

**UNIVERSITY HOSPITAL
POLICY HANDBOOK**

Policy No. G-132
Approval
Effective 6/98; 6/04 R, 2/09 R
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POLICY TITLE: **MINIMUM INITIAL PAYMENT AND ESTABLISHING
A PATIENT ON A PAYMENT PLAN**

POLICY PURPOSE: To cost effectively achieve payment for services rendered while facilitating access to care and actions upon non-payment.

POLICY

University Hospital permits installment payment without security, interest, or service charge. These payment plans assist the patient in their financial planning and minimize any *inconvenience* associated with arranging payment terms prior to receiving services at University Hospital. University Hospital willingly complies with the Emergency Medical Treatment and Labor Act (EMTALA). Requests for payment in the Emergency Department and Labor and Delivery Triage shall not be made before completion of a medical screening examination and any subsequent request shall not delay stabilizing treatment for any emergency condition or labor.

PROCEDURE

- A. The Access Coordinator for the service for which the patient is scheduled may prepare an estimate of the charges and patient liability. Each ancillary service area may estimate charges for which the patient will be responsible.
- B. External and patient requests for estimated charges should be prepared in accordance with Policy No. G-133.
- C. Except in the ED and L&D Triage and Medicare and Medicaid beneficiaries, the Access Coordinator may request a minimum payment at or prior to registration.

The “Minimum Payment Information” notice communicated via telephone as part of preregistration and/or may be given to patients at registration by the Access Coordinator, when available.

Minimum payments at registration are as follows:

- 1. **ELECTIVE SERVICES-** An elective service is a procedure/service determined to be non-covered as relates to the beneficiaries insurance coverage. If a patient has a prior outstanding self-pay balance(s) payment may be required in full for all elective services. Patients in good financial standing may be requested to pay fifty percent of quoted procedure charge and elect a minimum payment plan for the unpaid balance.
 - (a) Self-insured patients unable to make the required minimum payment at the time of registration may be asked to complete an indigent/charity application, or the service being elective (see C.1 above), call the patient’s physician and inform him/her or the physician’s office that the patient has refused or is unable to make a

minimum required registration payment and/or complete an indigent/charity application. If the physician requires the service to be completed, the physician must certify that the service is an EMERGENCY SERVICE. If the physician states the service is an emergency service, register the patient.

2. Medically Necessary Tests & Procedures covered by the patient's insurance and if applicable may request payment of all co-payments, deductibles, and coinsurance.
3. University Hospital offers self-pay Patients a "Self-pay Discount" which is determined as the unweighted average discounted percentage negotiated by the hospital managed care companies from the prior year plus Medicare payment. The "Self-Pay Discount" be updated annually on or before April 1st each year.

Excluded will be any Self-Pay amounts prorated on Insurance Financial Classes since waiving Co-Pay, Deductible or Carve-out amounts would be looked upon by most PPO/HMO Contracts as encouraging services. Medicare and Medicaid are excluded per State & Federal regulations.

4. In accordance with the HIPAA Privacy Rule requirements and Procedures, University Hospital agrees to allow patients the right to elect not to have their services billed to their insurance plan. If a patient chooses not to allow the hospital to submit patient's claim(s) to the health plan then:
 - (a) Patient does not qualify for any for ICCP program (See Policy G-130)
 - (b) Patients will qualify for the Self-pay discount as described in the above paragraph.
 - (c) Patients are not eligible for payment plan
 - (d) Patients must pay the estimated charges less Self-pay Discount for services to be received prior to the service being rendered. After procedure completed, patient will be balanced bill for any discrepancy between actual charges and estimated charges (Self-pay Discount will also apply to the additional charges)--- patient must pay this amount in 10 days after billing date. If patient does not pay balance within 10 days, Hospital reserves the right to bill insurance plan for balance and patient forgo any future consideration to elect not to bill Health plan.

- B. Patients given indigent/charity care applications may be required to complete it, at the time of registration. Policy G-132 will apply until the patient has been certified or denied in the UHS Indigent/Charity Care Program. At that time, the Financial Class will be changed, as appropriate, and policy G-130 or G-132, respectively, will be applied.

MINIMUM PAYMENT PLAN (“MPP”) TERMS

GUARANTOR BALANCE MINIMUM PAYMENT OF TOTAL CHARGES

- Patient liability balances will be subject to payment terms, not to exceed six months.
- Patients opting not to participate in six month payment terms may be referred to external agencies for extended payment/financing options.

C. ACTIONS FOR NON-PAYMENT:

- Account balances should receive a minimum of three (3) statements, in 30 day intervals. (Exceptions: mail returns, with no successful resolutions; accounts not responsive to billing attempts/phone calls with previous bad debt history, accounts qualifying for indigent write-off).
- At 90-120 days from date of service, a decision will be made to continue follow up attempts or referral to bad debt collections, indigent/charity review.
- All attempts should be made to request payment in full once contact with patient is established. In the event payment in full is not possible a payment schedule in keeping with Minimum Payment policy G-132 should be pursued. Payment arrangements below the standards set in G-132, will be considered on an as needed basis.
- Patients alleging financial hardship will be asked to complete a Financial Application Review form for payment reduction, charity/indigent review.
- Use of various data bases/tools, i.e. , Hospital billing system, Bad Debt Collections system, Credit Bureau, Self Pay Compass will be used in the course of follow- up to determine/support collectability; bad debt referral; charity/indigent decisions.
- Patient liability balances presenting on daily reports will be worked, via alpha split designation.
- All accounts of the patient/guarantor, not only the account presenting on the daily report, will be considered for potential collections/ bad debt referral/indigent review.
- Accounts presenting for Bad debt collections shall receive written correspondence outlining the account balance, and soliciting payment of balance.

- Accounts not paid with initial contact correspondence will move to a Collector work drive for follow up.
- The Collector will review the account and access for payment potential. Calls will be made to all contact numbers, and payment solicitation will be made.
- Payment plans in keeping with UH Hospital policy (G- 132), will be established when payment in full of account balance is not possible.
- Accounts not keeping payment arrangements will be reviewed for possible litigation.
- Accounts that do not meet litigation protocol, i.e. employment, net income, will be referred to an outside Third Party Collections Agent, or area Credit Bureaus as deemed appropriate.