

POLICY NAME: Billing and Collection Policy

OWNER: Megan Krause

AREA: Finance/Business Office

APPLIES TO: All Adena Staff

POLICY

Issued: 12/06/2017

Revised / Edited: 04/02/2025

Expiration Date: 04/20/2027

PURPOSE OF POLICY

This policy applies to Adena Health System and its affiliates (collectively "Adena"), together with the Financial Assistance Policy (FAP), and is intended to meet the requirements of applicable federal, state, and local laws, including, without limitations, section 501(r) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. This policy establishes the procedures for billing patients' accounts and the actions that may be taken in the event of nonpayment for medical care provided by Adena, including but not limited to extraordinary collections actions (ECA). The guiding principles behind this policy are to treat all patients and Responsible Individual(s) equally with dignity and respect and to ensure appropriate billing and collection procedures are uniformly followed and to ensure reasonable efforts are made to determine whether the Responsible Individual(s) for payment of all or a portion of a patient account is eligible for assistance under the Financial Assistance Policy prior to undertaking any ECA.

DEFINITIONS

Term	Definition
Plain Language Summary (PLS)	A written statement that notifies a Responsible Individual that Adena offers financial assistance under the FAP for inpatient and outpatient hospital services and contains the information required to be included in such statement under the FAP.
Application Period	The period during which Adena must accept and process application for financial assistance under the FAP.
Billing Deadline	The time after which Adena or a collection agency may initiate an ECA against a Responsible Individual(s) who has failed to submit an application for financial assistance under the FAP. The Billing Deadline must be specified in a written notice to the Responsible Individual(s) provided at least 30 days prior to such deadline, but no earlier than 120 days after the first post discharge statement.
Completion Deadline	The date after which Adena or a collection agency may initiate or resume an ECA against a Responsible Individual(s) who has submitted an incomplete FAP if that Responsible Individual(s) has not provided the missing information and/or documentation necessary to complete the application. The Completion Deadline must be specified in a written notice and must be (1) at least 30 days after Adena provides the Responsible Individual(s) with this notice; and (2) no earlier than 120 days after the first post discharge billing statement.

Author	Megan Krause
Developed	12/06/2017
Leadership Committee Approval	
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Extraordinary Collection Action (ECA)	Any action against a Responsible Individual(s) responsible for a bill related to obtaining payment of a Self-Pay Account that requires a legal or judicial process or reporting adverse information about the Responsible Individual(S) to consumer credit reporting agencies/credit bureaus. ECAs do not include transferring a Self-Pay Account to another party for purposes of collection without the use of any ECAS.
FAP-Eligible Individual	Adena's Financial Assistance Program for uninsured or underinsured patients, which includes eligibility criteria, the basis for calculating charges, the method of applying the policy, and the measures to publicize the policy.
Responsible Individual(s)	The patient and any other individual(s) having financial responsibility for a Self-Pay Account. There may be more than one Responsible Individual(s).
Self-Pay Account	That portion of a patient account that is the Responsible Individual(s) responsibly to pay, net of the application of payments made by any available healthcare insurance or other third-party payor (including co-payments, co-insurance and deductibles), and net of any reduction or write off made with respect to such patient account after application of an assistance program, as applicable.

POLICY

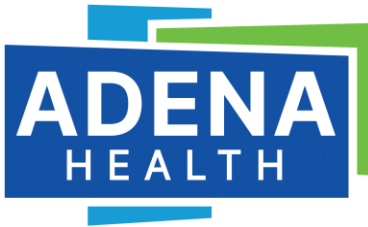
- A. Subject to compliance with the provisions of this policy, Adena may take any and all legal actions, including ECAs, to obtain payment for medical services provided as determined by Adena in conjunction with its governing board.
- B. Adena will not engage in ECA, either directly or by any debt collection agency or other party to which the hospital has referred the patient's debt, before reasonable efforts, as set forth in this policy, are made to determine whether a Responsible Individual(s) is eligible for assistance under the FAP.
- C. A PLS, including information on how to obtain an application for financial assistance, is posted at all registration desks. A hard copy of both the PLS and the financial application is available upon request from the patient.
- D. At least three separate statements for collection of Self-Pay Accounts shall be mailed to the last known address of each Responsible Individual(s); provided, however, that no additional statements need to be sent after a Responsible Individual(s) submits a complete application for financial assistance under the FAP or has paid-in-full. It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service. If an account does not have a valid address, the determination for "Reasonable Effort" will have been made if reasonable attempts have been undertaken to orally notify the patient about the FAP and how assistance with applying may be obtained, as described below. All statements of Self-Pay Accounts will include, but are not limited to:
 - a. An accurate summary of the hospital services covered by the statement;
 - b. The charges of such services;
 - c. The amount required to be paid by the Responsible Individual(s) (or, if such amount is not known, a good faith estimate of such amount as of the date of the initial statement); and
 - d. A conspicuous written notice that notifies and informs the Responsible Individual(s) about the availability of financial assistance under the hospital FAP including the telephone number of the department and direct website address where copies of documents may be obtained.

