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Category Finance	Orig. Effective Date 10/1/2023	Revised & Effective 10/27/25
Policy #	Pages 5	

TITLE/SUBJECT	<i>Patient Collections</i>
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PURPOSE

It is the goal of this policy to provide clear and consistent guidelines for conducting billing and collections functions in a manner that promotes compliance, patient satisfaction, and efficiency. Through the use of billing statements, written correspondence, and phone calls, Baptist Health Deaconess, LLC will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts. This policy also requires Baptist Health Deaconess to make reasonable efforts to determine a patients’ eligibility for financial assistance under Baptist Health Deaconess’ financial assistance policy before engaging in extraordinary collection actions to obtain payment. This Policy applies to all Baptist Health Deaconess, LLC entities that provide healthcare items and services to patients as adopted by the applicable Boards of Directors and in accordance with the guidance provided by 501r requirements. This policy does not cover services rendered by individual providers. A list of providers not covered by this policy is available at <https://baptisthealthdeaconess.com/Billing/Financial-Assistance> and is updated annually. The list is available in writing upon request.

SCOPE

Baptist Health Deaconess, LLC including Baptist Health Deaconess Madisonville hospital [BHDM], Baptist Health Deaconess Medical Group, Inc. [BHDMG], and all other entities or affiliates of which BHDM or BHDMG is the sole member.

AUTHORIZATION

Baptist Health Deaconess LLC Board

DEFINITIONS

- A. Extraordinary Collection Actions (ECA’s): A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may only take against an individual to obtain payment for care after reasonable efforts have been made to determine whether the individual is eligible for financial assistance. Examples of these actions are reporting

adverse information to credit bureaus/reporting agencies along with legal/judicial actions such as garnishing wages.

- B. Financial Assistance Policy (FAP): A separate policy that describes Baptist Health Deaconess financial assistance program, including the criteria patients must meet in order to be eligible for financial assistance as well as the process by which individuals may apply for financial assistance.
- C. Reasonable Efforts: A certain set of actions a healthcare organization must take to determine whether an individual is eligible for financial assistance under Baptist Health Deaconess financial assistance policy. In general, reasonable efforts may include making presumptive determinations of eligibility for full or partial assistance as well as providing individuals with written and oral notifications about the FAP and application processes.

POLICY

It is the policy of Baptist Health Deaconess to bill patients and applicable payers accurately and in a timely manner. During this billing and collections process, staff will provide quality customer service and timely follow-up, and all outstanding accounts will be handled in accordance with the IRS and Treasury's 501(r) final rule under the authority of the Affordable Care Act.

RESPONSIBILITY:

- A. Patient Access Department staff completes insurance verification, informs the patient of their financial obligation and collects any deductibles or co-insurance amount at the time of service or prior to the patient being discharged. Also communicates the financial assistance process to the patient by providing the Plan Language Summary of the Financial Assistance Policy to all self pay patients or any patient that requests the information and provides the Financial Assistance Application for any patient requesting the information. They will also direct the patient to the Baptist Health Deaconess Website where this information is accessible.
- B. Patient Financial Services (PFS) will bill the account to the payer with all appropriate revenue, occurrence and diagnostic codes, and will also provide follow up activities to ensure that payments are received, posted accurately, and balances moved to any secondary payer or to the patient. PFS, through its Customer Service Team will, when requested, provide the patient with information pertaining to the Financial Assistance Policy including a copy of the Financial Assistance Application.
- C. Outsource Self-Pay Vendor (Early Out Vendor) will follow this policy, where applicable, as well as the Baptist Health Deaconess Financial Assistance Policy.
- D. Collection Agencies will follow this policy, where applicable, as well as the Baptist Health Deaconess Financial Assistance Policy.

