ALLENDALE COUNTY HOSPITAL

TITLE/DESCRIPTION PATIENT FINANCIAL SERVICES POLICY		Page 1 of 4
Effective Date: **June 7, 2018** **Revised:** **June 9, 2023**	**Applies to:** **All Patient**	**Written by:** **Michael Ehlen, Revenue Cycle Director** **Approved by:** **Lari Gooding, CEO**

Purpose

To outline hospital wide policies regarding financial counseling, financial assistance, patient payments, and billing and collection practices.

Policy

Allendale County Hospital does not discriminate based on a patient's ability to pay. All patients are to be treated during emergency situations, as defined within the Social Security Act - SEC. 1867. [42 U.S.C. 1395dd], regardless of their ability to pay or insurance coverage status. Allendale County Hospital follows Affordable Care Act mandated billing and collections practices.

Patient Payments

Allendale County Hospital will collect appropriate co-payment, co-insurance, or deposit as determined by the Patient Registration or Patient Accounts Departments at, or before the time of service except in the event of a medical emergency.

In the event of a medical emergency payment will not be sought until after such a time that the patient is stabilized and discharged to home. Payment arrangements for patients being transferred to other facilities for further emergency care will not be attempted until a later date and time when the patient is stable.

Whenever possible patients should be told in advance of their potential liability; and at a minimum patients are to be told that co-pays will be collected at the time of service during scheduling.

ACH staff is responsible for ensuring that payments are processed timely and accurately, following established cash handling procedures.

The Director of Patient Financial Services, along with any departmental managers or directors for areas where cash collections are accepted, have the overall responsibility for ensuring that payments collected at the time of service are processed according to procedure and for ensuring staff compliance with collections policies.

Patients, who indicate an inability to meet their financial obligations, are to be referred to financial counseling. If the patient is scheduled for an elective procedure, the ordering provider will be consulted to see if the patient can be rescheduled until a payment arrangement can be reached or until the patient can be cleared for financial assistance approval.

Discounts

Patients are eligible for a 25% self- pay discount on all accounts for which there is no insurance to be billed. By applying this discount we ensure that no self-pay patient is charged more than an amount generally billed (AGB) to the average AGB. This discount, or the average AGB, was determined by taking the average of the contractual amounts for Medicare and two of our largest commercial insurance plans. This discount is applied automatically to all self-pay patients by the billing system. Self pay patients will be notified of this discount at the time of service and be given a flyer explaining how this discount is determined. Discounts are applied to all services, inpatient and outpatient.

A 25% discount is also available for all self-pay balances after insurance when the balance is paid within 30 days of the mailing date of the patient's first statement and when requested by the patient or guarantor.

Payment Plans

The hospital will accept payment plans for settlement of hospital bills. Please see below for guidelines on acceptable payment plan levels. All payment plans outside of these guidelines must be approved by the Director of Patient Financial Services. When establishing a payment plan a financial services agreement form must be completed.

Total Amount Due	Payment Term Allowable	Minimum Monthly Payment
$0-$500	0-3 months	n/a
$501-$1000	0-6 months	$85.00/mo
$1001-$3000	0-9 months	$115/mo
$3001-$5000	0-12 months	$250/mo
>$5001	0-18 months	$280/mo

Patients with existing bad debt of greater than $500 should be referred directly to the Patient Financial Services Director.

Financial Counseling

Financial counseling is to be provided to all patients who are expected to have a balance due of $250 or greater. Financial counseling should be completed prior to their service date for scheduled patients and should be completed within one business day for all unscheduled admissions.

Financial counseling will consist of a discussion of potential liability, payment plans, and financial assistance available to the patient, including but not limited to applying for Medicaid, Disability, ACA plans and hospital based financial assistance.

Financial Assistance

Allendale County Hospital has Financial Assistance available for medically necessary services provided in all departments and by all hospital medical staff for local residents who meet Federal Poverty guidelines. Financial assistance is given at 100% when patient's income is at 150% or less of the federal poverty level based on family size. Only relatives that can be claimed as dependents on your tax return or those legally recognized as a spouse or domestic partner (i.e. two people living together with legally binding shared financial responsibilities) can be considered as part of a family unit for the purposes of a free care application. A sliding scale of 75% to 12% assistance is available for patients and families at 165% to 225% of the federal poverty level. See Appendix "A" for table.

Patients without insurance or with plans that have a high deductible, co-pay, or coinsurance will be approached by Registration or Financial Counselor regarding financial assistance programs prior to or at the time of service.

During the billing process questions regarding the patient or guarantor's current employment and financial situation will be asked in order to screen patients for potential eligibility for financial assistance. Any patient that requests a financial assistance application will be sent one regardless of the answers to the screening questions.

Once an application for financial assistance is received the initial review should take place within 3 business days. Response to the patient for additional information should take place within 5 business days and approval, once the application is complete, should not take any longer than 5 business days. If an account is in collections those collections efforts will be suspended while the application is being processed. No collections efforts are to take place on patients with an active financial assistance application.

Patients and guarantors will be notified of the status of their financial assistance application in writing.

Once approved a financial assistance application will be applied to accounts with dates of service up to 1 year prior to the application date and is good for six months before a patient or guarantor is required to re-apply.

Determinations for financial assistance will be made using the information contained in the application only. No information shall be obtained under duress or coercion.

Publicizing our Financial Assistance Policy

All patients are eligible to apply for financial assistance. Applications and a copy of the policy are available from any Registration Representative, and at all hospital based clinics and physician practices. Applications and copies of the policy will also be mailed upon request. Patients requiring assistance with their application may request help with completing the application. In addition, this policy and the Financial Assistance Application are available on our website at www.achospital.org , on the Services Menu.

