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Owner: Michael Humphrey: DIR
 PATIENT ACCOUNTS
Category/Chapter: Business Operations
Areas/Dept: Organizational
Applicability: OSF All Operating Units

Fair Billing – Collection Policy (AC-32)

DEFINITIONS:

1. Application Period: The period during which OSF must accept and process an Application for financial assistance. The Application Period begins on the date OSF provides the first billing statement to the Patient and ends 240 days thereafter, unless OSF extends this time period to provide a Patient with additional time reasonably needed to submit information and documents required to complete an Application.
2. Collection Action: Referral of a bill to a collection agency or law firm to collect payment for services from a Patient.
3. Extraordinary Collection Action ("ECA"): Reporting adverse information to credit bureaus and collection actions that require legal or judicial process including filing a collection suit and garnishment proceedings.
4. Family Income: The sum of the annual earnings and cash benefits from all sources before taxes of all persons legally obligated to pay the charges incurred including child support, workers' compensation and disability income, but excluding child support paid.
5. Maximum Charge: The maximum amount OSF bills to persons eligible for assistance under its Financial Assistance Policy. The Maximum Charge is calculated annually and is identified in Exhibit A to the OSF Financial Assistance Policy.
6. Patient: The individual receiving services from OSF and any individual who is the guarantor of the payment for services received from OSF.
7. Plain Language Summary: A written document that describes the financial assistance programs available, the eligibility requirements, how to apply, and how to obtain more information including copies of the OSF Financial Assistance Policy and Application.
8. Uninsured Patient: A Patient not covered under a policy of health insurance and who is not a beneficiary under a public or private health insurance, health benefit, or other health coverage program including high deductible health insurance plans, workers' compensation, accident liability insurance, or other third party liability insurance.

PURPOSE:

To comply with Federal and State regulatory requirements and obtain appropriate reimbursement for services provided.

POLICY:

OSF Healthcare System's hospitals ("OSF") shall not engage in extraordinary collection actions against an individual to obtain payment for medical care before OSF has made reasonable efforts to determine whether the individual is eligible for financial assistance. Patients will be provided sufficient information to determine the accuracy of their bill. Patients will be given a fair and reasonable opportunity to discuss their bill, to apply for financial assistance and to enter into a reasonable payment plan. This Policy establishes the actions that may be taken in the event of nonpayment for medical care and ensures that financially responsible individuals are treated with dignity and respect. A copy of the OSF Financial Assistance Policy and Application may be obtained on our website: www.osfhealthcare.org.

PROCESS:

1. Billing:

- a. It is the Patient's responsibility to provide a correct mailing address to OSF including an updated address upon moving. If a Patient does not provide a valid address, OSF will have exhausted reasonable efforts to communicate with the Patient in writing.
- b. When OSF bills a Patient for health care services, the bill will include the following information:
 - i. Dates that health care services were provided to the patient;
 - ii. Brief description of the hospital services;
 - iii. Amount owed for the services provided;
 - iv. Telephone number for addressing billing inquiries and disputes;
 - v. A statement of the financial assistance available, the telephone number of the hospital office or department that can provide information about the Financial Assistance Policy and application process, the website address where copies of the Financial Assistance Policy, Application and Plain Language Summary may be obtained, and information regarding how a Patient may apply for financial assistance;
 - vi. A notice the Patient may obtain an itemized bill upon request; and
 - vii. Billing statements issued to persons eligible for less than 100% financial assistance will show what the person owes, how the amount was determined, and how to get information about how the Maximum Charge was calculated.
- c. OSF will have a process for Patients to inquire about or dispute a bill that includes a telephone number on all collection notices for billing inquiries and disputes and the process may include any of the following options:
 - i. Address to which the Patient may write;
 - ii. Department or identified individual within the hospital the Patient may call or write, with appropriate contact information; or
 - iii. Website or e-mail address.
- d. OSF customer service representatives must abide by the following when responding to Patient inquiries:
 - i. Must return calls made by Patients as promptly as possible, but no later than 2 business days after the call is received.

