



Origination: 08/2000
Approved: 05/2018
Last Revised: 05/2018
Reviewed: 05/2019
Owner: *Jill Wills: Business Office Director*
Policy Area: *Business Office*
References:

Self Pay Collections/Credit Policy & Procedure

PURPOSE:

This policy is in effect to ensure the fair and equitable treatment of all patients with patient responsible balances owed to Sheridan Community Hospital.

Policy:

Sheridan Community Hospital (SCH), understands that not all patients/families are capable of withstanding the burden of payments for medical services required. SCH will work with Patients and/or Responsible party and any permissible authorized third party necessary to properly determine and effectuate appropriate resolution for Patient Responsible Balances in a timely manner.

Policy Provisions:

A. Deceased Patients-

Once SCH is notified the patient's accounts with any patient responsible balances are added to our deceased spreadsheet (hospital and/or clinic accounts). Montcalm County Probate office is contacted to verify if patient has an estate to file a claim. Accounts are reviewed for insurance payment. One statement is sent to address on file for responsible party of patients estate. If estate is verified then SCH will file a claim with appropriate material needed, sending a copy of claim to both the Trustee and Attorney within a timely manner. Our Collection Agency (Mid-Michigan Collection Agency) will be notified for any Bad Debt accounts to cancel collections on accounts and return to SCH. Accounts are then reviewed for adjustment.

B. Bankrupt Patients-

Once SCH is notified the patient's accounts with any patient responsible balances are added to bankruptcy spreadsheet (hospital and/or clinic accounts). All accounts are noted with case number, chapter number and date of filing. Only patient (and dependents under patient) listed on the filing will be reviewed for bankruptcy.

Chapter 13- SCH will file a claim online using case number for filling online. Bankruptcy court responds 30-45 days from filing.

Mid-Michigan Collection Bureau will be notified for any Bad Debt accounts to be cancelled and returned or claim to be filled on SCH behalf.

C. Patients in need of Financial Assistance- SCH has Financial Assistance options available to Patients in

regards for Patient Responsible Balances. See Financial Assistance Policy.

3.1 Patients and/or Responsible party will be notified of the Financial Assistance Policy in writing. SCH will accept Financial Assistance applications on accounts up to 90 days from Date of Services.

3.2 If Patient and/or Responsible party is eligible for Financial Assistance for the Date of Services, SCH will provide written notice that indicates the Patient and/or Responsible party does not owe any amount or reduce-fee portion under the Financial Assistance Program Policy.

3.2.1 SCH will use the Federal Poverty Income Guidelines to determine eligibility. Guideline can be found <https://aspe.hhs.gov/poverty-guidelines>

100% of allowable charges- income less than 150 % of Poverty Income Guideline.

75% of allowable charges- income between 151% and 200% of Poverty Income Guideline.

3.2.2 If Patient and/or Responsible party is eligible for reduce-fee portion. SCH is authorized to set up payment plans referenced below under Payment Options.

3.3 If Patient and/or Responsible party submits an incomplete application within the 90 days from Date of Services, SCH will notify Patient and/or Responsible party providing written notice that describes additional information and/or documentation required under the Financial Assistance Program Policy. This notice will include SCH contact information below

Sheridan Community Hospital
Financial Assistance Coordinator
301 N Main St Po Box 279
Sheridan, MI 48884

989-291-3269 ext. 6264

3.4 If Patient and/or Responsible party fails to submit a Financial Assistance Application within 90 days from Date of Services; SCH will notify Patient and/or Responsible party providing written notice of ineligibility. SCH may initiate Collection efforts to obtain payment for the services once the Patient and/or Responsible party is notified about FAP ineligibility.

A. Payment Options- If Patient and/or Responsible party is unable to pay the Patient Responsible Balance immediately, SCH is authorized to set up Monthly payment plan minimum dollar amount of \$50 dollars. Payment options below.

4.1 Full Balance Payment

4.2 Balance divided by 2

4.3 Balance divided by 3

4.4 Balance divided by 12 **cannot be less than \$50.00**

A. If Patient and/or Responsible party is unable to meet the minimum requirement, SCH can provide a Hardship Form. The Hardship Form verifies the Patient and/or Responsible party proof of need.

B. Collections-

1. If Patient Responsible Balance is still outstanding with SCH and after all of the options set forth above have been exhausted, SCH may then refer the unresolved Patient Responsible Balance to a third party collection vendor. For self-pay balances (either after insurance payment or self-pay on the date of service) accounts will be forwarded to our billing service (CBM). Accounts are forwarded to CBM approximately once a week. During the 120 days pre-collection process, CBM will send out 3 statements and 2 letters clearly stating the patient's full balance and ways to contact SCH with any questions or need of Financial Assistance. When CBM is done working accounts, they are sent back to SCH. Patient Account Representative will review account for placement to the collection bureau. Accounts are placed with the collection agency (Mid-Michigan Collection Bureau). Before accounts are sent to Mid-Michigan Collection Bureau they are reviewed for the following
 - a. 1. Any payments within last 6 months on any account for Patient and/or Responsible party.
 - b. 2. If all Financial Assistance letters have been mail and a determination been done.
 - c. 3. If patient received Michigan Medicaid or other government assistance on date of service.

If accounts are found to need/and or have one of the following above the account will be placed on a 30 day hold to be resolved before being sent to Mid-Michigan Collection Bureau. SCH will not authorize any extraordinary collection actions against the Patient and/or Responsible party without making reasonable efforts to determine if the patient is eligible under the Financial Assistance Program Policy. SCH collection efforts may include, but are not limited to, placing a lien on a patient's property, attaching or seizing a bank account or other personal property, commencing a civil action, garnishing a patient's wages or reporting adverse information to a consumer reporting agency or credit bureau.

Attachments:

No Attachments

Approval Signatures

Step Description	Approver	Date
Board of Directors	Randy Flechsig: Hospital Administrator	05/2018
Medical Staff Committee	Kim Christensen: Director of Nursing / Risk Manager	05/2018
Policy Committee	Randy Flechsig: Hospital Administrator	04/2018
Business Office Department Manager	Jill Wills: Business Office Director	04/2018