Brochures explaining our financial assistance policies, including hospital discounts, and other financial assistance programs will be made available in all public areas within the hospital, hospital based clinics and physician practices. Signs regarding the policy will be placed on all Registration desks and on all tables in waiting areas.

Patients who are admitted to our Inpatient Care Unit or our Emergency room will be given information about our financial assistance program upon discharge. Outpatients and Ambulatory Surgery patients will be given information about our financial assistance policies upon admission

Community wide education regarding hospital financial assistance programs will take place through articles in the newsletter that is published by the hospital and available to the public. Patient Financial services representatives will also be available at any community wide health fair type events to assist community members with questions or concerns.

Allendale County Hospital will also work with local referring providers, including federally recognized tribal health centers to make them aware of our financial assistance policy. Outreach will include, but not be limited to mailings, meetings, and site visits.

Yearly education of all staff regarding our Financial Services Policy will take place via a memo.

Billing and Collection Processes

Allendale County Hospital will make a concerted effort to engage patients in financial counseling and determination of eligibility for financial assistance using the following timeframes:

Timeframe	Actions Taking Place
Day 1	Patient balance hits Self-Pay Category (after coded if Self-Pay or once Insurance has Paid, and a bill is generated.
Day 2	Patient is mailed their first statement.
Day 7	Patient receives a phone call from billing to ensure they received their statement and to determine if they have any questions. Financial assistance screening is performed. Financial Assistance application is mailed upon request &/or instructions are given to the patient on where to download the application online. The patient will also be given the contact information for the financial counselor.
Day 28	Patient receives second statement.
Day 35	Patient receives a second follow up phone call from billing.
Day 56	Patient receives a third statement.
Day 90	Patient is sent a 30 day notice of pending Extraordinary Collection Actions if they have not paid their bill, made payment arrangements, or requested financial assistance.
Day 120	Extraordinary Collection Efforts can begin in situations where a patient has **NOT** requested a financial assistance application
Day 210 (For patients with a FA app)	Patient is sent a 30 day notice of pending Extraordinary Collection Actions if they have not paid their bill, made payment arrangements, or completed their financial assistance application
Day 240 (For patients with a FA app)	Extraordinary Collection Actions can begin in situations where a patient has requested a financial assistance application that has not been completed

Any collection processes will be suspended once an application for financial assistance has been received and will resume at the same place in the timeline where the process left off if it is determined that the patient is not

eligible for financial assistance.

If the patient/guarantor is eligible for a financial assistance program the billing office must provide a billing statement that explains the amount due, how the amount general billed was arrived at, and refunds of any excess payments made by the individual. The billing office will also take reasonable measures to reverse any extraordinary collection actions taken against the patient or guarantor.

All self pay patients will be given information about our financial assistance process during the billing process in addition to the information give at the time of admission.

Extraordinary Collection Action Processes

Extraordinary Collection Action Processes occur when accounts are sent to a collection agency for further collection after the initial balance billing process performed by Allendale County Hospital or its agent.

Accounts will not be turned over to a collection agency until the account has reached 120 days of aging (past the first day of the bill) and the patient or guarantor has received three bills, two regular billing reminder letters, two phone calls, and a notice of pending collection action 30 days before the end of the 120 day period. If a patient has requested a financial assistance application the account will not be turned over until the end of a 240 day period past the first day of the bill.

All billing actions are documented in the patient account notes section of the account. Accounts to be sent to collections are reviewed by Director or Manager before being turned over to a collection agency. The review process consists of the running of a collection report and manual review of each account on the list. Accounts are reviewed against the free-care log to ensure compliance with the 240 day rule.

The collection report is then forwarded to the CFO for administrative and board approval. Upon approval the accounts are electronically submitted to our collection agencies. On rare occasion accounts are backed out of collection when an agreement can be reached between the hospital and the patient or guarantor to resolve accounts.

Collection Agency Governance

For it's collection agency, Allendale County Hospital utilizes the Governmental Enterprise Accounts Receivable Collections (GEAR) program, authorized by S.C. Code Â§ 12-4-580 (enacted in 1996), that allows the Department of Revenue (SCDOR) to use setoff debt and additional collection tools, such as payment plans, wage garnishments and bank levies to collect bad debts for public entities. Any complaints from Patients with the collection agency process or personnel are directed to the Director for resolution.

Director(s) Responsible to Update: Director of Patient Financial Services

Approved by: Allendale County Administration and/or Hospital Board

Resources:

Distribution: Administration, Registration, Patient Financial Services, Clinic Staff.

Appendix "A"

2023 FEDERAL POVERTY GUIDELINES

Household/ Family Size	100%	150%	165%	175%	200%	225%
1	$14,580	$21,870	$24,057	$25,515	$29,160	$32,805
2	$19,720	$29,580	$32,538	$34,510	$39,440	$44,370
3	$24,860	$37,290	$41,019	$43,505	$49,720	$55,935
4	$30,000	$45,000	$49,500	$52,500	$60,000	$67,500
5	$35,140	$52,710	$57,981	$61,495	$70,280	$79,065
6	$40,280	$60,420	$66,462	$70,490	$80,560	$90,630
7	$45,420	$68,130	$74,943	$79,485	$90,840	$102,195
8	$50,560	$75,840	$83,424	$88,480	$101,120	$113,760
9	$55,700	$83,550	$91,905	$97,475	$111,400	$125,325
10	$60,840	$91,260	$100,386	$106,470	$121,680	$136,890
11	$65,980	$98,970	$108,867	$115,465	$131,960	$148,455
12	$71,120	$106,680	$117,348	$124,460	$142,240	$160,020
13	$76,260	$114,390	$125,829	$133,455	$152,520	$171,585
14	$81,400	$122,100	$134,310	$142,450	$162,800	$183,150