

Billing & Collection Policy

Effective Date: 11/2017

1. PURPOSE

The purpose of St. Croix Regional Medical Center's Billing & Collection Policy, together with our Financial Assistance Policy, is intended to meet the requirements of applicable federal and state laws, including compliance to section 501(r) of the IRS code.

St. Croix Regional Medical Center (SCRMC) is committed to making Reasonable Efforts to determine whether a patient is eligible for financial assistance through our Financial Assistance Program, before beginning any Extraordinary Collection Actions (ECAs).

St. Croix Regional Medical Center's Patient Financial Counselor Department has authority and responsibility for determining whether the Medical Center has made reasonable efforts to determine whether an individual is eligible for financial assistance and whether the Medical Center is authorized to engage specific collection actions described in this Billing & Collection Policy.

2. PHILOSOPHY

SCRMC will not discriminate on the basis of race, color, national origin, citizenship, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status, when patients/guarantors apply for financial assistance.

This policy establishes the actions that may be taken in the event of nonpayment for medically necessary services provided by SCRMC, including but not limited to extraordinary collection actions.

SCRMC will provide, without discrimination, care for emergency medical conditions to individuals regardless of their ability to pay or eligibility for financial assistance. St. Croix Regional Medical Center will not engage in actions that discourage individuals from seeking emergency medical care. Emergency care will be provided without interference from debt collection or demands for prepayment of services prior to treatment as further described in the Emergency Medical Treatment and Active Labor Act (EMTALA).

3. FINANCIAL ASSISTANCE POLICY REFERENCE

SCRMC offers financial assistance for emergent, inpatient, and outpatient medically necessary services and is available for those who meet eligibility criteria.

4. POLICY – Overview

4.1. Subject to compliance with this policy, SCRMC may take any and all legal actions, including Extraordinary Collection Actions (ECA) to obtain payment for inpatient and outpatient medical services.

4.2. St. Croix Regional Medical Center will not engage in ECAs, directly or by any debt collection agency or other party to which SCRMC has referred the self-pay debt, before “reasonable efforts” are made to determine whether a responsible patient/guarantor is eligible for financial assistance un the Financial Assistance Policy.

4.3. St. Croix Regional Medical Center’s Financial Assistance Policy, Application, and Plain Language Summary is available through Patient Financial Counselors by calling 715-483-0475 or toll-free at 1-800-828-3627, Extension 2475, at the Emergency Department, at Registration areas at all facilities, and on our website at www.scrmc.org.

4.4. SCRMC may take the following collection actions that do **not** require notice to the responsible patient/guarantor:

- Send out patient billing statements that include current and past due amounts.
- Attempt to negotiate a settlement on an outstanding balance.
- Send a patient account to a third party collection agency or law firm.
- Send letters or make phone calls from either St. Croix Regional Medical Center staff, a third party collection agency, law firm or other designated agent of SCRMC.

4.5. St. Croix Regional Medical Center will make efforts to pre-collect for surgical and high dollar hospital and clinic services. Efforts will be made prior to scheduled service and at the time of service. Pre-collection efforts may include 50% down payment towards the service if self-pay, any remaining deductible and/or coinsurance.

5. POLICY – Pre-Collection for Services

5.1. Efforts will be made to pre-collect for surgical and high dollar hospital and clinic services. Efforts will be made prior to scheduled service and at the time of service. Pre-collection efforts may include 50% down payment towards the service is self-pay, any remaining deductible and/or coinsurance.

5.2. If a patient/guarantor is unable to pay requested down payments, co-pays,

coinsurance and/or deductible balance outstanding then the patient/guarantor will need to discuss payment plan options and/or possible insurance options prior to the service. If a 50% down payment and/or payment plan are not in place prior to the service, the service may be rescheduled until these financial arrangements are in place. The exception to this is for emergent care or medically necessary care as determined by a medical provider.

5.3. Efforts will be made at the time of service to collect co-payments, coinsurance and/or outstanding deductible balances. If a patient/guarantor has met their out-of-pocket maximum then efforts will not be made for the collection of co-pays, coinsurance and/or deductibles.

