

UF HEALTH SHANDS CORE POLICY AND PROCEDURE

POLICY NUMBER: CP07.502
CATEGORY: Finance

TITLE: Billing and Collections

POLICY: UF Health Shands bills patients and applicable third-party payers after health care services have been provided. This policy provides clear and consistent guidelines for conducting billing and collections functions in a manner that promotes compliance, patient satisfaction, and efficiency. Using billing statements, written correspondence, and phone calls, UF Health Shands will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts. Additionally, this policy requires UF Health Shands to make Reasonable Efforts to determine a patient's eligibility for financial assistance under UF Health Shands' Financial Assistance Policy before engaging in Extraordinary Collection Actions to obtain payment.

PURPOSE: To establish a billing and collections policy that is in compliance with Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder. This policy was adopted by the Board of Directors in June, 2016 and is reviewed every two years thereafter.

APPROVED:

Edward Jimenez
Chief Executive Officer

DEFINITIONS: The following terms are meant to be interpreted as follows within this policy:

- A. **Extraordinary Collection Actions (ECAs)** – A list of collection activities, as defined by the IRS and Treasury, which healthcare organizations may take against an individual to obtain payment for care only *after* Reasonable Efforts have been made to determine whether the individual is eligible for financial assistance. These actions include reporting adverse information to credit bureaus/reporting agencies along with legal/judicial actions.
- B. **Financial Assistance Policy (FAP)** – A separate policy that describes UF Health Shands' 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 assistance.
- C. **Reasonable Efforts** – A certain set of actions a healthcare organization shall take to determine whether an individual is eligible for financial assistance under a 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.
- D. **Business Day** – Any day that is Monday through Friday, with the exception of a national holiday. This excludes weekends and any national holiday.
- E. **Calendar Day** – Any day of the week, including weekends and holidays. Note that every Business Day is included as a Calendar Day.

CORE PROCEDURE:

- I. Insurance Billing
 - A. For insured patients, UF Health Shands will bill applicable third-party payers (based on information provided by or verified by the patient) in a timely manner.
 - B. If a claim is denied or not processed by a payer due to an error by UF Health Shands or its authorized collection vendor(s), the patient will not be billed for any amount in excess of what the patient would have owed had the payer paid the claim.
 - C. If a claim is denied or not processed by a payer due to factors outside of our organization's control, staff will follow up with the payer and patient as appropriate to facilitate resolution of the claim. If resolution does not occur after prudent follow-up efforts, UF Health Shands may bill the patient or take other actions consistent with current regulations and industry standards.
- II. Patient Billing
 - A. Uninsured patients will be billed directly and timely, and they will receive a statement as part of the organization's normal billing process.
 - B. Uninsured patients who are not eligible for financial assistance under the Financial Assistance policy (CP07.501) may be eligible for a self-pay adjustment of 45% off of UF Health Shands' gross charges. Any self-pay adjustment applied will be reversed if insurance coverage is located.

- C. The self-pay adjustment neither relieves nor forgives point-of-service cash payments that the patient may be required to pay. Also, the adjustment will not be applied to any “cosmetic” or other preferential packaged services.
- D. For insured patients, after claims have been processed by third-party payers, UF Health Shands will bill patients in a timely fashion for their liability amounts as determined by their insurance benefits.
- E. Patients may request an itemized statement for their accounts at any time. Reference Florida Statute 395.301 for the facilities requirements on complying with itemized statement requests and responding to patients questions in a timely fashion concerning their itemized statements or bills.
- F. If a patient disputes his or her account and requests documentation (examples of appropriate documentation includes itemized statements and/or medical records) regarding the bill, staff members shall provide the requested documentation in writing within 10 business days (if possible) and will suspend collection efforts on the account for at least 30 calendar days.

Medical Records must be obtained through the medical record department and staff members will follow the proper protocol for such requests and supply the patient with the medical record departments contact information.

- G. UF Health Shands may approve payment plan arrangements (up to a 2-year repayment period) for patients who indicate they may have difficulty paying their balance in a single installment.
 - 1. UF Health Customer Service Department assistant managers, managers and Patient Financial Service and Billing and Account Receivable directors have the authority to make exceptions to this policy on a case-by-case basis.
 - 2. UF Health Shands is not required to accept patient-initiated payment arrangements and may refer accounts to a collection agency as outlined below if the patient is unwilling to make acceptable payment arrangements or has defaulted on an established payment plan.

III. Collections Practices

- A. In compliance with relevant laws, and in accordance with the provisions outlined in this policy, UF Health Shands may engage in collection activities, including ECAs, to collect outstanding balances.
- B. General collection activities may include follow-up calls on statements.
- C. Patient balances may be referred to a third party for collection. UF Health Shands will maintain ownership of any debt referred to collection agencies, and patient accounts will be referred for collection only with the following caveats:
 - 1. There is a reasonable basis to believe the patient owes the debt.
 - 2. Third-party payers have been properly billed, and the remaining debt is patient-responsibility. A patient shall not be billed for any amount that an insurance company is obligated to pay.