- ii. If OSF receives written billing inquiries from the Patient, OSF must respond within 10 business days of receipt of the Patient correspondence.
 - iii. For purposes of this section, “business day” means a day on which the OSF billing office is open for regular business.
- 2. Before referring a bill to a collection agency or attorney to collect payment from a Patient:
 - a. OSF will give Patients the opportunity to assess the accuracy of the bill, to apply for financial assistance, and to make reasonable payment plan arrangements.
 - b. For Accounts of Uninsured Patients, OSF must first satisfy the following conditions before referring a bill to collection agency or attorney:
 - i. If the Patient's circumstances suggest a potential eligibility for financial assistance, OSF gave the Patient at least 60 days following the date of discharge or receipt of outpatient care to apply for financial assistance.
 - ii. If the Patient indicated an inability to pay the total bill in one payment, OSF offered the Patient a reasonable payment plan. OSF may require reasonable verification of the inability to pay the total amount due in one payment.
 - iii. If the Patient agreed to a reasonable payment plan with OSF, the Patient failed to make payments in accordance with that reasonable payment plan.
 - iv. The Patient informed OSF that he or she applied for health care coverage under Medicaid, Kidcare, or other government-sponsored health care program (and there was a reasonable basis to believe that the Patient would qualify for such program), but the Patient's application was denied.
 - c. For Accounts of insured Patients, OSF must satisfy the following conditions before referring a bill to collection agency or attorney:
 - i. Offered the Patient the opportunity to request a reasonable payment plan for the amount personally owed by the Patient and such opportunity was made available for 30 days following the date of the initial bill.
 - ii. If the Patient requested a reasonable payment plan, the Patient failed to agree to a plan within 30 days of the request.
- 3. Before engaging in any ECA, OSF must satisfy the following conditions:
 - a. OSF will not pursue ECAs for nonpayment of a bill against Uninsured Patients who have clearly demonstrated they have neither sufficient income nor assets to meet their financial obligations provided the Patient:
 - i. Acted reasonably and cooperated in good faith by providing OSF with all of the information and documents OSF needs to determine the Patient's eligibility under the OSF Financial Assistance Policy and reasonable payment plan options within 30 days of OSF's request; and
 - ii. Communicated to OSF any material change in the Patient's financial situation within 30 days of the change, if it may affect the Patient's ability to comply with an agreed upon reasonable payment plan or qualification for financial assistance.
 - b. OSF may not engage in any ECA during the first 120 days following the date the first billing statement is provided to the Patient, and only thereafter if OSF:
 - i. Makes reasonable efforts to determine whether the Patient is eligible for financial assistance

under the OSF Financial Assistance Policy including:

- Provides the Patient with written notice that 30 days after the date of this notice (which must be a deadline more than 120 days after the first billing statement), OSF may initiate ECAs to obtain payment, that describes the ECAs that may be initiated, describes the Financial Assistance Policy, and encloses a Plain Language Summary; and
 - Makes reasonable efforts to orally notify the Patient about the Financial Assistance Policy and how to obtain assistance with the application process; or
- ii. OSF has determined the Patient is not eligible for financial assistance on the basis of a completed Application for financial assistance.
- c. No collection agency, law firm, or individual may initiate legal action for non-payment of a bill without the written approval of an authorized OSF employee who reasonably believes that the conditions for pursuing legal action have been met.
- d. Before OSF engages a third party to obtain payment of outstanding bills for hospital services, the collection agency, law firm, or individual must agree in writing to comply with the collection provisions of this Policy and applicable state and federal laws including the collection requirements imposed under Internal Revenue Code Section 501(r).
- e. ECAs will be suspended while an Application for financial assistance is pending until OSF determines whether the Patient is eligible for assistance, and all of the requirements for processing a completed Application under its Financial Assistance Policy are satisfied including notifying the Patient of the eligibility determination. If the Application is incomplete, ECAs may be resumed if the Patient fails to complete the Application within 30 day following OSF's request for the missing information or documents.
4. If an incomplete application is received during the Application Period, OSF will take the following actions:
- a. Suspend ECAs.
 - b. Provide a written notice to the Patient that:
 - i. Describes the additional information or documents required under the OSF Financial Assistance Policy;
 - ii. Provides a reasonable deadline to complete the Application; and
 - iii. Provides the telephone number and physical location of the hospital office or department that can provide information about the Financial Assistance Policy and provide assistance in applying.
 - c. If the Application is completed during the Application Period or, if later, within the reasonable extended time period OSF provides to submit missing information or documents, the Application will be considered timely completed and will be processed.
5. If a complete application is received during the Application Period, including any extended time period OSF provides to supplement an incomplete Application, OSF will take the following actions:
- a. Suspend ECAs.
 - b. Make a determination of eligibility for assistance and if the Patient is eligible for financial assistance, notify the Patient in writing of the eligibility determination including the assistance the Patient is receiving and the basis for the determination.
 - c. If the Patient is eligible for less than 100% assistance, provide a billing statement to the Patient that