6. POLICY – Billing Statements

6.1. At least three separate billing statements for collection of patient/guarantor self-pay balances shall be sent to the last known address of the patient/guarantor prior to the end of the Final Notification Period. It is the obligation of the responsible patient/guarantor to provide and update the correct mailing address at the time of service or upon moving. If an account does not have a valid mailing address, the determination of “reasonable efforts” will have been made.

6.2. All self-pay billing statements will include but not be limited to:

6.2.1. An accurate summary of the services and charges covered by the statement.

6.2.2. The amount required to be paid by the responsible patient/guarantor.

6.2.3. A conspicuous written notice that notifies and explains to the patient/guarantor about the availability of financial assistance under SCRMC’s Financial Assistance Policy including a telephone number to contact for assistance and website address where free copies of documents can be found.

6.3. A plain language summary will be included with one post discharge communication.

6.4. The Billing Statement Deadline must be specified in a written notice provided to the patient/guarantor as least 30 days prior to the deadling. This written notice will be in the form of a “final notice”.

7. POLICY – Oral Notification

7.1. An oral notification attempt to a patient/guarantor is only required to tell the patient/guarantor that Extraordinary Collections Actions are intended to be performed.

7.2. The primary focus of the oral communication is to notify those patients/guarantors whose accounts are facing ECAs that financial assistance is available.

8. POLICY – Final Notifications and Final Notification Period

8.1. At least one billing statement, during the Final Notification Period, will include written notice that informs the patient/guarantor about the Extraordinary Collection Actions that may be taken if the patient/guarantor does not apply for financial assistance under the Financial Assistance Policy or pay the amount due by the Billing Statement Deadline.

8.2. The Final Notification Period will allow the patient/guarantor at least 30 days before the Billing Statement Deadline specified to submit a Financial Assistance application.

8.3. Final Notification Period mean the period of time SCRMC must notify a patient/guarantor about its Financial Assistance Policy in order to make reasonable efforts. The Final Notification Period starts no earlier than 120 days from the first billing statement after the date of service and ends 240 days after the first billing statement after the date of service. Final Notice will be provided to the last known address of the responsible patient/guarantor.

9. POLICY – Financial Assistance

9.1. SCRMC will make reasonable efforts to patients/guarantors that financial assistance is available, where to get the information, how to apply and assistance available with applying.

9.2. St. Croix Regional Medical Center will allow and process a Financial Assistance application **up to 240** days at the patient/guarantor's first billing statement after the day of service. SCRMC will take steps to notify a patient/guarantor about our Financial Assistance Policy and will not take Extraordinary Collection Actions before 120 days from patient/guarantor's first billing statement after the date of service.

9.3. If a Financial Assistance application is received during the application period, St. Croix Regional Medical Center will suspend any Extraordinary Collection Actions to obtain payment, make an eligibility determination as to whether the patient/guarantor is eligible for financial assistance and notify the patient/guarantor in writing. If eligible, the Final Notification Period will be re-set for another 30-day period.

9.4. If a patient/guarantor does not apply for financial assistance under the Financial Assistance Policy by the last day of the Final Notification Period, and the patient/guarantor has received the 30-day notice described in the Final Notification Period, then SCRMC may initiate Extraordinary Collections Actions.

9.5. If a patient/guarantor has applied for financial assistance under the Financial Assistance Policy in the last six months, and it was determined that the

patient/guarantor is not eligible for financial assistance under the Financial Assistance Policy, then SCRMC may initiate Extraordinary Collection Actions.

9.6. If an incomplete financial assistance application under the Financial Assistance Policy is received prior to the Final Notice, the Extraordinary Collection Actions will be suspended and the patient/guarantor will be provided a written notice that describes additional information required under the Financial Assistance Policy. If additional information requested is not provided, then the Final Notification Period will re-set.

10. POLICY – Collection

10.1. If a patient responsible self-pay balance is still outstanding, after all of the options set forth in 5.1. to 8.6. have been exhausted, then St. Croix Regional Medical Center may refer the unresolved patient responsible self-pay balance to a third party collection agency or designated agency.

