HIGHLAND DISTRICT HOSPITAL

Policy/Procedure Title: **Patient Billing and Collection Policy**	*Current Effective Date:* **August 2026**	*Approved by:* ***Business Office Manager***
	Origination Date: 10/14/15 ***Dates Reviewed: 9.15, 9.16, 10.17, 9.18***, 9.19, 9.21, 9.22, 9.23, 9.24, 8.25, 8.26 ***Dates Revised: 8.20, 8.26***	
Distribution: **Patient Financial Services**	*Category:* **BO**	*Policy #:* **BO-218**

Scope: This policy applies to all Highland District Hospital (HDH) Business Office personnel and any authorized representatives responsible for patient billing, collections, account resolution, and financial assistance screening.

Purpose: To establish standardized guidelines for patient billing and collection activities that promote regulatory compliance, operational efficiency, and a positive patient financial experience. Highland District Hospital (HDH) is committed to communicating patients' financial responsibilities through timely billing statements, written correspondence, telephone outreach, and other appropriate communication methods. HDH will make reasonable efforts to inform patients of available financial assistance programs and determine eligibility under the Hospital's Financial Assistance Policy (FAP) before initiating any Extraordinary Collection Actions (ECAs).

Policy Statement: Highland District Hospital (HDH) is committed to billing patients and third-party payers accurately, consistently, and in a timely manner for services rendered. All billing and collection activities will be conducted in a fair, respectful, and professional manner while complying with applicable federal and state laws and regulations, including Section 501(r) of the Internal Revenue Code, the Affordable Care Act, and all applicable guidance issued by the Internal Revenue Service (IRS) and the U.S. Department of the Treasury. Prior to initiating any Extraordinary Collection Actions (ECAs), HDH will make reasonable efforts to determine whether a patient is eligible for financial assistance under the Hospital's Financial Assistance Policy. Throughout the billing and collection process, patients will be informed of their financial obligations, available payment options, and financial assistance resources.

DEFINITIONS

Extraordinary Collection Actions (ECAs): A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may only take against an individual to obtain payment for care ***after*** reasonable efforts have been made to determine whether the individual is eligible for financial assistance. These actions are further defined in Section II of this policy below and include actions such as reporting adverse information to credit bureaus/reporting agencies along with legal/judicial actions such as garnishing wages.

Financial Assistance Policy (FAP): A separate policy that describes Highland District Hospital's financial assistance program including the criteria patients must meet in order

to be eligible for financial assistance as well as the process by which individuals may apply for financial assistance.

Reasonable Efforts: A certain set of actions a healthcare organization must take to determine whether an individual is eligible for financial assistance under Highland District Hospital's financial assistance policy. In general, reasonable efforts may include making presumptive determinations of eligibility for full or partial assistance as well as providing individuals with written and oral notifications about the FAP and application processes.

PROCEDURE

I. Billing Practices

A. Insurance Billing

1. Highland District Hospital (HDH) will submit claims to all applicable third-party payers in a timely manner using insurance information provided by or verified with the patient.

2. If a claim is denied or not processed due to an error by HDH, the patient will not be billed for any amount that would have been covered had the claim been processed correctly.

3. If a claim is denied or delayed for reasons outside the control of HDH, staff will make reasonable efforts to resolve the issue by working with the payer and/or patient. If the claim cannot be resolved after appropriate follow-up, the remaining patient liability may be billed in accordance with applicable laws, regulations, and payer guidelines.

II. Patient Billing

1. Uninsured patients will be billed promptly following the organization's standard billing cycle.

2. Insured patients will be billed for any remaining patient responsibility after all applicable third-party insurance payments have been processed.

3. Patients may request an itemized statement for any account at no charge.

4. When a patient disputes a bill or requests supporting documentation:

    a. Requested documentation will be provided, when possible, within ten (10) business days.

    b. The account will be placed on hold and will not be referred to an outside collection agency for thirty (30) days or until the dispute has been resolved, whichever occurs later.

III. Payment Arrangements

1. Patients who are unable to pay their balance in full may request a payment plan.
2. Standard payment plans may extend up to twenty-four (24) months.
3. The Business Office Manager may approve exceptions for extenuating circumstances for payment plans not to exceed thirty-six (36) months.
4. The Director of Patient Financial Services or CFO may approve exceptions extenuating circumstances for payment plans not to exceed (48) months for a balance 5000.00 or greater.
5. HDH reserves the right to determine whether a proposed payment arrangement is acceptable. Accounts may be referred for collection if:
    a. The patient declines to establish acceptable payment arrangements; or
    b. The patient defaults on an approved payment plan.

IV. Collection Practices

HDH will conduct all collection activities in compliance with applicable federal and Ohio laws, including IRS Section 501(r), and in accordance with this Billing and Collections Policy.

Patient accounts may be referred to a third-party collection agency only when all of the following conditions have been met:

1. There is reasonable evidence that the patient is financially responsible for the debt.
2. All available third-party payers have been properly billed.
3. The remaining balance is the patient's financial responsibility.
4. The account is not awaiting payment from an insurance carrier.
5. The balance did not result from a billing or processing error by HDH.
6. The patient has not submitted a Financial Assistance Program (FAP) application that is pending determination, provided the patient has complied with all application requirements.

