THE Guidance CENTER

POLICY: FIN-210

Billing and Collections Policy

I. POLICY:

After patients have received services, it is the policy of The Guidance Center to bill patients and applicable payers accurately and in a timely manner. During this billing and collections process, staff will provide quality customer service and timely follow-up, and all outstanding accounts will be handled in accordance with the IRS and Treasury's 501(r) final rule under the authority of the Affordable Care Act.

II. PURPOSE:

It is the goal of this policy to provide 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, The Guidance Center will make diligent efforts to inform patients of their financial responsibilities. This policy requires The Guidance Center to make reasonable efforts to determine a patient's eligibility for financial assistance under The Guidance Center's financial assistance policy before engaging in extraordinary collection actions to obtain payment.

DEFINITIONS:

Extraordinary Collection Actions (ECAs): A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may 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 below.

Financial Assistance Policy (FAP): A separate policy that describes The Guidance Center's financial assistance program—including the criteria and 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 The Guidance Center'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.

III. PROCEDURE:

I. Billing Practices

A. Insurance Billing

1. For all insured patients, The Guidance Center will bill applicable third-party payers, including secondary and tertiary payers (as based on information provided by or verified by the patient) in a timely manner.
2. If a claim is denied (or is not processed) by a payer due to an error by The Guidance Center, The Guidance Center will not bill the patient for any amount greater than what the patient would have owed had the payer paid the claim.
3. If a claim is denied (or is not processed) by a payer due to factors outside of The Guidance Center'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, The Guidance Center may bill the patient or take other actions consistent with current regulations and industry standards.

B. Patient Billing

1. All uninsured patients will be billed directly and timely, and they will receive a statement as part of The Guidance Center's normal billing process.
2. For insured patients, after claims have been processed by all applicable third-party payers, The Guidance Center will bill patients in a timely fashion for their respective share of cost as determined by their insurance benefits.
3. All patients may request an itemized statement for their accounts at any time.
4. If a patient disputes their account and requests documentation regarding the bill, staff members will provide the requested documentation in writing within 10 days (if possible) and will hold the account for at least 30 days before referring the account for collection.
5. The Guidance Center may approve payment plan arrangements for patients who indicate they may have difficulty paying their balance in a single installment.
    a. The CEO, or designee, has the authority to make exceptions to this policy on a case-by-case basis for special circumstances.
    b. The Guidance Center 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.

II. Collections Practices

A. In compliance with relevant state and federal laws, and in accordance with the provisions outlined in this Policy, The Guidance Center may engage in collection activities—including extraordinary collection actions (ECAs)—to collect outstanding patient balances.

1. General collection activities include follow-up calls on statements sent.

2. Patient accounts may be referred to a third party for collection at the discretion of The Guidance Center's CEO or designee. Accounts will be referred for collections only if:
    a. There is a reasonable basis to believe the patient owes the debt,
    b. All third-party payers have been properly billed, and the remaining debt is the financial responsibility of the patient. The Guidance Center shall not bill a patient for any amount that an insurance company is obligated to pay,
    c. The Guidance Center will not refer accounts for collection while a claim on the account is still pending payer payment. However, The Guidance Center may classify certain claims as "denied" if such claims are stuck in "pending" mode for an unreasonable length of time despite efforts to facilitate resolution,
    d. The Guidance Center will not refer accounts for collection where the claim was denied due to an error by The Guidance Center. However, The Guidance Center may still refer the patient liability portion of such claims for collection if unpaid,
    e. The Guidance Center will not refer accounts for collection where the patient has initially applied for financial assistance or other sponsored program of The Guidance Center.

B. Reasonable Efforts and Extraordinary Collection Actions (ECAs)

1. Before engaging in ECAs to obtain payment for care, The Guidance Center shall make certain reasonable efforts to determine whether an individual is eligible for financial assistance under the financial assistance policy:
    a. ECAs may begin only when 120 days have passed since the first statement was provided.
    b. At least 30 days before initiating ECAs to obtain payment, The Guidance Center shall:
        i. Provide patient with a written notice that indicates the availability of financial assistance, lists potential ECAs that may be taken and informs when ECAs may be initiated,
        ii. Provide a plain-language summary of the FAP,
        iii. Attempt to contact the patient orally to inform them about the FAP and how he or she may get assistance with the application process
2. After making reasonable efforts to determine financial assistance eligibility as outlined above The Guidance Center may take the following ECA to obtain payment for care:
    a. Report adverse information to credit reporting agencies and/or credit bureaus
    b. Assign the account to an external credit collection agency
3. If a patient has an outstanding balance for previously provided care, The Guidance Center 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:
    a. The Guidance Center provides the patient with an FAP application and a plain language summary of the FAP

b. The Guidance Center provides a written notice indicating the availability of financial assistance and specifies deadlines for which a completed application must be submitted.
c. The Guidance Center makes a reasonable effort to orally notify the individual about the financial assistance policy and explain how to receive assistance with the application process.
d. The Guidance Center processes on an expedited basis any FAP applications for previous care received within the stated deadline

4. Member Services is ultimately responsible for determining if an individual is eligible for financial assistance and has final authority for deciding whether the organization may proceed with any of the ECAs outlined in this policy.

III. Financial Assistance

All billed patients will have the opportunity to contact The Guidance Center regarding financial assistance for their accounts, payment plan options, and other applicable programs.

1. The Guidance Center's financial assistance policy is available free of charge. A patient may request a copy of the FAP:

- In person at any registration location at The Guidance Center
- By calling Member Services – 928-527-1899
- Mailing a request 2187 Vickey St, Flagstaff, AZ 86004

IV. Customer Service

A. During the billing and collection process, The Guidance Center will provide quality customer service by implementing the following guidelines:

1. The Guidance Center will enforce a zero-tolerance standard for abusive, harassing, offensive, deceptive, or misleading language or conduct by its employees.
2. The Guidance Center will maintain a streamlined process for patient questions and/or disputes, which includes a phone number patients may call and a prominent business office address to which they may write. This information will remain listed on all patient bills and collections statements.
3. After receiving a communication from a patient (by phone or in writing), The Guidance Center staff will return phone calls to patients as promptly as possible (but no more than one business day after the call was received) and will respond to written correspondence within 10 days.
4. The Guidance Center will maintain a log of patient complaints (oral or written) that will be available for audit.