



Policy/Procedure

Title: Billing and Collections	Date: February 2, 2019
Replaces Version Dated:	
Category: SYS.FIN.BILL	Approved by: BSHSI Board

POLICY

It is the policy of Bon Secours Health System, Inc. (“BSHSI”) to provide information regarding the billing and collection practices for BSHSI acute hospital facilities. BSHSI is committed to ensuring access to needed healthcare services for all. BSHSI treats all patients, whether insured or uninsured, with dignity, respect and compassion throughout the admissions, delivery of services, discharge, and billing and collection processes. This policy, in conjunction with the Patient Financial Assistance Policy, is drafted with the intention of satisfying the requirements in Section 501(r) of the Internal Revenue Code of 1986, as amended, regarding financial assistance and emergency medical care policies, limitations on charges to persons eligible for financial assistance, and reasonable billing and collection efforts and should be interpreted accordingly.

SCOPE

This policy applies to all BSHSI acute care and free standing emergency room facilities. A list of those facilities is included at the end of this policy. Any collection agency working on behalf of BSHSI will honor and support BSHSI’s collection practices as outlined below. Unless otherwise specified, this policy does not apply to physicians or other medical providers, including but not limited to emergency room physicians, anesthesiologists, radiologists, hospitalists, and pathologists.

RATIONALE

The rationale for this procedure is for BSHSI to bill guarantors and applicable third party payers accurately, timely, and consistently with applicable laws and regulations.

BSHSI and any contracted Collection Agency will ensure that services provided are in accordance with all applicable federal, state and local laws, regulations, and rules governing the Services, including the Fair Debt Collection Practices Act (FDCPA). In its agreements with BSHSI, each Collection Agency shall agree to treat all patients, employees and business partners

in accordance with the Mission and values of Bon Secours Health System. Further, each Collection Agency shall warrant that it will use best industry practices in performing Services.

BSHSI will take reasonable efforts to ensure that information about our Financial Assistance Program and its availability is clearly communicated and made widely available to the public. Our Financial Assistance Application and Policy, Plain Language Summary, and Billing and Collections Policy are available for view or download at www.fa.bonsecours.com. Upon request, individuals will be provided, at no charge to them, a copy of our Financial Assistance Application and Policy, Plain Language Summary, and our Billing and Collections Policy. If requested, BSHSI will also provide individuals with our Financial Assistance website address. Individuals may also obtain and receive assistance in completing the Financial Assistance Application from any of our registration areas, financial counselors, or cashier's offices. The financial counselors or cashier's offices are located within the patient registration areas. Individuals may stop at any of our information desks located within each hospital as listed at the end of this policy to ask for assistance in locating the financial counselors or cashier's offices. Individuals may obtain a free copy, by mail, of our Financial Assistance Application and Policy, Plain Language Summary, and our Billing and Collections Policy by calling our customer service department at (Local) 804-342-1500 or (Toll Free) 877-342-1500.

DEFINITIONS

Amounts Generally Billed (AGB) – Amounts Generally Billed means the amounts generally charged to patients for emergency and medically necessary services who have insurance for such services. Charges for patients who are eligible for financial assistance shall be limited to no more than amounts generally billed (“AGB”) for such services. These charges are based on the average allowed amounts from Medicare and commercial payers for emergency and other medically necessary care. The allowed amounts include both the amount the insurer will pay and the amount, if any, the individual is personally responsible for paying. The AGB is calculated using the look back method per 26 CFR §1.501(r), which may be amended periodically. See APPENDIX A for further information regarding the AGB discount.

Collection Agency - A “Collection Agency” is any entity engaged by a hospital to pursue or collect payment from guarantors.

Application Period – The application period for guarantors to apply for financial assistance begins after the first billing statement date and ends on the latter of the 240 day after the first billing statement date or at least 30 days after BSHSI provides a guarantor with a written notice that sets a deadline after which an ECA(s) may be initiated. If the patient is approved for financial assistance their coverage is valid for 240 days prior on non-bad debt and open balance accounts and 240 days post their application signature date. Patients approved for financial assistance that return for services during their 240 day approval timeframe will be screened for federal, state or local health insurance programs upon each visit. The BSHSI financial assistance program is not insurance.