11. POLICY – Payment Plans

11.1. Payment plans are available for patient responsible self-pay balances. Payment plans can be discussed and set up with our Patient Financial Counselors at 715-483-0475 or toll free at 1-800-828-3627, Extension 2475.

11.2. Self-pay balances are to be paid in 36 months or less depending upon the outstanding balance amount. Payment plan guidelines are as follows:

- \$0 - \$500 – Paid within 6 months
- \$501 – \$2500 – Paid within 12 months
- \$2501 - \$5000 – Paid with 18 to 24 months
- \$5001+ - Paid within 24 to 36 months

11.3. Extenuating Circumstances: At a patient's request, extenuating circumstances will be reviewed by the Director of Business Services and the Patient Financial Counselor Manager to deviation from above guidelines.

DEFINITIONS

Billing Statement Deadline means the date after which St. Croix Regional Medical Center may start Extraordinary Collection Action against the patient/guarantor. The Billing Statement Deadline must be specified in a written notice Billing Statement Deadline. This written notice will be in the form of a “Final Notice”.

Completion Deadline means the date after which St. Croix Regional Medical Center may initiate or resume and Extraordinary Collections Actions against the responsible patient/guarantor.

Extraordinary Collection Action (ECA) means any action against a responsible patient/guarantor for an unpaid billing statement related to a self-pay account that required a legal or judicial process or reporting adverse information about the responsible patient/guarantor to consumer credit reporting agencies/credit bureaus. An extraordinary collection action does not include the transfer of a patient responsible self-pay balance to a designated third party to collection agency.

Financial Assistance Application Period means the responsible patient/guarantor will have to apply for Financial Assistance. The Financial Assistance Period starts at date of discharge until 240 days from the first billing statement after a date of service. After 240 days from the first billing statement after the date of service financial assistance will no longer be accepted.

Financial Assistance Policy (FAP) refers to St. Croix Regional Medical Center’s Financial Assistance Policy for uninsured and under insured patients. For those who have met eligibility criteria under the Financial Assistance policy, emergent, inpatient, and outpatient medically necessary services are discounted.

Financial Assistance: Application Deadline means that applicants will be given 30 days to complete the Financial Assistance application and provide requested documentation.

Financial Assistance: Incomplete Application Deadline means the applicant has 15 days to provide the requested information and/or documentation. If an applicant does not supply the requested information, the application may be denied.

Financial Assistance: Denied Application means that the applicant did not meet the eligibility criteria or did not meet the Incomplete Application Deadline. This does not prohibit the applicant to re-apply if their situation changes.

Final Notification Period means the period of time St. Croix Regional Medical Center must notify a responsible patient/guarantor about its Financial Assistance Policy in order to make reasonable efforts to determine whether the individual(s) is FAP eligible. The Final Notification Period starts 30 days prior to an Extraordinary Collection Actions.

Oral Notification means St. Croix Regional Medical Center or designated agency will make reasonable efforts to speak with patient/guarantor to notify patient/guarantor about its financial assistance policy at least 30 days before Extraordinary Collection Actions.

Patient/Guarantor means the individual who is responsible for a patient self-pay balance reflected on billing statements for emergent, inpatient and outpatient medical services.

Patient Financial Counselors means the operating unit of St. Croix Regional Medical Center responsible for collecting self-pay amounts.

Plain Language Summary means a written statement that notifies an individual that St. Croix Regional Medical Center offers financial assistance under the Financial Assistance Policy for emergent, inpatient and outpatient medical services and how to qualify, how to apply, and where free copies of the policy and applications can be found.

Reasonable Efforts means St. Croix Regional Medical Center will send a plain language summary in writing and include as a separate document with the Final Notice between 210 – 240 days post-first billing statement. St. Croix Regional Medical Center will conspicuously and publically display, in plain language, our Financial Assistance Policy and application. St. Croix Regional Medical Center will make it available in the following ways: on our website, during hospitalization, at the Emergency Department, and during self-pay collection efforts as part of the intake or discharge process.