

TITLE: Billing and Collections Policy

PURPOSE: The purpose of this policy is to describe the billing and collection policy for Holland Hospital and its employed medical partners together with its Financial Assistance Policy. It is intended to meet the requirements of applicable federal, state, and local laws, including, without limitation, section 501(r) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. This policy establishes the actions that may be taken in the event of nonpayment for medical care provided, including but not limited to extraordinary collection actions. The guiding principles behind this policy are to treat all patients and the individuals responsible equally with dignity and respect. In addition, the purpose of this policy is to ensure appropriate billing and collection procedures are uniformly followed and to ensure that responsible efforts are made to determine whether the patient or individuals responsible for payment of all or a portion of a patient account is eligible for assistance under the Financial Assistance Program.

RESPONSIBILITY/ All Holland Hospital Staff

SCOPE:

PROCEDURE:

1. A statement is mailed to the patient's last known address for the patient or responsible individual when the patient balance becomes self-pay, and at day 28. Statements will also be sent on day 63 and 108 by the early out vendor, provided that no additional statements need be sent after the responsible individual submits a complete financial assistance application under the FAP. At least 60 days shall have elapsed between the first and last mailings of the statement.
2. It is the obligation of the responsible individual to provide the correct address at the time service or upon moving. If the statement is returned undeliverable without a forwarding address, a reasonable effort will be made to obtain the correct address for the patient. If a valid address cannot be identified, the determination for "Reasonable Effort" will have been made.
3. A statement is mailed for each encounter the patient has. All patient account statements will include but not limited to:
 - a. An accurate summary of the hospital services covered by the statement.
 - b. The charges for the services rendered.
 - c. Payments and adjustment activity on the encounter, if applicable.
 - d. The amount to be paid by the responsible individual.
 - e. A conspicuous written notice that notifies and informs the responsible individual about the availability of Financial Assistance under the hospital FAP including the telephone number for Patient Financial Services and direct website address where copies of documents may be obtained.
4. Patients who are uninsured will have a 30% self-pay discount applied to their account at the time of billing. Patients with health coverage will not be eligible for a discount.
5. If at day 60 the patient has not paid the balance in full or not made alternative payment arrangements within acceptable guidelines established by Holland hospital, the account will be referred to an early out agency for continued billing.
6. The early out agency will mail a statement at day 63 and day 108.
7. If the account is not fully resolved by the 90th day after placement date with the early out agency, the account will be returned to Holland Hospital for placement with an external collection agency.
8. The final statement mailed will include written notice that informs the responsible individuals about extraordinary collection actions that are intended to be taken if the responsible individual does not apply for financial assistance under the FAP or pay the amount due by the billing deadline, or the last day of the notification period of 240 days. At any time during the 240 day notification period the patient may apply and be considered for financial assistance. A statement will be mailed at least 30 days before

the deadline specified in the statement and will include the Plain Language Summary. It is the responsible individual's obligation to provide the correct mailing address at the time of service or upon moving. If an account does not have a valid address and no alternative address can be confirmed, the determination for "Reasonable Effort" has been made.

Extraordinary Collection Actions (ECAs) may commence as follows:

1. If any individual fail to apply for financial assistance under the FAP by 240 days after the first statement is mailed, and the responsible individual has received the final statement, which includes the Plain Language Summary, then Holland Hospital may initiate ECAs.
2. If a responsible individual has applied for financial assistance under the FAP in the last six months, and Patient Financial Services (PFS) determines definitively that the responsible individual is ineligible for any financial assistance under the FAP, Holland Hospital may initiate ECAs.
3. If any responsible individual submits an incomplete application for financial assistance under the FAP prior to the application deadline of 240 days, then ECAs may not be initiated until after each of the following has been completed:
 - a. PFS provides the responsible individual with a written notice that describes the additional information or documentation required under the FAP in order to complete the application for financial assistance, which will also be accompanied by the Plain Language Summary.
 - b. PFS provides the responsible individual with at least 30 days prior written notice of the ECAs that Holland Hospital may initiate against the responsible individuals if the FAP application is not completed or payment is not made; however, provided the deadline for completion or payment may not be set prior to 240 days after the first post discharge statement.
 - c. If the responsible individual who has submitted the incomplete application completes the application for financial assistance, and PFS determines definitively that the responsible individual is ineligible for any financial assistance under the FA policy, Holland Hospital may initiate ECAs.
 - d. If the responsible individual who has submitted the incomplete application fails to complete the application by the completion deadline set in the notice described in item b, then ECAs may be initiated.
 - e. If the responsible individual submits a financial assistance application, complete or incomplete, under the Financial Assistance Policy at anytime during the application period, Holland Hospital will suspend ECAs while the financial assistance application is pending.
 - f. If the responsible individual has questions regarding his or her statement, he or she may contact Patient Financial Services at 616-394-3122.
4. After the commencement of ECAs is permitted under section 3 above, external collection agencies shall be authorized to report unpaid accounts to credit agencies, to file litigation and garnishment; however, provided that prior approval of PFS is granted before initial lawsuits may be initiated. Holland Hospital and external collection agencies may also take any and all legal other actions including but limited to telephone calls, emails, text, mailing notices, and skip tracing to obtain payment for medical services rendered.

REVIEWED BY: Director, Billing and Collections
APPROVED BY: CFO
Board of Directors