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Self-Pay Process – Collection Policy

- I. PURPOSE: To provide guidelines for how self-pay and self-pay after insurance accounts (including Medicare) will be processed at Golden Valley Memorial Healthcare.
- II. PROCEDURE:
 - a. General guidelines.
 - i. If not done already, the Business Office will check all true self-pay inpatient accounts for Medicaid, other insurance, and, if Medicare age, Medicare. This check will be performed shortly after registration. Additionally, the Business Office will send all true self-pay patients' information to Human Arc who will screen the patient for Medicaid and assist him or her with the application process.
 - ii. The Business Office may also use a tool or vendor partner to screen all accounts for missing insurance. If missing insurance is discovered Patient Accounts will add and bill the plan as appropriate.
 - iii. It is the guarantor's ultimate responsibility to give GVMH all active insurance plans and to contact Patient Accounts if he or she receives a statement and discovers his/her insurance has not processed his/her claim.
 - iv. If a guarantor contacts Patient Accounts with missing insurance information, or if GVMH discovers missing insurance information after the timely filing limit, GVMH may elect to not send the claim, or, if GVMH sends the claim but insurance denies for timely filing, in both cases the guarantor is responsible for the charges. In this case GVMH will extend the self-pay 40% discount.
 - v. Once a balance becomes the patient's responsibility, if he or she does not send in a payment, he will receive a series of statements asking for payment.
 - vi. If a formal payment plan is not in place or the account is not paid in full, or if the patient defaults on his or her payment plan, his or her account may be sent to a collection agency as early as 90 days from the date of the first statement.
 - vii. If the patient is set up on a payment plan, he or she must make the minimum monthly payment per the agreement. If adequate payments are not received the account will continue through the collection cycle and may be sent to a collection agency as early as 90 days after the first missed or short payment.
 - viii. Once an account is at a collection agency it may be reported to the credit bureau as soon as 60 days if the account is not paid in full. Additionally GVMH and the collection agency may choose to file suit in order to collect unpaid balances.
 - ix. GVMH has a small balance limit of \$9.99. Patient balances \$9.99 and less are automatically written off by the system. However, GVMH is not obligated to write off all small balances, and when collecting balances and figuring discounts, GVMH personnel will attempt to collect any amount owed when receiving payment from a patient.



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- b. Financial Assistance Program (FAP) accounts.
 - i. The FAP application will be made available in Admitting, the Business Office, and on the floors via Social Services personnel. Social Services presents the FAP application to self-pay patients in a bed, various other self-pay outpatients they encounter, and any other patient they deem could benefit from financial assistance. Admitting and the Business Office presents the FAP application to patients they encounter at registration, in the Business Office, or speak to on the phone who may benefit from financial assistance. GVMH publicizes our Financial Assistance Policy on our statements, collections letters, web site, and through signage at check in.
 - ii. When a patient requests financial assistance, or when GVMH personnel present the FAP application, GVMH personnel will explain to the patient the importance of returning it timely with all required documentation.
 - iii. Once the application is returned, the FAP specialist will process the application within 45 days.
 - iv. The FAP Specialist will make the necessary adjustments to the account and send the approval letter to the guarantor. If the FAP request is denied or there is missing information, the FAP specialist will send a letter to the guarantor informing him/her.
 - v. During the FAP approval process, the account will continue through the collection process. If approved, the FAP specialist will send an updated statement with the updated balance to the guarantor.
 - vi. Any patient representative can and may accept payments from patients even before the FAP is processed. The patient will not be penalized for making a payment, meaning the discount will be figured based on the original balance if already approved for FAP or if his or her FAP application is in process. The patient representative will estimate the amount owed after the FAP discount and will collect up to that amount.
 - vii. It is the guarantor's responsibility to contact Patient Accounts when he/she receives a statement in order to have the FAP discount applied.
 - viii. GVMH provides emergency care to all patients who present to the Emergency Room regardless of his or her ability to pay or financial assistance application status. Patients are not required to complete an FAP application to receive emergency care.
- c. FAP ID card process. See Financial Aid Program ID Card Process, BUS-018 policy.
- d. Discounts.
 - i. Self-pay patients are automatically given a 40% discount off of full charges. The 40% discount also applies to medically necessary services that are not covered by an insured patient's insurance plan for which the insurance does not apply a discount and puts the entire billed amount to patient responsibility. The balance due is reflected on the patient statement.



