

Manual: Patient Business Services

Revised:

10/25/12,11/08/12,11/12/13,10/06/14,10/05/15,10/11/16

Subject/Title: 0004 Billing and Collections Policy and Procedures

Reviewed: 10/22/2021

Purpose

- I. *Revised in accordance with the IRS and Treasury 501(r) final rule under the authority of the Affordable Care Act and the Fair Debt Collection Practices Act.*
- II. **This policy establishes reasonable procedures regarding collection of patient accounts, including Extraordinary Collection Actions (“ECAs”), that may be taken by The Stamford Hospital (“Hospital”) or contracted external collection agencies and law firms.**

Policy

- III. All PBS Employees are to follow this process.

Procedure

- IV. It is the policy of the Hospital to pursue collection of outstanding balances from patients who have the ability to pay for services. Collection procedures will be applied consistently and fairly for all patients regardless of insurance status. This Policy will be issued in all languages into which the Hospital’s Financial Assistance Policy (“FAP”) is translated. All collection procedures will comply with applicable laws. The FAP, the Financial Assistance Plain Language Summary (the “Summary”) and the Financial Assistance Application (“Application”) are available on the Stamford Health website here: <http://www.stamfordhealth.org/fap>. The FAP is also attached to this Policy.
- V. **Identification and Notification of Patients Who May be Eligible for Financial Assistance**
 - a. The Hospital will make reasonable efforts to identify patients who may be eligible for financial assistance. The Hospital’s Patient Business Services Department notifies all self-pay patients of their opportunity to submit an Application, so that they may seek a partial or complete reduction of their Hospital bill for emergency and/or medically necessary services (referred to as “Eligible Services” herein and under the FAP). This notification is made through inserts included with all statements sent to self-pay patients, and on the statements themselves; the notification also directs the patient to the Hospital website, which leads him/her to the policy, Summary, and Application.
- VI. **Determination of Eligibility for Financial Assistance**

- a. The determination as to whether a patient is eligible for financial assistance shall be made pursuant to the FAP. Billing and Collection Process:
- i. The Hospital provides the first billing statement following services. For balances after insurance, the Hospital provides a second statement 30 days after the initial statement.
 - ii. All statements contain information regarding the availability of the FAP including contact information, as described above.
 - iii. During the final phase of the statement cycle, the Hospital will make reasonable efforts to orally notify patients about the FAP and the availability of assistance with the Application and will notify patients in writing of the following:
 1. The Extraordinary Collection Actions (“ECAs”) the Hospital or its authorized designee may take to obtain payment for care.
 2. A date after which such ECA(s) may be initiated that is no earlier than 30 days after the date of the written notice: and The Summary.
 - iv. If a patient has made payment(s) to the Hospital, and the Hospital subsequently determines that the patient is FAP-eligible, Hospital will notify the patient of such determination and provide a refund of the amount paid in excess of the patient’s responsibility under the FAP, unless such excess amount is less than \$5.00.
 - v. Patient accounts are reviewed and approved by the Director and or Manager of Patient Business Services for direct referral to collection attorneys. For accounts in collection, the following will be written off as bad debt after 1 year of collection:
 1. Accounts that the agency has identified as uncollectible;
 2. Accounts where the agency has been unable to contact the patient; and Accounts where the agency deems the patient to be judgment proof.
 - vi. The Hospital will, when appropriate, engage in the following ECAs:
 1. Accounts are directly referred to attorneys in cases where we have identified circumstances where legal proceedings will be eminent and the routine collection agency time frames or procedures would not be effective; in such cases, the Hospital may commence legal action to collect a bill from a patient (but this does not include filing of a claim in a pending bankruptcy proceeding, which is not considered an ECA);
 - a. Reporting to a credit reporting agency or credit bureau;
 - b. Placing a lien on the individual’s property (except liens permitted under state law upon judgments or settlements for personal injury related to the care provided);

- c. Attaching or seizing any individual bank account or other personal property; and/or
 - d. Garnishing wages.
- vii. Notwithstanding anything herein to the contrary:
 - 1. The Hospital will not engage in any ECAs for at least 120 days after a patient receives the initial bill for Hospital services;
 - 2. The Hospital shall not engage in any ECAs until the Hospital's Patient Business Services Department has determined that the Hospital has made adequate efforts to determine whether the patient is eligible for financial assistance; and
 - 3. The Hospital shall suspend any ECA against an individual if he/she submits an application for financial assistance; and
 - 4. The Hospital will not engage in the following ECAs:
 - a. Foreclosing on real property;
 - b. Causing and individual to be subject to a writ of body attachment or otherwise causing an individual's arrest;
 - c. Selling an individual's debt to another party unless certain conditions are met; or
 - d. Deferring or denying medically necessary care or requiring payment before providing care because of non-payment of a prior bill.