Written: 05/06
Reviewed: 05/07; 03/11; 11/12; 09/27/16
Revised: 06/06; 05/07; 04/11; 11/12; 09/27/16

APPROVAL:
CFO: 09/27/16
Scope: _X_ Medical Center

Self-Pay Collections

I. PURPOSE / BACKGROUND

City of Hope National Medical ("COHNMC") has a fiduciary responsibility to appropriately bill and collect for services provided. A Patient Friendly Bill will be generated and mailed to guarantor for any self-pay balances reflected on the account (after all insurance payments and contractual adjustments have been posted).

COHNMC provides medical services to various patients. The Patient Financial Services (PFS) department's collection staff is primarily responsible for monitoring Patient Friendly Bills and obtaining payments for services provided. This policy will be administered in a manner consistent with COHNMC's Collections and Charity Care policies.

II. POLICY

COHNMC's billing policies will reflect the highest ethical standards. Staff will receive periodic training and education on all federal and state billing regulations, and have the necessary resources, tools, and systems to support such standards.

It is the responsibility of the collection staff and contracted vendors to follow-up on unpaid self-pay accounts in a timely manner, and prevent aging of Accounts Receivable. If account(s) remain unpaid after the initial 120 day in-house collection period, and after screening for charity care, accounts can be forwarded to an outside Bad Debt Collection Vendor.

III. PROCEDURE

RESPONSIBLE PERSON(S)/DEPT.	PROCEDURE
PFS Collection Staff	**Productivity** At start of bill drop, collector productivity will be a minimum of 35 to 50 accounts per day, depending on the payer (See PFS departmental policy, *QA and Productivity Reporting*.) This includes correspondence and electronic rejections (NEIC, etc.) received and worked daily. It is important to document patient notes when working correspondence in order to receive credit towards the productivity standard.

RESPONSIBLE PERSON(S)/DEPT.	PROCEDURE
PFS Customer Service PFS Collector	**Self-Pay Collection (After Insurance Payment)** **In-House Collection Process** 1. After insurance payment, validate if payment is correct and review Explanation of Benefits (EOB) to determine deductible and co-pay amounts. 2. If the financial class did not automatically change to self-pay, manually change the financial class to self-pay. 3. System will automatically generate patient statement/bill to be mailed to patient within 30 days of financial class change to self-pay.
Customer Service	**Self-Pay Payment Arrangements** 1. In certain cases (Ambulatory Surgery, Second Opinion), payments are collected at point-of-registration unless patient requests a payment arrangement after receiving a Patient Friendly Bill as follows: a. Receive request from patient for payment arrangement b. Change financial class to "Payment Plan" c. Determine amount to be paid monthly d. Notate in PFM the terms of the agreement e. Monitor claim payment each month for compliance. If patient defaults on payment agreement after 90 days, terminate the agreement and send account to Bad Debt Collection Vendor for collection. (See PFS departmental policy, *Medicare Bad Debt*.) f. For accounts with balances, check if charity care screening is current. If yes, adjust to the appropriate charity care write-off code. g. Enter comments in PFM. 2. Any exceptions to the above will be approved by the PFS Director or Patient Access Director.
PFS Lead(s) / PFS Manager(s)	**Compliance Monitoring Activity** 1. Periodically verify adherence to the processes as outlined in this policy. See PFS departmental policy, *Compliance Monitoring*. 2. Findings will be communicated to PFS management for possible education and training, and/or policy revision, as warranted.

Owner: Senior Director, Patient Financial Services
Sponsor: Chief Financial Officer

Related Policies:
1. Charity Care
2. Collections Policies (PFS Departmental)
3. Compliance Monitoring (PFS Departmental)
4. Medicare Bad Debt (PFS Departmental)
5. QA and Productivity Reporting (PFS Departmental)

Appendix One – Acronyms, Terms and Definitions Applicable to this Policy:
1. **Bad Debt** – Expenses resulting from treatment for health care services provided to a patient when the patient or a guarantor has the requisite financial resources to pay for health care services but has demonstrated an unwillingness by his or her

actions to comply with the contractual arrangements to resolve a bill.

2. **Bad Debt Collection Vendor** – Vendor utilized by City of Hope National Medical Center's ("COHNMC") Patient Financial Services department to assist with collections after failure to collect payment within the initial 120 days in accordance with COHNMC's Collection policies. Neither COHNMC, City of Hope Medical Foundation ("COHMF"), nor any vendors with which COHNMC or COHMF contracts for collection services routinely engage in extraordinary collection actions. As such no Extraordinary Collection Actions (ECA) may be initiated without the express written consent/approval by COHNMC and COHMF.
3. **COHNMC** – City of Hope National Medical Center
4. **Explanation of Benefits (EOB)** – A detailed summary of method of payment made by the payer, by patient account.
5. **Medical Center** – Refers to all facilities covered by City of Hope National Medical Center's hospital license.
6. **Medicare Bad Debt** – Medicare account balances deemed non-collectible after failed, repeated attempts to collect the account balance over a designated time period, in accordance with the PFS departmental policy, *Medicare Bad Debt*.
7. **Patient Friendly Bill** – Patient statement which itemizes services rendered, payments received, contractual adjustments posted, and patient balances due.
8. **Self-Pay Collections** – Collection of all monies due from patients to COHNMC.