

Ortonville- Ortonville Area Health Services: Operations:	Collections- Ortonville
	APPROVED BY: CFO
DATE REVIEWED/REVISED: 04/26/2024	FORMULATED BY: INS & BILLING SUPV

PURPOSE:

This policy provides guidance to Ortonville Area Health Services staff so they may manage Accounts Receivable consistently through an established collection process regarding all aspects of the collection process.

Ortonville Area Health Services is committed to providing financial assistance to those patients demonstrating an inability to pay for the services they receive that is consistent with the missions and values of Ortonville Area Health Services. All patients will be treated with dignity, compassion and respect regardless of their ability to pay.

Zero Tolerance Policy

- Ortonville Area Health Services has zero tolerance for abusive, harassing, oppressive, false, deceptive, or misleading language of collections conduct. This zero tolerance applies to internal Ortonville Area Health Services staff and third party collection vendors and attorneys.
- For any patient/guarantor who has provided written notice of bankruptcy filing to Ortonville Area Health Services, and thus under the protections of the bankruptcy court, Ortonville Area Health Services will abide by the automatic stay.

Patient Expectations and Demographic Information

- Prior to delivering health care services, except in cases of emergencies or urgent care, a patient is expected to provide a copy of their current insurance card, as well as timely and accurate demographic information (full name (patient and guarantor, if different), address, phone numbers (home, cell and work), date of birth, social security number, citizenship and residency information), marital status, changes in marital status, changes in insurance status, and any applicable financial resources that may be used to pay their bill (including, but not limited to, health insurance, motor vehicle or homeowners insurance, if applicable, worker’s compensation insurance, if applicable, student insurance policies, if applicable). It is ultimately the patient’s responsibility to provide this accurate and timely information and to keep Ortonville Area Health Services apprised of any updates in their personal information outlined above.
- Patients are also responsible for any required notification to insurance companies or public programs either prior to or after care has been delivered. This would include notices required by health insurance companies, workers compensation programs, third party liability companies, Medicaid programs, Medicare supplemental and replacement plans, or any other plan or program that might have responsibility for covering part or all of the services rendered.
- Ortonville Area Health Services will assist a patient with their insurance prior authorizations, if appropriate and applicable. Ortonville Area Health Services has developed and implemented procedures to ensure timely and accurate submission of claims to third party payers. However, timely submission is contingent upon the patient providing the correct information promptly.
- Patients are required to pay any copays due when they register. If copay is not paid at time of registration, registrar will ask the patient to go get the copay and come back. If provider schedule is not able to accommodate the time needed to get the copay, the appointment will be rescheduled.
- **Patients with no insurance** will be required to pay a \$75 deposit the day of their services at time of registration or to the Patient Financial Services Department prior to registration. Cost sharing

plans are considered to be self-pay, and a \$75 deposit will be required prior to or at time of registration for such plans.

Internal Self Pay Collections Policy

This policy is applicable to all patients receiving services at Ortonville Area Health Services, specifically all balances that are considered self-pay.

Self-pay is defined as an account that is not covered by any medical insurance or other indemnity, in whole or in part (Co-payments, co-insurances, deductibles, spend downs, non-covered services, etc) and for which the patient or guarantor is liable and responsible for payment. Patients/Guarantors who are not able to pay their self-pay balances in full are strongly encouraged to contact Patient Financial Services staff to discuss payment options available as soon as possible at 320-830-4096 or pfs@oahs.us.

Statements

- Ortonville Area Health Services will notify patients of their balances by billing statements which are mailed approximately every 28 days.
- The billing statement will show hospital and clinic activity on the patient/guarantor account. This will include new balances and/or carry forward balances.
- Information regarding availability of financial assistance will be included on statements.
- Medicare patients will only receive a statement showing a self-pay balance.
- The billing statements will contain messages notifying the patient of past due balances.
- Statements will not be mailed on balances \$4.99 and under, and said balances will be written off.

