospital will also make reasonable efforts to orally notify the responsible party about the Financial Assistance Policy and how the individual may obtain assistance with the financial assistance application process.

The CFO and CEO each have the authority to determine whether Hospital has made reasonable efforts to determine whether an individual is eligible for financial assistance and may therefore engage in extraordinary collection actions against that individual.

If an individual submits a financial assistance application, Hospital shall cease all collection efforts until a determination of financial assistance eligibility is made.

If Hospital or another authorized party has already begun an extraordinary collection action against an individual when that individual submits a complete financial assistance application, the extraordinary collection action will be suspended. Suspending an action means that no further steps are taken on that extraordinary collection action and no new extraordinary collection actions are initiated. This

suspension may be lifted when Hospital determines the individual's eligibility for financial assistance and notifies the individual as prescribed in the Financial Assistance Policy.

If Hospital or another authorized party has already begun an extraordinary collection action against an individual when that individual is determined to be eligible for financial assistance, Hospital and/or the other authorized party will take all reasonably available measures to reverse the extraordinary collection action. Such steps include, but are not limited to,

If an individual submits an incomplete financial assistance application, Hospital shall take the following steps to encourage them to complete the application.

- Suspend any extraordinary collection actions to obtain payment for the care.
- Provide a written notice to the responsible party that includes the following information.
 - The additional information and/or documentation that must be submitted.
 - The physical location and phone number of a Hospital employee or department that can provide information about the Financial Assistance Policy.
 - The physical location and phone number of an organization or Hospital employee/office/department that can provide assistance with the financial assistance application process.
- Allow a reasonable amount of time for the responsible party to submit a complete financial assistance application. Such period of time shall be at least 30 days from the date the written notice is sent to the responsible party.

If the responsible party fails to provide the requested information within the stated time, Hospital may renew the previously initiated extraordinary collection actions.

If an individual has made full or partial payment, and the individual is subsequently determined to qualify for financial assistance, any payments in excess of their newly calculated remaining liability will be refunded to the patient within 30 days of the financial assistance eligibility determination. If the refundable amount is less than \$1.00, it will not be refunded.

References:

Financial Assistance Policy

Financial Assistance Application

Attachment A

Pembina County Memorial Hospital Collection Actions

Pembina County Memorial Hospital ("Hospital") uses the following methods to encourage individuals to pay a liability owed to Hospital for the provision of medically necessary care:

- Charges generated are reviewed for accuracy and changes made when necessary.
- Diagnosis codes and procedure codes are added to the bill for preparation of billing.
- If information is provided, insurance is billed for charges incurred by the patient.
- Once insurance has processed charges, billing statements are mailed every 28 days to the address on file. If the statements are returned, Hospital reserves the right to refer accounts to a collection agency for skip tracing.
- If Hospital does not receive payment within 35 days, a letter is sent to the patient with a payment agreement form.
- If Hospital does not receive payment or a signed payment agreement form within 45 days, accounts may be referred to an outsourcing agency for phone calls (MARS). Outsourcing agency asks for payment in full, payment agreements, and/or sends out financial assistance applications. The outsourcing agency, MARS, may send letters if they are not able to get in contact with the patient and/or arrangements cannot be made. Statements will continue to be sent during this time. Accounts will be returned to Hospital if no payment agreement is in place after 60 days.
- Once returned to Hospital from the outsourcing agency, final notice letter will be sent from Hospital, and patient will be given 30 days to comply with this letter by making payment in full, setting up a payment agreement, or filling out a financial assistance application and returning it with the required information.
- If no payment, payment agreement, or application for financial assistance with the required information is returned within 30 days account will be referred to a collection agency, Professional Service Bureau. At this time statements will no longer be sent from Hospital for any accounts referred to the collection agency.