

# St. Dominic's

**Title:** Billing and Collections

Applies To: St. Dominic Hospital, St. Dominic Medical Associates, LLC, St. Dominic Hospital Medicine, LLC	Category: Fiscal Services
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**Purpose:**

This policy, together with St. Dominic-Jackson Memorial Hospital (“Hospital”) and its physician groups, St. Dominic Medical Associates, LLC (“SDMA”) and St. Dominic Hospital Medicine, LLC (“Hospital Medicine”) (SDMA and Hospital Medicine are collectively referred to as “Groups” and the Hospital and Groups are collectively referred to as “St. Dominic’s”) Financial Assistance Policy (“FAP”), is intended to meet the requirements of applicable federal, state, and local laws, including without limitation, section 501(r) of the Internal Revenue Code as amended, and the regulations thereunder. This policy establishes actions that may be taken in the event of nonpayment for emergency or other medically necessary provided by St. Dominic’s, including collection actions and reporting to credit agencies.

**Definitions:**

**1. Amounts Generally Billed (“AGB”)** – The AGB is determined by multiplying the gross charges for the medical care provided by the AGB Percentage. The AGB Percentage is a percentage of gross charges and is calculated by St. Dominic’s at least once a year, using the look-back method. The look-back method divides (1) the sum of all claims for emergency or other medically necessary care that have been allowed by Medicaid, Medicare fee-for-service, and all private health insurers that pay claims to the facility during a prior 12-month period by (2) the sum of the associated gross charges for those claims. The Hospital and Groups use the same look-back method to determine the AGB Percentage, but the Hospital and each Group have separate AGB Percentages. All discounts outlined in this FAP shall apply to AGB for the care provided and not gross charges. The current AGB Percentage for the Hospital and Groups and a description of the calculation may be readily obtained free of charge from the Patient Financial Services Department located in the Hospital’s Medical Mall, which may be contacted at 601-200-5446.

2. **Collections Process** - The collections process starts at time of registration for all scheduled patients and after the medical screening has been completed for patients admitted through the Emergency Department. This process ends at the time of final settlement of balances due to the Hospital or Groups as applicable for services provided.
3. **EMTALA** – The Emergency Medical Treatment and Active Labor Act (42 U.S.C. § 1395dd) and the regulations thereunder, including specifically 42 CFR § 489.24 (or any successor regulations)
4. **Extraordinary Collection Actions (“ECA”)** – ECA include:
  - 4.1. Selling an individual’s debt to another party (“Purchaser”) unless the Purchaser has entered into a prior written agreement
    - 4.1.1. prohibiting the Purchaser from engaging in any ECAs to obtain payment for care;
    - 4.1.2. prohibiting the Purchaser from charging interest in excess of the rate set forth in I.R.C. § 6621(a)(2) at the time the debt is sold;
    - 4.1.3. requiring the return to or recall by St. Dominic’s upon a determination that the individual is FAP eligible; and
    - 4.1.4. if the debt is not returned to or recalled by St. Dominic’s for a FAP eligible individual, requiring the Purchaser to adhere to procedures specified in the agreement that ensure that the individual does not pay (and has no obligation to pay) the Purchaser and St. Dominic’s together more than he or she is personally responsible for paying under the FAP.
  - 4.2. Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
  - 4.3. Deferring or denying, or requiring payment before providing, medically necessary care because of an individual’s nonpayment of one or more bills for previously provided care covered under the FAP.
  - 4.4. Any actions that require a legal or judicial process, including but not limited to
    - 4.4.1. placing a lien on an individual’s property (other than liens permitted under state law on personal injury settlements related to the care),
    - 4.4.2. foreclosure on an individual’s property,
    - 4.4.3. attaching or seizing an individual’s bank account or any other personal property;
    - 4.4.4. commencing a civil action against an individual,
    - 4.4.5. causing an individual’s arrest,
    - 4.4.6. causing an individual to be subject to a writ of body attachment; or
    - 4.4.7. garnishing an individual’s wages.

For this purpose, the filing of a claim in any bankruptcy proceeding is not an ECA.

**Policy:**

1. At the time of registration and after all EMTALA requirements are met, patients will be asked to make a payment for an estimate of their co-pay and deductibles for Hospital services. For Groups’ services, a patient may be asked to make a payment for an estimate of their co-pay and deductibles during an office visit prior to providing

the services; otherwise, patients will not have to pay anything until they receive their first statement for Groups' services.

