Documents Status: **Approved**

IDENT	UVMHN_CUST1
Type of Document	Policy
Applicability Type	Department-Level
Date Effective	6/6/2023
Date of Next Review	6/6/2024

TITLE: Credit & Collections

PURPOSE: To clarify the billing, payment and collections process through established procedures for effective management of self-pay receivables ensuring a consistent and fair process for debt collection.

POLICY STATEMENT: The University of Vermont Health Network (UVMHN) is a patient-centered organization committed to treating all patients equitably, with dignity and respect regardless of the patient's health care insurance benefits or financial resources. UVMHN has established a strong mission to meet the medical needs of the communities it serves. A sound collection policy is an important and fundamental component of the mission. As such, UVMHN will maintain a policy of communicating financial responsibility to the patient prior to, concurrent with and/or through the billing process, with expectation of payment at the time of service and/or time of initial billing. Individuals who receive services are expected to pay for the services and/or find other means of resolution which may include health insurance coverage, an approved payment plan and/or if eligible the financial assistance program. When all efforts to obtain payment from the patient or aid from the financial assistance program have been exhausted, accounts will be referred to a third party collection agency at the end of the billing cycle. The University of Vermont Health Network does not engage in extraordinary collection actions and makes reasonable attempts to inform, educate, and encourage patients to apply for financial assistance where hardship exists. The University of Vermont Health Network does not discriminate on the basis of race, color, sex, sexual orientation, gender identity or expression, ancestry, place of birth, HIV status, national origin, religion, marital status, and age, language, socioeconomic status, physical or mental disability, protected veteran status or obligation for service in the armed forces.

PROCEDURE:

1. UVMHN will provide good faith estimates to self-pay patients in advance of scheduled services, as required by applicable law and rules.

2. When UVMHN provides certain services to patients with out-of-network group or individual insurance plans, UVMHN will bill the patient only for copayments or coinsurance amounts that would be due if the patient were in-network. This includes items and services related to emergency medicine, anesthesiology, pathology, radiology and neonatology. A current exception is for facility radiology charges if provided at Champlain Valley Physician's Hospital.

3. UVMHN will submit claims to insurers and will work with them to facilitate timely processing. The patient is responsible for complying with all pre-authorization, pre-certification, referral and other items required under their policy. The patient's insurance policy is an agreement between the patient and the insurance carrier; it is not an agreement between UVMHN and the insurance carrier.

4. A guarantor classification determines who is financially responsible for self-pay balances. Adults are responsible for themselves as well as their minor children. In the case of married individuals, the patient shall maintain final financial responsibility regardless of who is the insurance policyholder.

5. The guarantor will be billed on a monthly (28 day month) cycle for all self-pay balances determined to be their responsibility. Statements will be sent after insurances have acted on the claims and/or no response has been received. In the case of an uninsured patient, a statement will be generated based upon the date the patient responsibility is dropped to self-pay. Payment in full is due at time of service and/or no later than the due date on the initial billing statement.

6. The guarantor will receive a total of four statements over the course of 120 days. Patients will receive a single combined statement for their hospital and physician services. The same 120 day course of billing will occur across each line of business. All statements indicate that financial assistance is available; the phone number to contact a Customer Service Representative (CS Rep) is also included.

7. It is the patient's/guarantor's responsibility to update the organization with any changes in their billing address or their telephone number. Should an updated address be received from the patient, statement vendor or USPS, the dunning level will be reset to begin the 120 day course of billing. If mail return is received, the account will be referred to a collection agency for skip tracing and follow-up.

8. When payment is not received, an attempt may be made to contact the patient after 45 days of first statement mailing to obtain payment, establish a payment plan or offer patient financial assistance. If we are unable to connect with the patient, follow-up calls placed manually or via automated message may occur over the course of the 120 day billing cycle. Additional messages of increasing urgency will be reflected on all statements encouraging the patient contact the Customer Service department.

9. Patients/Guarantors who are unable to make payment in full may be offered a budget plan. Budget plans are a courtesy offered by UVMHN. If a patient enters into a budget plan, expectation for timely and consistent payment is expected. Budget plans may be offered up to a maximum of 36 months depending upon the total account balance. Should a patient request an extended timeframe, management reserves the option to extend up to 48 months.

10. Patients/Guarantors who are unable to make payment in full or through a budget plan shall be informed of and counseled on the Financial Assistance Program. Customer Service Reps will educate and encourage patients to apply for assistance. Patients may be directed to the partner's or UVMHN public website for the option to print an online application. Customer Service Reps will mail an application upon the patient/guarantors' request. At the time an application is sent to the patient, accounts in arrears will have one month of aging reduced to allow time for the patient to complete and return the application.

11. Statements include all services provided to the patient where a patient responsibility remains. Although billed in aggregate on a monthly basis, aging of individual encounters occurs independently of other services. Each encounter shall receive a minimum of 120 days of billing from the date of initial self-pay balance prior to a collection agency referral.

12. When billing statements, follow-up phone calls and mailed financial assistance applications fail to result in payment (and a minimum of 120 days have been exhausted), the aged account shall be sent to a third party collection agency for follow-up.

13. Approved financial assistance applications may have accounts recalled from the third party agency if they fall within the application window.

14. UVMHN does not engage in extraordinary collection actions, including: the selling of an individual's debt to a third party, reporting adverse information to consumer credit reporting agencies or credit bureaus, deferring or denying or requiring a payment before providing medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under the financial assistance program, and actions that require a legal or judicial process. UVMHN may file a lien on the proceeds of a judgment or settlement to an individual as a result of personal injuries for which UVMHN provided care, e.g., auto accident.

15. UVMHN staff will adhere to all local, state and federal collection laws and regulations regarding credit and collections. The Fair Debt Collection Practices Act is the current standard.

MONITORING PLAN: Sample auditing of accounts; system generated transaction based processing of aged accounts; routine review of transaction reports, statement edits and reconciliation of collection accounts will be completed by Management or designated Customer Service representative.

RELATED POLICIES:
Self-Pay Statement Process CUST 7

REFERENCES:
Fair Debt Collection Practices Act
IRS 501r

REVIEWERS:

Katherine Peterson	Associate Vice President Revenue Cycle
Chris Cook	Patient Financial Services Director
Jennifer Parks	VP, Network Chief Compliance and Privacy Office
Erika Smart	Interim Director Risk Management
Shannon Keniston	Manager Customer Service
Adam Trombly	Supervisor Customer Service

OWNER: Gina Slobodzian, Network Director of Customer Service

APPROVING OFFICIAL: Michael Barewicz, VP Network Revenue Cycle