


**Community Memorial Hospital**  
Policy/Procedure Number 01-01-10-27

Subject	Issued By	Date	Revised	Approved by
Billing and Collection	V.P. Finance	11/03	10/19	

**PURPOSE:**

To ensure that patient accounts are pursued fairly and consistently and collection efforts reflect the mission and values of Community Memorial Hospital (CMH).

**POLICY:**

CMH will collect accounts for services rendered.

All patients will be treated equitably, with dignity, with respect and with compassion.

**PROCEDURE:**

1. Patients will be asked to pay any deductible and/or co-pay amount prior to or at the time of registration. Emergency department patients will not be asked for payment until after receiving treatment but prior to being discharged from the department.
2. All uninsured patients will be referred to the Financial Specialist to be screened for financial assistance consistent with the CMH Financial Assistance Policy.
3. All uninsured patients will be provided a statement after discharge. Letters will be sent every 28 days notifying them of their obligation. Letters will include information about the CMH Financial Assistance Policy as well as notice of collection efforts that will be taken if balance is not paid or financial assistance is not requested.
4. The Financial Counselors will collect the balance on accounts by following normal collection procedures including telephone calls, cycle statements, collection letters, pay agreements and referrals to outside collection agencies.
5. The Financial Counselor will make a reasonable effort to inform uninsured patients about the CMH Financial Assistance Policy during all oral communications regarding balances due for care.
6. All patients registered as Uninsured with have a 40% discount applied against the balance on the account before the first statement is issued.
7. A Prompt Payment discount will be available for uninsured patients who are ineligible for the CMH Financial Assistance Policy. A 25% discount will be given for balances paid in full within 60 days of receipt of first post discharge statement.

8. CMH will work with the patient or responsible party to establish a reasonable payment plan. The Financial Counselors may authorize up to a three-year interest free pay agreement. All responsible guarantors must sign the agreement.
9. The Director of Revenue Cycle must approve agreements in excess of three-years.
10. If payment, a payment agreement or request for financial assistance has not been made within 120 days of the provision of the first post discharge billing statement, the account is subject to referral to an outside collection agency.
11. CMH will not impose extraordinary collection actions (“ECAs”) such as selling an individual’s debt to another party, legal action or adverse credit reporting against any patient, without first making reasonable efforts to determine whether the patient is eligible for financial assistance. These reasonable efforts include:
  - a. Assuring that no ECAs are imposed for at least 120 days from the date of the first billing statement.
  - b. Providing at least 30 days in advance a written notice that includes information about the CMH Financial Assistance Policy and about any ECAs to be imposed in the event of nonpayment.
  - c. Providing the individual with the CMH Financial Assistance Summary brochure with the written notice.
  - d. Making a reasonable effort at least 30 days in advance to orally notify the individual about the financial assistance policy and how the individual may obtain assistance with the application process and of any ECA to be imposed in the event of non-payment.
12. Uninsured patients have up to 240 days after the first post discharge billing statement to file an application for financial assistance. Any legal action or outside collection agency efforts will cease upon request for assistance until final determination is made.
13. If after the account has been referred to a collection agency, and the patient is determined to qualify for financial assistance, CMH will take measures to remove from the individual’s credit report any adverse information reported to a consumer reporting agency or credit bureau.
14. The Patient Accounting department has the final responsibility for determining that reasonable efforts have been made as to whether a patient is eligible for the CMH Financial Assistance Policy prior to engaging in extraordinary collection actions.
15. CMH will direct any collection agency working on our behalf to follow these guidelines.