2. Patients with third party coverage that cannot make the payment will be referred to a financial assistance representative who will follow the FAP as appropriate.
3. Patients with no third-party coverage will be visited by a representative of a contracted eligibility company to assess the patient for eligibility for coverage from Medicaid, disability, etc.
  - 3.1. Patients who are deemed ineligible for this coverage will then be referred to the financial assistance representative who will follow the FAP.
4. Upon registration, a plain language summary of the FAP shall be offered to all patients. For those patients that present to the emergency department, the plain language summary of the FAP will be offered after compliance with any EMTALA obligations.
5. Subsequent to discharge and the appropriate time for all charges to be entered and coded by St. Dominic's staff, all claims will be billed to the third-party payor obtained from the patient at time of registration.
  - 5.1. Forty-five days (45) following a Hospital claim being billed to the payor of record, the first statement will be sent to all patients with commercial coverage for Hospital services. For Groups' services, patients covered with commercial coverage will be mailed their first statement within thirty (30) days following the claim being processed by the commercial payor.
  - 5.2. Patients covered by all governmental payors will be mailed their first statement within thirty (30) days following the claim being processed by the governmental payor.
  - 5.3. All subsequent statements will be mailed to the patient every thirty (30) days.
  - 5.4. These statements will identify total charges and all subsequent adjustments and payments to give patients a clear understanding of their personal obligation.
6. Each billing statement shall notify and inform recipients about the availability of financial assistance under the FAP and include the telephone number of the Patient Financial Services Department that can provide information about the FAP and FAP application process and the direct web address where copies of the FAP, FAP application, and the plain language summary of the FAP may be obtained.
  - 6.1. Patients who do not have insurance, regardless of whether they qualify for additional financial assistance as set forth in the FAP, will be given an uninsured discount equivalent to the discounts given to third party insurers so that no such patient is charged more than the AGB.
  - 6.2. For those patients that qualify for financial assistance for the eligible services, St. Dominic's will provide additional financial assistance as set forth in the FAP.
7. The Patient Financial Services Department is the department of the Hospital with the authority and responsibility for determining whether an individual qualifies for

financial assistance or whether ECA may be initiated against individuals. If a patient qualifies for financial assistance, then the Hospital will notify the Groups of the patient's qualification.

- 8.** In compliance with item 12 of this policy, balances that remain unpaid may be referred to an external collection agency that will complete the collection process.
  - 8.1.** Such collection agency shall be obligated by written contract to observe the same procedures with respect to determining qualification for financial assistance that apply to St. Dominic's under the FAP.
  - 8.2.** Those efforts will include a continuation of statements and phone calls as deemed appropriate.
  - 8.3.** In the event that these efforts are inadequate, the external agency may also report the unpaid balances to credit bureaus and/or undertake other ECAs.
  - 8.4.** All staff assigned to work for St. Dominic's at the contracted external collection agency will be aware of the FAP and offer that to patients when appropriate.
  
- 9.** St. Dominic's has adopted an "Early-Out" program designed as an extension of the Hospital and Groups' Patient Financial Services Department. SDMA does not participate in the "Early-Out" program.
  - 9.1.** This program is not considered an ECA.
  - 9.2.** Accounts will be referred to this program as follows:
    - 9.2.1.** For Hospital Only: Commercial insurance accounts less than \$1,200 at sixty (60) days from the first post-discharge bill date.
    - 9.2.2.** For Hospital and Hospital Medicine Only: Balance After Insurance accounts at ninety (90) days from the first post-discharge bill date.
    - 9.2.3.** For Hospital and Hospital Medicine Only: All Self Pay accounts at fourteen (14) days from the first post-discharge bill date.
    - 9.2.4.** For Hospital Only: Medicare Supplement accounts less than \$950 at one hundred and twenty (120) days from the first post-discharge bill date.
  
- 10.** The Early-Out agencies will send a series of billing statements on a thirty (30) day cycle.
  - 10.1.** In addition to the billing statement, they will also attempt to call each patient and/or payor as deemed appropriate.
  - 10.2.** Collection efforts in the Early-Out phase will last for up to one hundred and fifty (150) days from the date of the patient's first post-discharge billing statement.
  - 10.3.** If the accounts remain unpaid at that time, they are sent back to the Patient Financial Services Department to be written off to bad debt and assigned to a bad debt collection agency or the initiation of any other ECAs as permitted by this policy.
  
- 11.** Accounts are written off to bad debt and assigned to one of the approved bad debt collection agencies after all collection efforts are exhausted as described previously and the applicable time period as set forth below has elapsed.