- includes all of the information described above in Section 1(b)(vii). OSF will not provide \$0.00 billing statements.
- d. Refund any amount the Patient paid that exceeds the amount the Patient is determined to be personally responsible for paying as a person eligible for assistance under the OSF Financial Assistance Policy, unless the refund is less than \$5.00.
 - e. Reverse any ECAs taken including vacating judgments and removing adverse information from a credit report.
6. If OSF makes a presumptive financial assistance eligibility determination, OSF will notify the Patient of eligibility for 100% financial assistance, provide the basis for the presumptive eligibility determination, and state that no payment is due for the care.
7. Limitations on the Amount OSF may collection from the Patient:
- a. Patients eligible for the Illinois Hospital Uninsured Patient Discount ("HUPDA") will not be required to pay more than 25% of the Patient's Family Income in a 12 month period, subject to the Patient's continued eligibility under HUPDA.
 - i. The 12 month period for the collection cap begins on the first date the Uninsured Patient received services determined by OSF to be eligible for the HUPDA discount.
 - ii. The 25% cap on collection applies to subsequent charges, if the Uninsured Patient informs OSF in subsequent inpatient admissions or outpatient encounters that the Patient has previously received health care services from OSF and was determined to be eligible for the HUPDA discount.
 - b. No Patient eligible for financial assistance under the OSF Financial Assistance Policy will be billed more than the Maximum Charge.
8. Limitations on ECAs:
- a. OSF shall not obtain a body attachment against a Patient.
 - b. OSF shall not file a judgment lien against the primary residence of a Patient.
 - c. OSF shall not defer or deny, or require a payment before providing, medically necessary services because of a Patient's nonpayment of one or more bills for previously provided care covered under the OSF Financial Assistance Policy.
9. Out of network provider notices: During the admission, or as soon as practicable thereafter, OSF will provide an insured Patient with written notice that:
- a. The Patient may receive separate bills for services provided by health care professionals affiliated with OSF;
 - b. If applicable, some hospital and health care center staff members may not be participating providers in the same insurance plans and networks as OSF;
 - c. If applicable, the Patient may have a greater financial responsibility for services provided by health care professionals at OSF who are not under contract with the Patient's health care plan; and
 - d. Questions about coverage or benefit levels should be directed to the Patient's health care plan and the Patient's certificate of coverage.

REFERENCES:

1. OSF Financial Assistance Policy for hospitals

2. Revenue Cycle Patient Access Services & Patient Accounting Policies and Procedures may be found in the policies maintained by the Finance & Accounting Division.

This policy is in effect for OSF Healthcare System, OSF Healthcare Foundation and all OSF Healthcare System subsidiaries and affiliates, except as limited in the header or body of this policy. For purposes of this policy, the terms "subsidiaries" and "affiliates" mean facilities or entities wholly owned or wholly controlled by OSF Healthcare System. The hospitals covered by this policy are:

		Name as listed with Medicare:
X	OSF St. Mary Medical Center	ST MARY MEDICAL CENTER
X	OSF Saint Francis Medical Center	SAINT FRANCIS MEDICAL CENTER
X	OSF Saint James – John W. Albrecht Medical Center	SAINT JAMES HOSPITAL
X	OSF St. Joseph Medical Center	ST JOSEPH MEDICAL CENTER
X	OSF Saint Anthony's Health Center	OSF HEALTHCARE SYSTEM
X	OSF Saint Anthony Medical Center	SAINT ANTHONY MEDICAL CENTER
X	OSF St. Francis Hospital & Medical Group	ST FRANCIS HOSPITAL
X	OSF Holy Family Medical Center	OSF HEALTHCARE SYSTEM
X	OSF Saint Elizabeth Medical Center	Ottawa Regional Hospital & Healthcare Center
X	OSF Saint Luke Medical Center	OSF HEALTHCARE SYSTEM
X	OSF Saint Paul Medical Center	Mendota Community Hospital
X	OSF Heart of Mary Medical Center	OSF HEALTHCARE SYSTEM
X	OSF Sacred Heart Medical Center	OSF HEALTHCARE SYSTEM

Attachments:

Approval Signatures

Step Description	Approver	Date
Education/Communication Step	Michael Humphrey: DIR PATIENT ACCOUNTS	10/22/2019
Board of Directors	Danielle McNear: EXECUTIVE ASSISTANT	10/21/2019
President, OSF Healthcare System	Sister Diane Marie: PRESIDENT	10/8/2019
Chief Financial Officer	Michael Allen: CHIEF FINANCIAL OFFICER	10/8/2019
Policy Review Group	Marci Fletcher: RESOURCE DOCUMENT SPECIALIST	9/20/2019
Notification Step	Michael Humphrey: DIR PATIENT ACCOUNTS	9/16/2019