Presumptive Financial Assistance – When an uninsured individual may appear eligible for financial assistance but the individual has not provided supporting documentation needed to establish such eligibility. In these instances an individual's estimated income and/or Federal Poverty Level amounts can be provided through other sources, such as credit agencies, that

would provide sufficient evidence to justify providing the individual with financial assistance. Presumptive eligibility is determined on a case by case basis and is only effective for that episode of care.

Extraordinary Collection Action (ECA) - An ECA, according to IRS regulations, is any of the following:

- Selling an individual's debt to another party
- Adverse reporting to credit reporting agencies or credit bureaus
- Deferring, denying or requiring payment before providing medically necessary care due to nonpayment for previously provided care
- Actions that require a legal process, including but not limited to:
 - Placing a lien on property
 - Foreclosing on real property
 - Attaching or seizing a bank account or other personal property
 - Commencing civil action against an individual
 - Causing an individual's arrest
 - Causing an individual to be subject to a writ of body attachment
 - Garnishing an individual's wages

Filing a claim in a bankruptcy proceeding is not an ECA.

Guarantor – The patient, caregiver, or entity responsible for payment of a health care bill.

Patient Financial Assistance Program (FAP) - A program designed to reduce the guarantor balance owed. This program is provided to guarantors who are uninsured and underinsured and for whom payment in full or in part of the financial obligation would cause undue financial hardship.

Permitted ECA - Notwithstanding the broad set of activities categorized as ECAs, the only ECA BSHSI shall undertake is adverse reporting to credit reporting agencies or credit bureaus, as necessary.

Third-Party Payer - An organization other than the patient (first party) or health care provider (second party) involved in the financing of personal health services.

Underinsured - An individual who has insurance but is billed total charges for non-covered services according to their benefit plan. Examples include but are not limited to: Medicare self-administered drugs, maximum benefits reached, maternity riders, etc.

Uninsured - Patients who do not have insurance.

PROCEDURE

Itemized Statement

Guarantors may request an itemized statement for their account at any time free of charge.

Disputes

Any guarantor may dispute an item or charge on their bill. Guarantors may initiate a dispute in writing or over the phone with a customer service representative. If a guarantor requests documentation regarding their bill, staff members will use reasonable efforts to provide the requested documentation to the guarantor within three business days.

Billing Cycle

BSHSI's billing cycle begins from the date of the first statement. BSHSI makes reasonable efforts to orally notify guarantors about our (FAP) and how they may obtain assistance in completing the financial assistance application. During the billing cycle guarantors may receive calls, statements and letters to pursue collections and to assist guarantors with any questions regarding our FAP. BSHSI also includes on each of its billing statements and letters information regarding payment methods, payment options, financial assistance website, and a contact number for customer service.

Below is the schedule of statements and letters:

- A statement is sent to the guarantor when a balance is determined to be owed by the guarantor
- A follow-up letter is sent 30 days after the date on the statement informing the guarantor that their account is past due
- A second letter is sent 30 days after the first letter informing the guarantor their account is delinquent
- A third and final letter is sent 30 days after the second letter informing the guarantor that their account is seriously delinquent and the account may be turned over to a collection agency
- At day 120 of the billing cycle a guarantor's account is placed with a primary collection agency if the guarantor balance is still unpaid and no financial assistance application has been received.
- At day 300 of the billing cycle a guarantor's account is placed with a secondary collection agency if the guarantor balance is still unpaid and no financial assistance application has been received.
- At day 480 of the billing cycle a guarantor's account is placed with a tertiary collection agency if the guarantor balance is still unpaid and no financial assistance application has been received.