3. UF Health Shands will not refer accounts for collection while a claim is still pending payer payment. However, UF Health Shands may classify certain claims as “denied” if such claims are in “pending” mode for an unreasonable length of time, despite efforts to facilitate resolution.
4. Accounts will not be referred for collection where the claim denial was due to a UF Health Shands error. However, the patient portion of such claims may be referred for collection if unpaid.
5. UF Health Shands will not refer accounts for collection where the patient has initially applied for financial assistance and the patient has not yet been notified of the decision, provided the patient has complied with the information requests delineated during the application process.

IV. Reasonable Efforts and Extraordinary Collection Actions (ECAs)

- A. Before engaging in ECAs, UF Health Shands shall make certain Reasonable Efforts to determine whether an individual is eligible for financial assistance under our Financial Assistance Policy:
 1. ECAs may begin only when 120 calendar days have passed since the first post-discharge statement was provided.
 2. At least 30 calendar days before initiating ECAs, UF Health Shands shall do the following:
 - a. Provide the individual with a written notice that indicates the availability of financial assistance, lists potential ECAs that may be taken to obtain payment, and gives a deadline after which ECAs may be initiated (no sooner than 120 calendar days after the first post-discharge billing statement and 30 calendar days after the written notice)
 - b. Provide a plain-language summary of the FAP along with the notice described above
 - c. Attempt to notify the individual orally about the FAP and how he or she may get assistance with the application process.
- B. After making Reasonable Efforts to determine financial assistance eligibility as outlined above, UF Health Shands (or its authorized collection vendor(s)) may take any of the following ECAs to obtain payment for care:
 1. Report adverse information to credit reporting agencies and/or credit bureaus.
 2. Commence a legal or judicial process for the purpose of recovering unpaid amounts.
- C. Hospital liens may be recorded to secure payment from third party liability claims (i.e. automobile, workers' compensation).
- D. If a patient has an outstanding balance for previously provided care, UF Health Shands may engage in the ECA of deferring, denying, or requiring payment before providing additional medically necessary (but non-emergent) care only when the following steps are taken:

1. UF Health Shands provides the patient with an FAP application and a plain language summary of the FAP.
 2. UF Health Shands provides a written notice indicating the availability of financial assistance and specifying any deadline after which a completed application for assistance for the previous care episode will no longer be accepted. This deadline shall be at least 30 calendar days after the notice date or 240 calendar days after the first post-discharge billing statement for prior care—whichever is later.
 3. UF Health Shands makes a reasonable effort to orally notify the individual about the Financial Assistance Policy and explain how to receive assistance with the application process.
 4. UF Health Shands processes, on an expedited basis, any FAP applications for previous care received within the stated deadline.
- E. UF Health Shands is ultimately responsible for taking reasonable efforts to determine whether an individual is eligible for financial assistance and for deciding whether the organization may proceed with any of the ECAs outlined in this policy.
- V. Financial Assistance
- A. All billed patients will have the opportunity to contact UF Health Shands regarding financial assistance for their accounts, payment plan options, and other applicable programs.
 - B. UF Health Shands' Financial Assistance Policy is available in English, Spanish and Chinese. Request a free copy:
 1. In person at:
 - a. UF Health Shands Hospital
Admissions Department, Room 1331
1600 SW Archer Road
Gainesville, FL 32610
 - b. UF Health Shands Cancer Hospital
Admissions Department, Room 1319
1515 SW Archer Road
Gainesville, FL 32610
 - c. UF Health Heart & Vascular and Neuromedicine Hospitals
Cashier's Office, Room 1522
1505 SW Archer Road
Gainesville, FL 32608
 - d. UF Health Shands Psychiatric and UF Health Shands Rehab Hospitals
Admissions Department, Room 1105.5
4101 NW 89th Boulevard
Gainesville, FL 32606

2. By calling the financial counseling department at 352-265-7906, or toll free at 888-766-8154, or mailing a request to:

UF Health Shands Customer Service
4024 NW 22nd Drive
Gainesville, FL 32605

3. Online at ufhealth.org

VI. Customer Service

- A. During the billing and collections process, UF Health Shands will provide quality customer service by implementing the following guidelines:
 1. UF Health Shands will enforce a zero tolerance standard for abusive, harassing, offensive, deceptive, or misleading language or conduct by its employees or authorized collection vendor(s).
 2. UF Health Shands will maintain a process for patient questions and/or disputes, which includes a toll-free phone number that patients may call and a prominent business office address to which they may write. This information will be listed on all bills and collections statements sent.
 3. After receiving a communication from a patient (by phone or in writing), UF Health Shands staff will return phone calls as promptly as possible (but no more than one business day after the call/correspondence was received) and will respond to written correspondence within 10 days.
 4. UF Health Shands Customer Service Department will maintain a log of patient complaints that will be available for audit.

ASSOCIATED POLICIES:

CP07.501 – Financial Assistance

KEY WORDS: Itemized Statements, Patient Bill, Financial Assistance, Self-Pay Adjustment