HDH retains ownership of all accounts referred to outside collection agencies. If a claim moves to legal status, the patient must work directly with the collection agency and the attorney's office.

Claims that remain in a pending status for an unreasonable period despite appropriate follow-up may be classified as denied and processed accordingly.

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V. Reasonable Efforts Prior to Extraordinary Collection Actions (ECAs)

Before initiating any Extraordinary Collection Actions (ECAs), HDH or its authorized representatives will make reasonable efforts to determine whether the patient qualifies for financial assistance.

Reasonable efforts include:

1. Providing a Plain Language Summary of the Financial Assistance Policy (FAP) with the first post-discharge billing statement.
2. Sending written notice informing the patient:
    a. Financial assistance is available.
    b. The types of ECAs that may occur.
    c. The deadline after which ECAs may begin.
3. Making reasonable attempts to notify the patient regarding:
    a. The availability of financial assistance
    b. How to obtain assistance completing the Financial Assistance application.

ECAs will not begin until:

- At least one hundred twenty (120) days have passed from the date of the first post-discharge billing statement; and
- At least thirty (30) days have passed following the written ECA notice.

VI. Extraordinary Collection Actions (ECAs)

After reasonable efforts have been completed and documented, HDH or its authorized business partners may initiate one or more of the following ECAs:

- Reporting delinquent accounts to credit reporting agencies or credit bureaus.
- Legal action permitted by law, including:
    - Wage garnishment.
    - Property liens.

VII. Deferral of Non-Emergent Care

If a patient has an outstanding balance for previously provided services, HDH may defer, deny, or require payment before providing additional medically necessary, non-emergent care only after all of the following have occurred:

1. The patient has been offered/provided:
    a. A Financial Assistance Policy application.
    b. A Plain Language Summary of the Financial Assistance Policy.
    c. The availability of financial assistance.
    d. The potential deferral of future non-emergent services.
2. Reasonable efforts have been made to verbally notify the patient regarding financial assistance and the application process.

Any Financial Assistance application submitted within the timeframe established in the Financial Assistance Policy will be processed before any applicable ECA proceeds.

VIII. Financial Assistance

Patients may request information regarding:

- Financial Assistance.
- Payment plan options.
- Other financial assistance programs available through HDH.

The Financial Assistance Policy is available free of charge by:

- Visiting the Business Office.
- Calling the Business Office.
- Requesting a copy by mail.
- Accessing the policy on the HDH website.

Questions regarding Financial Assistance may be directed to the Patient Financial Advocate.

IX. Responsibilities

Business Office

The Business Office has final authority to approve referral of accounts for Extraordinary Collection Actions in accordance with this policy.

X. Customer Service Standards

Throughout the billing and collection process, HDH employees and authorized representatives will:

1. Treat every patient with courtesy, dignity, and respect.
2. Maintain a zero-tolerance policy for abusive, harassing, deceptive, misleading, or offensive conduct.
3. Provide patients with clear contact information, including the Business Office address and telephone number, on all billing and collection correspondence.
4. Return patient telephone calls as promptly as possible and no later than one (1) business day after receipt.
5. Respond to written patient correspondence within ten (10) business days whenever possible.
6. Provide information regarding payment options, Financial Assistance, and available resources whenever appropriate.

XI. Presumptive Financial Assistance Eligibility

Highland District Hospital (HDH) may use publicly available information or other third-party data sources to identify patients who may qualify for Financial Assistance under the Hospital's Financial Assistance Policy (FAP).

The Patient Financial Advocate can assist the patient with filling out the Medicaid application to apply for Medicaid coverage; however, no presumptive eligibility requests will be submitted on behalf of the patient by Highland District Hospital. The patient is responsible for making an appointment with their local Job and Family Services Office. If the patient is awarded Medicaid, the patient is responsible for contacting Highland District Hospital with the Medicaid billing information.

XII. Suspension of Extraordinary Collection Actions (ECAs)

Highland District Hospital (HDH) and its authorized business partners will suspend any Extraordinary Collection Actions (ECAs) while a complete Financial Assistance Policy (FAP) application is pending review.

If a patient submits a complete Financial Assistance application during the application period:

1. Any pending ECAs will be suspended until a final eligibility determination has been made.

2. No new ECAs will be initiated while the application is under review.

3. The patient will be notified in writing of the Financial Assistance determination.

4. If Financial Assistance is approved, the account will be adjusted in accordance with the Financial Assistance Policy, and any ECAs taken in error will be reversed to the extent reasonably practicable.

5. If the application is denied, billing and collection activities may resume in accordance with this policy after the patient has been notified of the determination and any applicable appeal rights, if available.

HDH will maintain documentation demonstrating compliance with the reasonable efforts requirements of Section 501(r) of the Internal Revenue Code before initiating or resuming any Extraordinary Collection Actions.