Extraordinary Collection Actions

BSHSI and its collection agency partners may perform an ECA in the form of credit bureau reporting. BSHSI and its collection agency partner will not engage in an ECA against the guarantor without making reasonable efforts to determine the guarantor's eligibility for financial assistance. Specifically the guarantor will:

- Be notified in writing 30 days in advance of an ECA performed by the collection agency partner.
- Be notified in writing the timeframe for which the ECA will be initiated.
- Receive written notification that financial assistance is available for eligible individuals.
- Be provided a copy of the plain language summary of the FAP.

BSHSI collection agency partners will make a reasonable effort to orally notify the guarantor about the FAP and how they may obtain assistance. The guarantor will have up to 30 days to apply for financial assistance after the collection agency provides the guarantor with a written notice that sets a deadline to initiate the ECA.

No ECA's During the Financial Assistance Application Process

BSHSI and its collection agency partner shall not pursue an ECA on a guarantor who has submitted an application for financial assistance. If it is determined the guarantor qualifies for financial assistance and the guarantor has made a payment, BSHSI will explore to identify if any other accounts, associated with the guarantor, have an outstanding balance that does not qualify for financial assistance. If an account with an outstanding balance is found, BSHSI will contact the guarantor, via letter, informing the guarantor that the payment made on the account, which was approved for financial assistance, will be transferred to the account with an outstanding balance. If the guarantor does not agree to transfer the funds, then any amount received equal to or greater than \$5.00 will be refunded to the guarantor. BSHSI will not refund the guarantor any amount less than \$5.00. If a guarantor qualifies for partial financial assistance the remaining balance will be subject to all billing cycle efforts. If the guarantor does not submit a financial assistance application and is approved for presumptive financial assistance, the presumptive financial assistance will only apply to the guarantor's current balance and no previous or future payments made will be refunded.

Processing of Financial Assistance Applications

If an individual submits an incomplete application during the application period, BSHSI will:

- Notify the individual in writing of the additional information needed to complete the application.
- Notify the individual in writing they have 30 business days to submit additional information.

If an individual submits a completed application during the application period, BSHSI will:

- Place the account on hold preventing any collection activity from occurring until financial assistance eligibility is determined.
- Process the application and make reasonable efforts to notify the individual of approval or denial within 60 days of receipt of a completed application.

If the individual qualifies for partial financial assistance, BSHSI will provide the following:

- An approval letter indicating the level of financial assistance approved and the amount of discount the guarantor will receive.
- A billing statement that indicates the amount the guarantor owes for services..

If an individual does not submit an application during the application period, guarantors will receive billing cycle statements and letters which contain information about the FAP. In an effort to obtain payment for services received, BSHSI and its collection agency partners may perform an ECA in the form of credit bureau reporting. .

APPENDIX A

AGB

Further information regarding the AGB discount is available at www.fa.bonsecours.com or by calling customer service at (Local) 804-342-1500 or (Toll Free) 1-877-342-1500. For customer service at Rappahannock General Hospital please call 804-435-8529.

APPENDIX B

List of Hospitals

Baltimore

Bon Secours Hospital

2000 West Baltimore Street | Baltimore, MD 21223

Hampton

Bon Secours Maryview Medical Center

3636 High Street | Portsmouth, VA 23707

Mary Immaculate Hospital

2 Bernardine Drive | Newport News, VA 23602

Bon Secours DePaul Medical Center

150 Kingsley Lane | Norfolk, VA 23505

Kentucky

Our Lady of Bellefonte Hospital

St. Christopher Drive | Ashland, KY 41101

Rappahannock

Bon Secours Rappahannock General Hospital

101 Harris Road | Kilmarnock, VA 22482

Richmond

ST. Mary's Hospital

5801 Bremono Road | Richmond, VA 23226

Memorial Regional Medical Center

8260 Atlee Road | Mechanicsville, VA 23116

Richmond Community Hospital

1500 N. 28th Street | Richmond, VA 23223

ST. Francis Medical Center

13710 St. Francis Boulevard | Midlothian, VA 23114

South Carolina

ST. Francis Downtown

1 St. Francis Drive | Greenville, SC 29601

ST. Francis Eastside

125 Commonwealth Drive | Greenville, SC 29615

ST. Francis Millennium

2 Innovation Drive | Greenville, SC 29607