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- E. The final statement mailed will include written notice that informs the Responsible Individual(s) about the ECAs that are intended to be taken if the Responsible Individual(s) does not apply for financial assistance under the FAP or pay the amount due by the Billing Deadline. Such statement must be provided to the Responsible Individual(s) at least 30 days before the deadline specified in the statement. A PLS will accompany this statement. It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service or upon moving. If an account does not have a valid address, the determination for "Reasonable Effort" will have been made if reasonable attempts have been undertaken to orally notify the patient about the FAP and how assistance with applying may be obtained, as described below.
- F. Prior to initiation of any ECAs, an oral attempt will be made to contact Responsible Individual(s) by telephone at the last known telephone number, if any, at least once during the series of mailed statements if the account remains unpaid. During all conversations, the patient or Responsible Individual(s) will be informed about the financial assistance that may be available under the FAP and how to obtain assistance with the FAP application process.
- G. ECAs may be commenced as follows:
- a. If any Responsible Individual(s) fails to apply for financial assistance under the FAP by 120 days after the first post discharge statement, and the Responsible Parties have received a statement with a Billing Deadline described in Section 3. E above, then Adena or collection agency may initiate ECAs.
 - b. If any Responsible Individual(s) submits an incomplete application for financial assistance under the FAP during the Application Period, then ECAs may not be initiated (or any previously initiated ECAs must be suspended) until after each of the following steps have been completed;
 - i. Adena provides the Responsible Individual(s) with a written notice that describes the additional information or documentation required under the FAP in order to complete the application for financial assistance, which notice will include a copy of the PLS.
 - ii. Adena provides the Responsible Individual(s) with at least 30 days' prior written notice of the ECAs that Adena or collection agency may initiate against the Responsible Individual(s) if the FAP application is not complete or payment is not made; provided, however, that the Completion Deadline for completion of the application or payment may not be set prior to 120 days after the first post discharge statement.
 - iii. If the Responsible Individual(s) who has submitted the incomplete application completes the application for financial assistance, and Adena determines definitively that the Responsible Individual(s) is ineligible for any financial assistance under the FAP, Adena will inform the Responsible Individual(s) in writing the denial and include a 30 days' prior written notice of the ECAs that Adena or collection agency may initiate against the Responsible Individual(s); provided, however, that the Billing Deadline may not be set prior to 120 days after the first post discharge statement.
 - iv. If the Responsible Individual(s) who has submitted the incomplete application fails to complete the application by the Completion Deadline set in the notice provided pursuant to Section 3.G.3.b above, then ECAs may be initiated.

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- v. If an application, complete or incomplete, for financial assistance under the FAP is submitted by a Responsible Individual(s), at any time prior to the Application Deadline, Adena will suspend ECAs while such financial assistance application is pending.
- c. After the commencement of ECAs is permitted under Section III.G above, collection agencies shall be authorized to report unpaid accounts to credit agencies, and to file judicial or legal action, garnishment, obtain judgment liens and execute upon such judgment liens using lawful means of collection; provided, however, that prior approval of Adena shall be required before initial lawsuits may be initiated. Adena and external collection agencies may also take any and all other legal actions including but not limited to telephone calls, emails, text, mailing notices, and skip tracing to obtain payment for medical services provided.

H. Payment Plans

- a. Uninsured or insured patients, who cannot pay their Adena charges in full after the payment discount application, if any, may be offered a payment plan consistent with Adena's Customer Service procedures.
- b. The payment plan may be offered pre-service by the Adena Financial Counselors or post service by the Patient Balance Management Vendor or Adena Customer Service.
- c. Patients asking for a payment plan will be screened for their "propensity to pay" by the Adena Financial Counselors. Propensity to pay does not reflect on the patient's credit report.

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