Telephone Communication with Patients

- For any balance unpaid after the initial due date, Ortonville Area Health Services may also attempt to contact patients by phone.
- Ortonville Area Health Services will make reasonable efforts to educate patients/guarantors that they may receive a separate statement from Sanford Laboratory or such other third party ancillary services like Radiologists, Pathologists, Surgeons, and Outreach physicians, etc.
- Patient Financial Services Staff will make reasonable efforts to assist patients. Payment options including the Ortonville Area Health Services Financial Assistance Policy, will be offered whenever appropriate.
- Ortonville Area Health Services employs the services of a translation service to assist patients as needed. (See Telephonic Interpretation Policy)

Reasonable Payment Plans

Ortonville Area Health Services requests payment in full within 28 days of the date of the first billing statement. For those patients contacting Patient Financial Services indicating their inability to pay in one payment, a reasonable payment plan as outlined in this policy will be offered.

- Patient Financial Services staff are authorized to set up a payment plan. Minimum payment expectations are:

○ For balances \$1200 or less - \$100 per month
○ For balances greater than \$1200 but less than \$5000 – maximum of 24 monthly payments (2 years)
○ For balances greater than \$5000 – maximum of 36 monthly payments (3 years)

If a request is made from the patient/guarantor for an extension past 3 years, approval from administration will be required. The CEO or CFO will have the flexibility to extend payments- not to exceed 4 years.

Patients also need to be aware if additional services are utilized, and the self-pay balance grows, the monthly payment amount may also increase based on the balance information above.

- Once a payment arrangement has been established between the patient and Patient Financial Services, and the first payment made, advance collection activity will be stopped. Any missed payments will nullify the payment arrangement and collection activities will proceed.
- A promised payment or a default upon a payment plan is not considered an agreement and will not stop advancing collection activity which may include listing balances with a third party collection vendor and/or the Minnesota Revenue Recapture program.
- To establish an acceptable payment plan, the patient must contact Patient Financial Services at 320-839-4096 or email them at pfs@oahs.us. Mailing in a payment without contacting Ortonville Area Health Services staff will not result in the establishment of a formal payment plan, but, instead, will be treated as a one-time payment toward the outstanding balance.

Bad Debt Collection Policy

- Patients/guarantors that do not pay their medical billings in full, or through a payment plan established with Patient Financial Services, may be referred to an outside collection vendor and/or Minnesota Revenue Recapture program.
- If patient/guarantor has provided an accurate address to Ortonville Area Health Services then a patient/guarantor will be provided at least 2 billing statements before an unpaid self-pay balance would be assigned to an outside collection vendor.
- If a patient/guarantor fails to provide a correct or deliverable address, then their balance may be referred to a third party collection vendor prior to 2 statements being mailed out.
- If Ortonville Area Health Services is reasonably able to determine that a patient/guarantor is unable to pay their medical bill, Ortonville Area Health Services may grant financial assistance prior to referring the outstanding balance to a third party collection vendor.

Compliance with Ortonville Area Health Services' Policies

- Ortonville Area Health Services has contracts with the third party collection vendors it utilizes that require the vendor to comply with and abide by all Ortonville Area Health Services policies and procedures, including this policy, the Financial Assistance Policy, the Minnesota Attorney General Agreement, and all rules, regulations and laws governing third party collections.

Patient Concerns

- Ortonville Area Health Services requires its vendors to log all oral and written concerns and complaints about the collection vendor's conduct, and to provide log to Ortonville Area Health Services on a monthly basis.
- To the extent necessary, Ortonville Area Health Services will address any patient/guarantor concerns and disputes in a timely manner.
- Any patient/guarantor with a question, concern or dispute may contact Patient Financial Services at 320-839-4096 or pfs@oahs.us. Phone calls or emails requiring a response will be returned within one business day, and written inquiries requiring a response will be responded to within ten business days, not including time for mailing.

