Purpose: To create a process to ensure consistent and fair practices in the attempt to collect all monies due Cary Medical Center for services rendered.

Policy: It is the policy of Cary Medical Center to collect all outstanding patient account balances in a timely fashion. Through the use of professional and ethical practices, we will provide patients/guarantors with the necessary tools to assist and educate in the appropriate handling of their medical bills. Collection practices will be conducted in a compassionate and structured environment consistent with Federal and State laws and regulations.

Procedure: Collection procedures will be accomplished in 3 phases.

Phase #1) After an account balance has been placed in private pay, the first 120 day collection cycle, identified as the "billing cycle" begins by notifying the patient of their status. This may be accomplished through an internal or external process or a combination of the two. (During this cycle there will not be any extraordinary collection actions (ECA) taken. And "reasonable efforts" will be undertaken to identify those individuals that may qualify for assistance.) At any time, in the first 120 days, a patient/guarantor may request to begin the process of accessing the Financial Assistance Program. At that time all billing/collection efforts will be placed on hold and the Financial Assistance Program process will be followed. If the account is returned to the billing/collection process, activities will pick up where they left off when they were placed on hold.

Phase #2) From the 121st day through the 240th day "Extraordinary Collection Actions" (ECA) may be utilized, at the discretion of each member of the collaborative. As in phase #1, At any time, in this 120 day period, a patient/guarantor may request to begin the process of accessing the Financial Assistance Program. At that time all billing/collection efforts will be placed on hold and the Financial Assistance Program process will be followed. If the account is returned to the billing/collection process, activities will pick up where they left off when they were placed on hold.

Phase #3) Commencing on the 241st day of collection activity each member of the collaborative may undertake whatever activity they choose to resolve a patient account. This may be any process from purging the account to taking advantage of the full extent of the law.

If during the allowed period of time it is established that a patient/guarantor qualifies for the Financial Assistance Program the "Amount Generally Billed" (AGB) will be administered in a consistent and judicial fashion.

Reasonable Efforts:

1) Plain language summary on members' website for available services under the FAP.
2) Paper copies available upon request at no charge to patient/guarantor.
3) Presentation to individual or community groups/clubs upon request.
4) Attempt at least one phone contact.
5) Notification of FAP on billing statements.
6) Notification on admit and/or discharge packages.
7) Presumptive eligibility base on predetermination. (e.g., Medicaid eligibility) (Optional)

Extraordinary Collection Actions: (May include any or all listed)

1) Selling/placing debt to third party.
2) Reporting to credit reporting agency or credit bureau.
3) Deferring, denying, or requiring payment before providing medically necessary care due to Nonpayment for previously provided care.
4) Actions that require legal or judicial process.
    a) Commencing a Civil Action
    b) Placing a Lien
    c) Garnishing Wages

Amounts Generally Billed: (Method Used)

1) Look – Back Method
    a) Calculated at least annually.
    b) Based on a 12 month period of time.
    c) May use just emergency and medically necessary claims or all claims in calculation.
        1) Medicare fee-for-service
        2) Medicare fee-for-service and all private health insurers
        3) Medicaid, either alone or in combination

2) Prospective Method
    a) Utilize billing and coding process
    b) Amount that would be the total allowed by Medicare/Medicaid
        1) Medicare fee-for-service
        2) Medicaid beneficiary
        3) Both

See Attachment "A" for explanation

Effective Date: 03/01/2016

Revised Date:

Reviewed Date:

_____
Chief Financial Officer

_____
Chief Executive Officer