PROCEDURE

- A. For all insured patients, Baptist Health Deaconess will bill applicable third-party payers (as based on information provided by or verified by the patient) in a timely manner.
- B. If a claim is denied (or is not processed) by a payer due to an error on behalf of Baptist Health Deaconess, the patient will not be billed for any amount in excess of what the patient would have owed had the payer paid the claim.
- C. If a claim is denied (or is not processed) by a payer due to factors outside of our organization's control, staff will follow up with the payer and patient as appropriate to facilitate resolution of the claim. If resolution does not occur after prudent follow up efforts, Baptist Health Deaconess may bill the patient or take other actions consistent with payer contracts, current regulations and industry standards.
- D. All uninsured patients will be billed directly and timely and they will receive a statement as part of Baptist Health Deaconess normal billing process.
- E. For insured patients, after claims have been processed by third-party payers, Baptist Health Deaconess will bill patients in a timely fashion for their respective liability amount as determined by their insurance benefits.
- F. All patients may request an itemized statement for their accounts at any time.
- G. If a patient disputes the account and requests documentation regarding the bill, the information requested will be provided and the account can be placed on a 30 day hold against any further collection activity.
- H. Baptist Health Deaconess may approve payment plan arrangements for patients who indicate they may have difficulty paying their balance in a single installment.
 - 1. A payment plan can remain with Baptist Health Deaconess and payments will be made to Baptist Health Deaconess.
 - 2. For Baptist Health Deaconess Epic Accounts: If a payment plan longer than three months is needed then the patient will be referred to the Commerce Bank Program that allows for up to 24 or 36 months to pay off a debt. There is no interest applied to an account with the Commerce Bank Program. If the patient would default on this payment plan then the account is returned to Baptist Health Deaconess and is placed with a collection agency for further collection activities. This also disqualifies the patient for the Commerce Bank Program in the future.
 - 3. Baptist Health Deaconess is not required to accept patient –initiated payment arrangements and may refer accounts to a collection agency as outlined below if the patient is unwilling to make acceptable payment arrangements or has defaulted on an established payment plan.

COLLECTION PRACTICES:

- A. In compliance with relevant state and federal laws, and in accordance with the provisions outlined in this policy, Baptist Health Deaconess may engage in collection activities- including extraordinary collection actions (ECAs) to collect outstanding patient balances.
1. For Baptist Health Deaconess: General collection activities may include mailing of statements, follow-up calls on statements, and on day 56 placing the account with our Extended Business Office.
 2. Patient balances may be referred to a third party for collection at the discretion of Baptist Health Deaconess. Accounts will be referred once the following occurs:
 - a. There is a reasonable basis to believe the patient owes the debt.
 - b. All third-party payers have been properly billed and the remaining debt is the financial responsibility of the patient. Baptist Health Deaconess shall not bill a patient for any amount that an insurance company is obligated to pay.
 - c. Baptist Health Deaconess will not refer accounts for collection while a claim on the account is still pending payer payment. However Baptist Health Deaconess may classify certain claims as “denied” if such claims are stuck in “pending” mode for an unreasonable length of time despite efforts to facilitate resolution.
 - d. Baptist Health Deaconess will not refer accounts for collection where the claim was denied due to a Baptist Health Deaconess error. However, Baptist Health Deaconess may still refer the patient liability portion of such claims for collection if unpaid.
 - e. A patient may apply for financial assistance at any time during the life of the account.
 - f. A plain language summary of the FAP will be provided to all self pay patients at the time of service or upon request.
- B. ECAs may only begin after 120 days from the time the first post-discharge statement was provided. As of August 20, 2022, these ECAs will not include reporting adverse information to credit reporting agencies and/or credit bureaus.
1. Accounts will remain with a primary collection agency for approximately 250 days. Accounts that are not satisfied, on a payment arrangement or pending garnishment after 250 days may be recalled and placed with a secondary collection agency.

APPROVAL

Name

Title

Baptist Health Deaconess Madisonville

Date:

Name

Title

Baptist Health Deaconess Madisonville

Date:

This Policy does not establish a standard to be followed in every situation. It is impossible to anticipate all possible situations that may occur. This Policy should be considered a guideline with the understanding that a change from the Policy may be required at times. Accordingly, it is recognized that clinicians providing healthcare are expected to use their own clinical judgment in determining what is in the best interests of the patient based on the circumstances existing at the time. If this Policy contains reference to clinical literature, the literature cited is only intended to support the reasoning for adoption of the Policy. It is not an endorsement of any article or text as authoritative. No literature is ever intended to replace the education, training and experience, or exercise of judgment of healthcare clinicians.