



Policy and Procedure 503 Billing & Collections Policy

Approved by: Mercy Health Board of Trustees Date of Updated Version: March 28, 2017

Effective Date: January 1, 2016

Policy Statement

In the light of its mission to improve the health of its communities, with special emphasis on the poor and underserved, and in the spirit of the healing ministry of Jesus, Mercy Health is committed to providing education to patients and guarantors as it relates to billing and collections of payment for services rendered. Payment on accounts will be pursued consistently, regardless of race, age, gender, ethnic background, national origin, citizenship, primary language, religion, education, employment or student status, disposition, relationship, insurance coverage, community standing, or any other discriminatory differentiating factor. To that end, Mercy Health will not engage in any extraordinary collection actions (as defined herein) against an individual to obtain payment for care before reasonable efforts have been made to determine whether the individual is eligible for assistance for the care under its Healthcare Financial Assistance (“HFA”) Policy.

Every guarantor will be given reasonable time and communication to be aware of and understand their financial responsibility. The guarantor will be held financially responsible for services actually provided and adequately documented. Mercy Health representatives and/or its designee will widely publicize its HFA policy by, among other things, offering a copy of the plain language summary of the policy prior to the patient being discharged. Understanding each guarantor’s insurance coverage is the responsibility of the guarantor. Any self-pay liability secondary to insurance coverage is defined by the guarantor’s insurance coverage and benefit design. Mercy Health relies on the explanation of benefits and other information from the guarantor and the insurance carrier for eligibility, adjudication of the claim, and patient responsibility determinations.

Related Policies:

Mercy Health offers other options for uninsured or underinsured patients who do not qualify for financial assistance under this HFA policy. For further information, please see the following Mercy Health policies:

- Mercy Health Adherence to Internal Revenue Code § 501(r) Policy
- Mercy Health Healthcare Financial Assistance Policy
- Mercy Health Uninsured / Self-Pay Discount Policy

Definitions:

- **AGB** – Amounts generally billed for emergency or other medically necessary care to individuals who have insurance coverage.
- **Application Period** – The period during which Mercy Health must accept and process an application for financial assistance under its HFA policy submitted by an individual in order to have made reasonable efforts to determine whether the individual is eligible for financial assistance under the policy. The Application Period begins on the date the care is provided and ends on the latter of the 240th day after the date that the first post-discharge billing statement for the care is provided or at least 30 days after Mercy Health provides the individual with a written notice that sets a deadline after which ECAs may be initiated.

- **ECAs** – ECAs are Extraordinary Collection Actions taken by Mercy Health against an individual related to obtaining payment of a bill for care covered under Mercy Health’s HFA policy that require a legal or judicial process or involve selling an individual’s debt to party or reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
- **HFA** – Mercy Health’s Healthcare Financial Assistance Policy.
- **HFA-Eligible Individual** – An individual eligible for financial assistance under Mercy Health’s HFA policy (without regard to whether the individual has applied for assistance under the HFA policy).

Policy:

A statement of hospital services is sent to the patient/guarantor in incremental billing cycles. In cases when the patient has no insurance coverage, that is a self-pay patient, the statement is sent after services are rendered. In most cases when patients have coverage through an insurance carrier, the statements are sent after the services have been rendered, claim is submitted, and claim has been adjudicated by the insurance carrier. There are some cases, for example, when there is a stop in the adjudication of a claim due to the patient needing to provide additional information, where a statement will be sent to the patient and/or guarantor prior to claim processing.

Mercy Health representatives and/or their designees may attempt to contact the patient/guarantor (via telephone, mail, or email) during the statement billing cycle in order to pursue collections. Collection efforts are documented on the patient’s account.

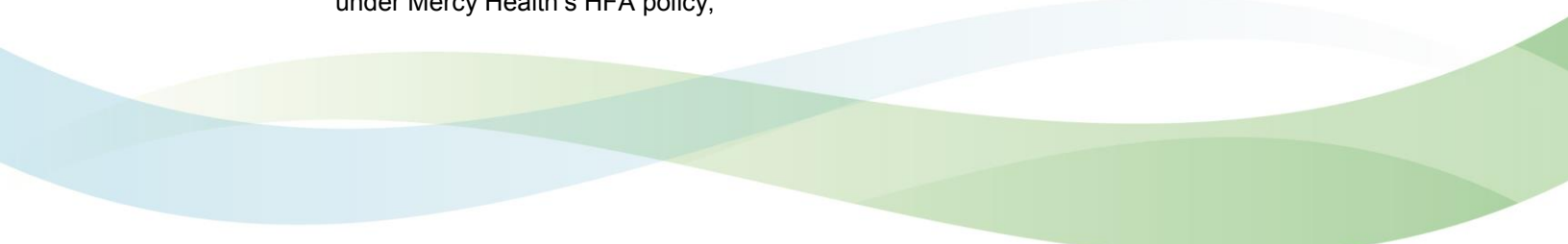
Statement Cycle:

The statement cycle will be measured from the first statement sent to the patient (date sent) and include the following:

