Section: Hospital Billing Office

Subject: Billing and Collection Policy/Process

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Effective Date: January 01, 2009

Reviewed: December 14, 2016

BILLING AND COLLECTION POLICY

Approval:

The policy of the Harrison County Hospital Business Office is to work closely with patients, Medicare, Medicaid, and other third party payers to ensure proper reimbursement for hospital services performed. If the account is deemed uncollectible, it is written off to Bad Debt status in a timely manner consistent with established Administrative guidelines.

PROCEDURE

A. All Accounts: There is an automatic four day delay plus any coding delays.
B. Insurance Accounts: It is the responsibility of the billing office staff to identify when an account should be reclassified to Private Pay, making the patient responsible for payment. If the patient has insurance, the insurance is billed either electronically or by paper and mailed the day the bill drops. The Business Office strives to submit clean claims to Medicare, Medicaid, and other third party insurances. After any primary insurance has paid, secondary insurance is billed. All accounts are followed up upon, by calling the insurance company or checking electronically, 15 days after the final bill and every 15 days thereafter. Patients are to be sent various letters keeping them informed of our progress and or delays. If commercial insurance has not paid within 90 days, the account is assumed to be denied and the balance is moved to self- pay. The insurance of VA normally takes 180 days to pay. When a VA encounter is followed up on after day 181, the encounter is to be made self- pay. When the money is moved to self-pay, the patient will receive a statement and be pursued as any other private pay account.
C. Accounts that are denied for failure to meet contractual terms will not be a bad debt write off but will be a contractual adjustment.
D. The Medicaid Crossover amount will be written off the day the Medicaid remit is posted.
E. Workman's Compensation: Workman Compensation accounts referred to attorneys for collection will be treated the same as a Private Pay account.
F. Self-pay Accounts: The hospital billing department will work with patients that have no insurance by reviewing for financial assistance and state aid. The staff will communicate effectively with patients and other customers when they inquire about account balances. The day after the account becomes self-pay, the patient will be sent a statement. Thirty days after the first statement, the system will generate a second statement. If the account is not paid within 10 days, the collector will review the account and send the account to an Early Out agency. The business office staff will work effectively with outside Early Out agencies when accounts are referred to them for additional collection procedures. In order to comply with federal regulations, collection activity must be documented. Accounts will be handled in the same manner, without exception as all other Private Pay accounts up to the point of litigation.
G. Payment Posting: If no account is referenced when a payment is made, the money will be posted to the oldest in house accounts first. If in house accounts are paid in full, payment will be posted to the oldest outsourced account.
H. Charity: A detailed financial assistance policy exists which discusses the type of programs offered, the application process, and the responsibility of the hospital and the patient. The hospital billing department verifies that patients are provided with information regarding the financial assistance policy before engaging in extraordinary collection action. If a patient is deceased and there is no record of an estate, then charity is granted. If a Chapter 7 bankruptcy is discharged, then the account is written off as charity. Public awareness of the Financial Assistance policy is included on each statement, on the hospital website, on a patient brochure available in hospital waiting areas and an annual newsletter sent out to the community. If a financial assistance application is submitted within 240 days of the date of service, collections efforts will be suspended until a decision is made. Any patient found eligible for financial assistance will not be billed more than the amount generally billed to insurance patients.
I. Early Out Agencies: The accounts are place via an alpha split. Last names that start with A-L will go to CAI. Last names that start with M-Z will go to Med1. They will contact patients to try and coordinate payments. If no payment arrangements are made within 90 days, the account will be returned and then forwarded to collections.
J. Bad Debt: After the account is returned from the Early Out Agency, the account will then be forwarded to a collection agency via an alpha split. Last names that start with A-L will go to Med1 and last names that start with M-Z will go to CAI. After 120 days, the collection agency may take extraordinary collection action such as legal action to collect on an account. This can include credit reporting, judgment, garnishment, and lien on real estate or settlement. A Motor Vehicle lien may be filed on the MVA settlement to ensure medical expenses is paid. All other legal accounts will be signed off on by the CFO. If the agency feels all efforts have been exhausted, they will return the account and the account will be transferred to "COLLEX" agency in Meditech and "Return Collections" agency in Cerner. The hospital will cease collection efforts on all accounts within the "COLLEX" and "Return Collections"; however, we will accept and post any payments received.
K. Discounts: See "Discount Policy"
L. Payment Arrangements: "Payment Policy"

Hours of operation
Monday – Friday 0700 – 1700
Closed holidays

A free copy of the Billing and Collection policy may be obtained by calling (812)738-8755

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