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1. In cases where insurance does not make a payment because they are waiting on a patient response to their request for information, or the patient has otherwise been uncooperative with his or her insurance plan and/or GVMH, no self-pay discount will be given. The patient is responsible for the full balance until he or she responds to his or her insurance plan with the requested information and insurance processes appropriately.
 2. In cases like what is detailed above where a patient has not responded to his or her insurance company, if the insurance payer takes a contractual discount, we will leave the discount on the account but will not apply a self-pay discount.
 - ii. GVMH employees, GVMH retirees with 15 years of service, spouses of retirees who carry GVMH's health plan, and GVMH employed physicians are given a 20% discount off of full charges and a 50% discount on outpatient labs per the employee handbook. Anyone eligible for this discount must contact the Business Office during business hours to receive the adjustment, though the Business Office will attempt to process all employee discounts before statements are sent.
 - iii. GVMH employees, GVMH retirees with 15 years of service, spouses of retirees who carry GVMH's health plan, and GVMH employed physicians are able to take advantage of the self-pay discount (if services are performed as self-pay or are noncovered) in addition to the employee discount. The self-pay discount of 40% is taken off of full charges, then the 20% off of full charges (50% for labs) discount is added to the 40% figure to arrive at the full discounted amount. The above are then eligible to apply a prompt pay discount as well if balance is paid in full.
 - iv. Guarantors are eligible for a paid-in-full discount when they contact Patient Accounts after receiving a statement. Guarantors will receive a 25% discount on accounts that have been billed to the patient within the last 30 days. Guarantors will receive a 10% discount on all other accounts if paying in full over the phone or in the office. The paid-in-full discounts are applied to remaining balances (balances that exist on the day the guarantor contacts Patient Accounts), including balances after Self-Pay, FAP, and employee discounts if applicable. The guarantor must contact Patient Account by phone or in person and pay in full on that day to take advantage of the paid-in-full discount.
 - v. The Director of the Business Office or Patient Accounts Supervisor will consider settlements with attorneys or other accounts where a lien is filed on a case-by-case basis. No other discounts or settlements will be given to patients other than FAP, selfpay, paid-in-full, or employee discounts unless reviewed and approved by the Director of the Business Office, Patient Accounts Supervisor or CFO.
- e. Collection agencies.



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- i. GVMH will send accounts to collection agencies on a regular and timely basis, per the guidelines listed above.
 - ii. Once at the collection agency, the patient is required to work through the agency to set up any payment arrangements or offer settlements.
 - iii. The collection agencies are able to negotiate 85% settlements at any time without GVMH approval. Settlements greater than 15% off of the owed balance have to be approved by GVMH.
 - iv. The collection agencies may report accounts to the credit bureau as early as 60 days after receiving them or any time thereafter if arrangements are not made timely or account is not paid in full.
 - v. Collection efforts by the collection agencies may include lawsuits and garnishments.
 - vi. Once accounts are sent to the collection agency GVMH will not recall them without the Business Office Director's approval. If we become aware of insurance or another payer we will bill the payer, if appropriate, but the account should remain with the agency.
 - vii. Once the collection agency has exhausted their efforts or deemed an account uncollectable, they will close and return the account to GVMH.
 - viii. The collection agency may attempt to collect on any returned account if they receive additional accounts for the same guarantor or family and then deem the accounts collectable.
 - ix. The collection company may refer an account to an attorney to pursue collections through the court system and may result in garnishment of wages if adequate payment arrangements are not made by the guarantor.
 - x. The collection company will apply the same collection practices to all accounts, regardless of third party payer source.
- f. Bad check policy.
- i. Upon receiving the first bad check from any person GVMH may put his or her name on the "No Check Cashing" list. Once on the list, GVMH will not accept any check from that person. The head cashier has authority to add or remove names from the "No Check Cashing" list.
 - ii. Upon receiving a bad check from any person the cashier will call the person to inform him or her of the bad check and ask them to make payment. If no response, the cashier will send a letter to the last known address. If still no response the case will be referred to the prosecuting attorney. In addition to the above, GVMH employees may also receive a call from the Business Office Director before being referred to the prosecuting attorney.
- g. Price transparency. GVMH prices are available upon request from the Business Office, and are posted online at gvmh.org. All charges are dependent upon what the physician orders for each patient.



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- h. Divorce decrees.
 - i. GVMH is not a party to divorce decrees.
 - ii. GVMH will not change the guarantor on an account without written or verbal consent from the would-be new guarantor.
 - iii. Guarantors remain responsible for their accounts.
- i. Pay Plans
 - i. If a guarantor cannot pay his/her balance in full, he/she must set up an approved pay plan with GVMH.
 - ii. GVMH pay plans can only be set up for a maximum of six months. If an account balance is not paid within six months, or sooner per guidelines above, it may be referred to a collection agency, even if the guarantor is sending regular payments.
 - iii. If a guarantor needs longer than six months to pay his/her balance, GVMH will enroll the guarantor in a pay plan with a third party vendor who will administer the pay plan.
 - iv. If the guarantor refuses to enroll with the third party vendor's pay plan, his/her account will be referred to collections per guidelines above if not paid in full.
 - v. Once an account is with the third party vendor, the guarantor must contact the vendor for all inquiries regarding payments, balances, and other questions regarding the pay plan. No paid-in-full discounts will be applied once enrolled with the third party vendor.
 - vi. Guarantors with existing pay plans may be transitioned to the third party vendor if his/her balances will not be paid in full within six months.
 - vii. Any guarantor wishing to add balances to his/her pay plan must transition to the third party vendor if the accounts will not be paid in full within six months.
 - viii. Guarantors who enroll in pay plans with the third party vendor must meet the vendor's balance and monthly payment guidelines. If they do not, he/she will need to pay the balance in full, otherwise the balances will be referred to collections per the guidelines above.

- III. REFERENCES: None.
- IV. COLLABORATED WITH: None.
- V. ATTACHMENTS: None.

Director of Business Office