- Subsequent statements sent to the patient/guarantor in 30 day increments to derive at the statement process:
 - 1st – Date of first billing
 - 2nd – 30 Days post
 - 3rd – 60 Days post
 - 4th – 90 Days post and notice of submission to Collection Agency if amounts left unpaid or HFA application not received
 - 5th – 120 Days post – Submission to Collection Agency (letter sent from Collections), subject to the provisions of this policy.
 - A secondary Collection Agency may be used, subject to the provisions of this policy

Extraordinary Collection Actions (ECAs):

- It is the policy of Mercy Health not to engage in ECAs against an individual to obtain payment for care before making reasonable efforts to determine whether the individual is eligible for assistance under its HFA policy.
 - Selling a patient’s debt to another party;
 - Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus;
 - Deferring or denying, or requiring payment before providing, medically necessary care because of an individual’s nonpayment of one or more bills for previously provided care covered under Mercy Health’s HFA policy;



- Actions requiring legal or judicial process, such as commencing a civil action against an individual and placing a lien on an individual's property (although exceptions include filing a proof of claim in bankruptcy and hospital liens on personal injury judgments/settlements); or
- Garnishment of wages.
- Mercy Health may pursue all available means in the collection of delinquent accounts including those actions requiring a legal or judicial process. However, legal action will NOT include bank garnishment, repossession of assets and foreclosures. Mercy Health must be notified of and approve of any legal action being taken in the collection of delinquent accounts by any vendors working on behalf of Mercy Health.

Efforts to Determine HFA Eligibility:

- Mercy Health will allow patients to submit complete HFA applications during a 240-day Application Period (as described herein).
- Mercy Health will not engage in ECAs against the patient or guarantor without making reasonable efforts to determine the patient's eligibility under the HFA policy. Specifically:
 - Mercy Health will notify individuals about the HFA policy as described herein before initiating any ECAs to obtain payment for the care and refrain from initiating such ECAs for at least 120 days from the first post-discharge billing statement for the care.
 - If Mercy Health intends to pursue ECAs, the following will occur at least 30 days before first initiating one or more ECAs:
 - Mercy Health will notify the patient in writing that financial assistance is available for eligible individuals, identifies the ECAs the facility (or other authorized party) intends to initiate to obtain payment for the care, and states a deadline after which such ECAs may be initiated that is no earlier than 30 days after the date that the written notice is provided;
 - The above notice will include a plain language summary of the HFA policy;
 - Mercy Health will make a reasonable effort to orally notify the patient about the HFA policy and how the individual may obtain assistance with the application process.
 - If Mercy Health aggregates an individual's outstanding bills for multiple episodes of care before initiating one or more ECAs to obtain payment for those bills, it will refrain from initiating the ECAs until 120 days after it provided the first post-discharge billing statement for the most recent episode of care included in the aggregation.
 - If Mercy Health defers or denies, or requires a payment before providing, medically necessary care to an individual with one or more outstanding bills for previously provided care, Mercy Health will provide the individual with an HFA application form and a written notice indicating that financial assistance is available for the eligible individuals and stating the deadline, if any, after which Mercy Health will no longer accept and process an HFA application submitted (or, if applicable, completed) by the individual for the previously- provided care. The deadline will be no earlier than the later of 30 days after the date that the written notice is provided or 240 days after the date that the first post-discharge billing statement for the previously-provided care was provided. Mercy Health will also provide the individual with a plain language summary of the HFA policy with the written notice, and make a reasonable effort to orally notify the individual about Mercy Health's HFA policy and about how the individual may obtain assistance with the HFA application process. If an HFA application is timely received by Mercy Health, it will process the application on an expedited basis.

Processing HFA Applications:

- If an individual submits an *incomplete* HFA application during the application period, Mercy Health will:
 - Suspend any ECAs to obtain payment for the care; and
 - Provide the individual with a written notice that describes the additional information and/or documentation required under the HFA or HFA application form that must be submitted to complete the application and that includes the Mercy Health contact information set forth at the end of this policy.
- If an individual submits a *complete* HFA application during the application period, Mercy Health will:
 - Suspend any ECAs to obtain payment for the care;
 - Make an eligibility determination as to whether the individual is HFA-eligible for the care and notify the individual in writing of the eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination.
 - If the individual is determined to be HFA-eligible for the care, Mercy Health will:
 - If the individual is determined to be eligible for assistance other than free care, provide the individual with the following:
 - A billing statement that indicates the amount the individual owes for the care as an HFA-eligible individual
 - How that amount was determined and
 - State, or describe how the individual can get information regarding, the AGB for the care; or
 - State, or describe how the individual can apply for more generous assistance under the HFA.
 - Refund to the individual any amount he or she paid for the care (whether to Mercy Health or any other party to whom Mercy Health has referred to sold the individual's debt for the care) that exceeds the amount he or she is determined to be personally responsible for paying as an HFA-eligible individual, unless such excess amount is less than \$5 (or such other amount published in the Internal Revenue Bulletin).
 - Take all reasonably available measures to reverse any ECA (with the exception of a sale of debt) taken against the individual to obtain payment for the care.
- When no HFA application is submitted, unless and until Mercy Health receives a HFA application during the Application Period, Mercy Health may initiate ECAs to obtain payment for the care once it has notified the individual about the HFA policy as described herein.

Miscellaneous Provisions:

- **Anti-Abuse Rule** – Mercy Health will not base its determination that an individual is not HFA-eligible on information that Mercy Health has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.
- **Determining Medicaid Eligibility** – Mercy Health will not fail to have made reasonable efforts to determine whether an individual is HFA-eligible for care if, upon receiving a complete HFA application from an individual who Mercy Health believes may qualify for Medicaid, Mercy Health postpones determining whether the individual is HFA-eligible for the care until after the individual's Medicaid application has been completed and submitted and a determination as to the individual's Medicaid eligibility has been made.

- **No Waiver of HFA Application** – Obtaining a signed waiver from an individual, such as a signed statement that the individual does not wish to apply for assistance under the HFA policy or receive the notifications described herein, will not itself constitute a determination that the individual is not HFA-eligible.
- **Final Authority for Determining HFA Eligibility** – Final authority for determining that Mercy Health has made reasonable efforts to determine whether an individual is HFA-eligible and may therefore engage in ECAs against the individual rests with the Mercy Health Patient Financial Services Department.
- **Agreements with Other Parties** – If Mercy Health sells or refers an individual’s debt related to care to another party, Mercy Health will enter into a legally binding written agreement with the party that is reasonably designed to ensure that no ECAs are taken to obtain payment for the care until reasonable efforts have been made to determine whether the individual is HFA-eligible for the care.
- **Providing Documents Electronically** – Mercy Health may provide any written notice or communication described in this policy electronically (for example, by email) to any individual who indicates he or she prefers to receive the written notice or communication electronically.

Contact Information: For more information, please contact Mercy Health as follows:

<i>Website</i>	https://www.mercy.com/financial-assistance	
<i>Telephone</i>	1-877-918-5400	
<i>By Mail</i>	4605 Duke Drive Mason, OH 45040 Attn: Financial Counseling	
<i>In Person</i>	<p>Mercy Health – Anderson Hospital 7500 State Road Cincinnati, OH 45255 Dept: Financial Counseling</p> <p>Mercy Health – Clermont Hospital 3000 Hospital Drive Batavia, Ohio 45103 Dept: Financial Counseling</p> <p>Mercy Health – Fairfield Hospital 3000 Mack Road Fairfield, Ohio 45014 Dept.: Financial Counseling</p> <p>The Jewish Hospital – Mercy Health 4777 E. Galbraith Road Cincinnati, Ohio 45236 Dept.: Financial Counseling</p> <p>Mercy Health – West Hospital 3300 Mercy Health Blvd., Cincinnati, Ohio 45211 Dept.: Financial Counseling</p>	<p>Mercy Health - St. Charles Hospital 2600 Navarre Avenue Oregon, OH 43616 Dept.: Financial Counseling</p> <p>Mercy Health - St. Anne Hospital 3404 W. Sylvania Avenue Toledo, OH 43623 Dept.: Financial Counseling</p> <p>Mercy Health - Defiance Hospital 1404 E. Second Street Defiance, OH 43512 Dept.: Financial Counseling</p> <p>Mercy Health – Tiffin Hospital 45 St. Lawrence Drive Tiffin, OH 44883 Dept.: Financial Counseling</p> <p>Mercy Children’s Hospital 2213 Cherry Street Toledo, OH 43608 Dept.: Financial Counseling</p>

	<p>Springfield Regional Medical Center 100 Medical Center Drive (at West North St) Springfield, Ohio, 45504 Dept.: Financial Counseling</p> <p>Mercy Memorial 904 Scioto St, Urbana, OH 43078 Dept.: Financial Counseling</p> <p>St. Rita's Medical Center 730 W. Market St. Lima, OH 45801 Dept.: Financial Counseling</p> <p>Lourdes Hospital 1530 Lone Oak Rd Paducah, KY 42003 Dept.: Financial Counseling</p> <p>Marcum Wallace Memorial Hospital 60 Mercy Court Irvine, KY 40336 Dept.: Financial Counseling</p> <p>Mercy Health - St. Vincent Medical Center 2213 Cherry Street Toledo, OH 43608 Dept.: Financial Counseling</p>	<p>Mercy Health - Willard Hospital 1100 Neal Zick Rd. Willard, OH 44890 Dept.: Financial Counseling</p> <p>Mercy Health - St. Elizabeth Youngstown Hospital 1044 Belmont Ave. Youngstown, OH 44501 Dept.: Financial Counseling</p> <p>Mercy Health - St. Elizabeth Boardman Hospital 8401 Market St. Boardman, OH 44512 Dept.: Financial Counseling</p> <p>Mercy Health - St. Joseph Warren Hospital 667 Eastland Avenue Warren, Ohio 44484 Dept.: Financial Counseling</p> <p>Mercy Regional Medical Center 3700 Kolbe Rd. Lorain, OH 44053 Dept.: Financial Counseling</p> <p>Mercy Allen Hospital 200 W. Lorain St. Oberlin, Ohio 44074 Dept.: Financial Counseling</p>
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