Extraordinary Collection Efforts/Bad Debt Litigation Policy

- Ortonville Area Health Services will not request any patient/guarantor to sell personal property to pay an outstanding medical bill.
- Ortonville Area Health Services will not force the foreclosure of a patient/guarantor's primary residence to pay an outstanding medical bill.
- Neither Ortonville Area Health Services, nor any of its third party collection vendors, will take any extraordinary collection efforts until Ortonville Area Health Services and the third party collection vendor have made reasonable efforts to determine if a patient is eligible for financial assistance under the Financial Assistance Policy.
 - The following are extraordinary collection efforts for the purposes of this policy:
 - Initiating legal action (summons and complaint);
 - Placing a lien on property by obtaining a judgment;
 - Garnishing/levying on wages, bank accounts or assets; or
 - Reporting unpaid balances to a credit reporting agency.
 - Reasonable efforts include notification to the patient by Ortonville Area Health Services of its financial assistance policy upon admission, and by Ortonville Area Health Services or its third party collection vendors upon initial written and oral communications with the patient/guarantor regarding the patient's bill, including statements, phone calls, and such other communication as may be directed by regulation, rule or law set forth by the United States Department of Treasury or the Internal Revenue Service.
- If the patient is uncooperative, unresponsive, fails to properly fill out a financial assistance application, or fails to follow up on incomplete financial assistance applications during the collection process, the third part collection vendors may take extraordinary collection efforts.
- Regardless of the above, Ortonville Area Health Services dictates that its third party collection vendors cannot take extraordinary collection activities until a balance is as least 241 days past the first self-pay statement date, not including the date of the statement, provided to the patient/guarantor.
 - This is to ensure that both Ortonville Area Health Services and its third party collection vendors are taking any and all necessary steps to notify patients of its Financial Assistance Policy, and allowing appropriate time for a patient/guarantor to fill out a financial assistance application.
 - If required by regulation or law, and if the patient has filled out a financial assistance application prior to 240 days from the first self-pay statement date, then the third party collection vendor will take steps to reverse extraordinary collection efforts for any patient that qualifies for financial assistance.

Residents Receiving Services At A Minnesota Facility

- Ortonville Area Health Services requires by contractual agreement that all external third party collection vendors, as well as their agents and attorneys, comply with the terms of the State of Minnesota Attorney General Agreement regarding litigation and collection practices involving Ortonville Area Health Services and its patients.
- For any self-pay balance at Ortonville Area Health Services, Ortonville Area Health Services staff will not place said accounts in collections with the third party collection vendor, nor will a third party collection vendor initiate a legal action or garnishment, until they have verified the following:
 - That the patient/guarantor is the responsible party;

- Ortonville Area Health Services has submitted the balance to all known insurance companies and received a denial/response indicating patient responsibility;
- Ortonville Area Health Services has offered payment options to a patient/guarantor indicating an inability to pay in full and who has responded to Ortonville Area Health Services;
- If a patient cannot pay in accordance with the payment plan, a financial assistance application has been offered.
- Ortonville Area Health Services will not knowingly forward an account to a third party collection vendor when a balance has been denied by insurance due to an Ortonville Area Health Services billing error.
- All collection activity will be suspended for 30 days if a patient/guarantor advises Ortonville Area Health Services or the third party collection vendor that a third-party payer should pay the bill. Initiating a legal action or garnishment the immediate above four steps must be followed by the vendor.
- Neither Ortonville Area Health Services, nor its third party collection vendors, will state or imply, directly or indirectly, that the State of Minnesota or the Attorney General's office has approved of, condones, or agrees with any lawsuit, garnishment, or other attempt by Ortonville Area Health Services or the third party collection vendor to collect a debt from a patient/guarantor.
- Litigation practices are subject to the oversight of Ortonville Area Health Services Patient Financial Services, Collections and Customer Service.
- All default judgments must be verified and approved by Ortonville Area Health Services prior to entry of the default judgment order.
- No garnishment may be initiated unless a judgment has been obtained and entered, and Ortonville Area Health Services must verify and approve all garnishments.
- No third party collection vendor or lawyer is authorized to report any Minnesota patient/guarantor covered by the agreement to any credit reporting agency.

Deceased Patients/Guarantors

- Ortonville Area Health Services will continue to send statements to deceased patients/guarantors until they are notified by family who the appointed representative handling the estate is. At that time, the person will be required to send documentation to verify they are the patient/guarantors representative. Patient Financial Services staff will add the guarantor in the EPIC system and change accounts to the representatives' name so that statements go to the proper address.
- In the event the representative indicates there is no estate or funds to pay the patients/guarantors balance, Ortonville Area Health Services will require written notification, with supporting documentation, to this effect. At that time Ortonville Area Health Services will write off the balance to the Financial Assistance Program.
- If statements are returned to Ortonville Area Health Services by the mail service indicating that the recipient is deceased, Patient Financial Services staff will attempt to identify a representative for the patients/guarantor's affairs.. If this effort fails, Ortonville Area Health Services will write off the balance as "Deceased-No Estate".

EFFECTIVE: 3/1/15

REVISED: 7/15, 9/15 KR

REVIEWED: 7/16 KR