

SUBJECT: BILLING AND COLLECTIONS**ORIGINATING DEPT:** Revenue Cycle Services**DISTRIBUTION DEPTS:** 7530, 8805, 8991**ACCREDITATION/REGULATORY STANDARDS:**

Original Date: 3/16
Revision Dates: 12/19
Reviewed Dates:

APPROVAL:
Administration: _____
Director: _____

PURPOSE:

The purpose of this Billing and Collections Policy is to describe Ridgeview Medical Center's approach to obtaining payment for care provided to patients. In the event of nonpayment, Ridgeview Medical Center is committed to making reasonable efforts to determine whether a patient is eligible for financial assistance before initiating collection actions. It is important for all patients to understand these policies and their insurance benefits. Patients may contact us at 952-442-8054 with any questions or concerns.

POLICY:

Ridgeview participates in most insurance plans, including Medicare. If the patient is insured by a plan Ridgeview does business with but doesn't have an up-to-date insurance card, payment may be required until coverage can be verified. Knowing one's insurance benefits and network status is the patient's responsibility. Patients are encouraged to contact their insurance company with any questions they may have regarding their coverage.

If the patient is not insured by a plan Ridgeview does business with and chooses to use our services, payment is expected at the time of service. If the patient is not insured by any carrier, they are encouraged to apply for insurance coverage through MNSure.org. If all insurance coverage options have been exhausted without success, the patient may qualify for Ridgeview's Financial Assistance Program (Community Care), see the **Financial Assistance Policy - #1225** for more information. Patients can obtain a Financial Assistance application by calling 952-442-8054, downloading the application from ridgeviewmedical.org, or in person at 500 S. Maple Street, Waconia, MN 55387.

- A. Co-payments and Deductibles:** All co-payments and deductibles should be paid at the time of service. This arrangement is part of the contract with the patient's insurance company. It is expected by the insurance company that Ridgeview will attempt to collect co-payments and deductibles from patients.
- B. Non-covered Services:** Some – and perhaps all – of the services provided may be non-covered or not considered medically necessary by Medicare or other insurers. The patient may be responsible for these services in full.
- C. Proof of Insurance:** Ridgeview must obtain a copy of the patient's photo ID and current valid insurance to provide proof of insurance and identity. If correct insurance information is not provided in a timely manner, the patient may be responsible for the balance of a claim.
- D. Claims Submission:** Ridgeview will submit claims on the patient's behalf and assist in any way we reasonably can to help get claims paid. The patient's insurance company may need the patient to supply certain information directly. It is the patient's responsibility to comply with their request. The balance of the patient's claim is their responsibility whether or not the insurance company pays the claim. The patient's insurance benefit is a contract between the patient and their insurance company; Ridgeview does not participate in that relationship.
- E. Coverage Changes:** If the patient's insurance changes, Ridgeview should be notified before the patient's next visit so we can make the appropriate changes to help the patient receive maximum

benefits. If the insurance company does not pay the patient's claim within a reasonable time, the balance may be billed to the patient.

BILLING PROCEDURES:

This policy sets forth Ridgeview Medical Center's billing procedures and actions that Ridgeview Medical Center may take when the patient responsibility for medical care is not paid.

1. Ridgeview Medical Center may request payment for any known patient responsibility for medical care (such as co-pays or deductibles) prior to or at the time care is provided (other than for Emergency Care). With respect to Emergency Care, Ridgeview Medical Center shall request payment for any known patient responsibility for medical care after the care has been provided.
2. If a patient has not paid Ridgeview Medical Center at the time medical care is provided, Ridgeview Medical Center will bill the patient for his or her responsibility after receipt of Third-Party Coverage payments.
3. If a patient qualifies for Financial Assistance, Ridgeview Medical Center shall write off any balance after Third-Party Coverage that the patient is not obligated to pay according to the Financial Assistance Policy.
4. Ridgeview Medical Center will bill patients for any outstanding balances using its normal billing process which includes a minimum of four (4) statements over a span of at least 120 days. Ridgeview Medical Center shall include information regarding how to obtain a copy of the plain language summary of Ridgeview Medical Center's Financial Assistance Policy and Application with each of the four statements.

COLLECTION PROCEDURES:

1. During the first 120 days after the patient's first billing statement for care is issued, Ridgeview Medical Center shall not refer the account to a collection agency or engage in any extreme collection activities (ECAs).
2. Ridgeview Medical Center shall observe all patient notification procedures set forth in the Financial Assistance Policy.
3. If no positive patient response is received after 120 days from the first billing statement, Ridgeview Medical Center shall characterize the unpaid balance as bad debt. Ridgeview Medical Center may continue its own bad debt collection efforts or refer the bad debt account to a collection agency for additional collection efforts in accordance with this policy.
4. Notwithstanding bad debt classification or referral to a collection agency, a patient may apply for Financial Assistance using the process outlined in the Ridgeview Medical Center's Financial Assistance Policy. Collection activity will cease while the Financial Aid application is being reviewed.
5. Ridgeview Medical Center shall enter into a written contract with any collection agency to which it refers bad debt. The contract will obligate the collection agency to observe the same procedures with respect to determining qualification for Financial Assistance that apply to Ridgeview Medical Center under Ridgeview Medical Center's Financial Assistance Policy. The contract shall prohibit the referral or sale of the bad debt to another party.
6. A collection agency to which bad debt is referred for collection may not engage in any ECAs without the prior written consent of Ridgeview Medical Center.
7. All collection agencies contracted with Ridgeview Medical Center will abide by the collection activity restrictions and tactics as described in the Minnesota Attorney General Hospital Agreement. The collection agency shall report any complaints received to the Ridgeview Patient Financial Services Director on a monthly basis.
8. The Ridgeview Medical Center Patient Financial Services Director or designee has the authority to determine whether reasonable efforts have been made to determine whether a patient qualifies for Financial Assistance according to the policy.

9. After making reasonable efforts to determine if a patient qualifies for Financial Assistance, and if no positive patient response is received after 120 days from the first billing statement, Ridgeview Medical Center may engage in one or more of the following extreme collection activities (ECAs), to the extent authorized by the Ridgeview Medical Center Patient Financial Services Director.
- Place a lien on an individual's property.
 - Attach or seize an individual's bank account or any other personal property.
 - Commence a civil action against an individual.
 - Garnish an individual's wages.
 - Revenue Recapture
10. Ridgeview Medical Center's Board of Directors maintains zero tolerance for abusive, harassing, oppressive, false, deceptive/misleading language, or deceptive/misleading collections conduct by the contracted debt collection agency, their agents, and hospital and clinic employees responsible for collecting medical debt from patients.
- All concerns brought forward from patients or guarantors regarding adverse collection activity will be documented.
 - An update regarding the number of incidents of violation of this organizational policy and any corrective actions taken shall be presented to the Board of Directors no less than on an annual basis.