



Norwegian American Hospital Policy and Procedure

Policy Number:	Initial Approval Date:	Effective Date:
Subject: Billing and Collection Policy	Revised	
	Reviewed	
Department Head: Selma Kulenovic Director Revenue Cycle	Retired:	
<input type="checkbox"/> Departmental Policy <input checked="" type="checkbox"/> Hospital-Wide Policy <input type="checkbox"/> Standard Operating Procedure		
Purpose: <p>The Norwegian American Hospital (NAH) Billing and Collection Policy is consistent with our mission to provide high quality and compassionate health care services by partnering with patients and their families, employees, physicians and the communities served by NAH. This policy is intended to comply with the federal Patient Protection and Affordable Care Act, The Illinois Fair Patient Billing Act, and other applicable laws relating to financial assistance, billing and collection for health care services. No extraordinary collection actions (ECA's) will be taken against an individual before reasonable efforts have been made to determine whether the individual is eligible for assistance under the NAH financial assistance policy (FAP).</p>		
Definitions: <p>Bad Debt: Any patient self-pay obligation that is not in conformance with an agreed upon payment plan or goes unpaid for more than 120 days after NAH has established financial responsibility and sent the initial invoice to the patient, or patient guarantor.</p> <p>Discounted Care: Financial assistance that provides a percentage discount, for eligible uninsured patients, or patient guarantors, with annualized family incomes at or below 600% of the Federal Income Poverty Guidelines.</p> <p>Family Income: The annual family income and cash benefits from the prior 12 month period or the prior tax year as shown by recent pay stubs or income tax return, less payments made for alimony or child support. Proof of earnings may be determined by annualizing the year-to-date family income, taking into consideration the current earnings rate.</p> <p>Federal Poverty Income Guidelines: The Federal Poverty Income Guidelines are updated</p>		

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make reasonable efforts to collect from all known third-party payers in order to assist patients in resolving their bills. Timely and proper filing of third-party payer claim adjudication procedures will be followed to ensure that claims are paid appropriately. If necessary, NAH will work with patients, or guarantors, to assist them in resolving insurance claims.

Norwegian American Hospital is committed to providing financial assistance for medically necessary services to eligible individuals who are uninsured and unable to pay for the full cost of their care based on their financial situation. NAH will communicate clearly with patients, or their guarantors, regarding financial assistance programs and payment expectations.

It is expected that a patient, or guarantor, will be responsible for paying a hospital bill and will cooperate in good faith with the hospital by providing NAH with all of the requested financial documentation and other relevant information needed to determine the eligibility for financial assistance policy or a reasonable payment plan.

Payment will be pursued from patients identified as having the ability to pay for services provided by NAH. Collection procedures outlined in this policy will be applied consistently to all patients regardless of insurance status and will comply with applicable laws and with the mission of NAH..

It is the policy of NAH to prohibit requiring payment for emergency medical conditions prior to the patient having received services or permitting collection activities that could interfere with provision of emergency medical care.

All financial information obtained from patients, or their guarantors, will be confidential.

Financial Assistance:

Patients will be informed of financial assistance through various methods. Notices informing patients of financial assistance will be posted in admission and registration areas. It will also be provided to patients, or guarantors, in their admission packet and in billing statements. This information, and the notice posted in hospital locations, will be in English, and in any other language that is the primary language spoken by at least 5% of the residents in the service area.

The NAH financial assistance policy, application and a plain language summary of the policy will be available on the system's website.

Time of Service Payments:

Norwegian American Hospital may request that patient cost-sharing payments (i.e. co-payments) be made at the time of service. The payment of the patient share of cost will not result in a denial or delay of services. Patient cost-sharing payments for emergency care will be collected after services have been rendered and will not violate EMTALA requirements.

Reasonable Payment Plan:

Patients, or guarantors, will be provided with information on payment plans. A reasonable payment plan will be made available to patients, or guarantors, unable to pay the balance in full

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<p>to patients informing them of any outstanding balance due. Additionally, the hospital shall contact non-responsive patients, to inform them of outstanding balances owed and to discuss eligibility for financial assistance or reasonable payment options.</p> <p>Presumptive eligibility screening may also be utilized as a reasonable effort to determine whether an account may qualify for financial assistance. An electronic review will be conducted prior to sending accounts to bad debt collection. The presumptive eligibility uses a predictive model that incorporates public record data and is designed to assess each account by the same standards as would be done with the typical application process. If an account is not approved for assistance using this process, the patient, or guarantor, may still submit a financial assistance application for up to 240 days from the first post-discharge statement.</p> <p>The following collection actions may be utilized with patients, or guarantors, found ineligible for financial assistance, patients who received discounted care but are no longer cooperating in good faith to pay the remaining balance, or patients who have established reasonable payment plans but are not in accordance with the payment plan.</p> <p>The NAH policy does not allow harassing, abusive, oppressive, false, deceptive or misleading language or collections conduct by its employees, debt collection attorneys or agencies responsible for collecting medical debt from patients.</p> <p><i>Permissible Collection Actions:</i> The hospital may use certain collection actions when pursuing payment from these patients.</p> <p>Collection Agencies: Collection agencies may be utilized to aid in collecting patient self-pay balances. Accounts will not be placed with an agency for bad debt collection within the first 120 days after issuing the initial patient invoice if eligibility for financial assistance has not been determined. Bad debt collection agencies will be authorized to report information to consumer credit bureaus.</p> <p>All collection agencies working on behalf of NAH will have a written contract that specifies that their collection processes must conform to the policies of NAH and applicable state and federal laws. The NAH Billing & Collection and Financial Assistance Policies will be provided to collection agencies working on NAH self-pay accounts to ensure compliance with the policy.</p> <p>Prior to initiating these actions, patients must be provided a written notice of NAH's intent to pursue these collection actions at least 30 days prior to initiating any of them. The notice must include a plain language summary of the NAH financial assistance policy, an explanation of how to apply for assistance and a description of the extraordinary collection action(s) that will be initiated after thirty days unless an application is submitted or the bills are resolved.</p> <p>If the patient, or guarantor, applies for financial assistance and is denied, and has not submitted an appeal of that decision, collection actions will be pursued.</p>	

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<p>personal property of patients, or their guarantors, as a result of a failure to pay outstanding patient obligations.</p> <p>MONITORING COLLECTION AGENCIES: Any external collection entity working on behalf of NAH will be monitored to assure that they comply with the terms of this policy.</p> <p>ENFORCEMENT: Abusive, harassing, misleading language or collections conduct by NAH employees, debt collection agency staff or attorneys will be addressed through corrective action procedures.</p> <p>CONFIDENTIALITY: Norwegian American Hospital staff will protect the confidentiality of each patient, regarding financial information and the handling of personal health information.</p> <p>BOARD REVIEW: This NAH billing and collection policy has been approved by the NAH (Governance Body). This policy is subject to periodic review. Any change to the policy must be approved by the NAH Board of Directors (or a designated committee).</p>	
Resource(s):	

Signature of Approver:	Approver Name / Title / Date Signed:
Board Approved	06/27/2016
Approved by Policy Committee	Date:
Approved By Committee (Name):	Date: