

SPANISH PEAKS REGIONAL HEALTH CENTER

POLICY AND PROCEDURE

Page 1 of 1

POLICY NUMBER: BO-016

DEPARTMENT: Business Office

POLICY DESCRIPTION: Patient Payment Plans

APPROVED BY:

CEO:

DATE:

NHA:

DATE:

DPT. MGR.:

DATE:

EFFECTIVE DATE: Jan. 1, 2000; March 15, 2006

REPLACES POLICY NUMBER (S):

SCOPE: Business office and family clinic

PURPOSE:

POLICY: To establish policy and guidelines in which accounts can be set up for monthly payments, to determine a timeline for payment of accounts, and to provide a mechanism for evaluating individual accounts which have a need for extended payment plans.

PROCEDURE: The minimum monthly payment accepted is \$50.00.

Accounts with balances of less than \$100.00 should be paid in full in 2 months.

Accounts with balances of \$100.00 to \$300.00 should be paid in full in 6 months.

Accounts with balances of \$300.00 to \$600.00 should be paid in full in 12 months.

Accounts with balances greater than \$600.00 must be paid in accordance with the

arrangement made with the Patient Financial Counselor that meets the ability to pay of the patient.

An account is understood to be the owed amount for a specific patient. Patients with services owed for several admission numbers should understand that the total amount of the account is to be considered when payment arrangements are made.

For patients who have a need to establish a payment plan that deviates from the standard policy, the patient or their responsible party must complete a financial screening to provide the hospital with demographic, dependent, asset, liability, and expense information. This financial screening will determine eligibility for CACP and the facility Compassionate Care program. In addition, it will screen for eligibility for Medicaid and Child Health Plan programs. Copies of the last Federal Income Tax Return and paycheck stubs for the last three months must be submitted.

Patients or their responsible party will be required to sign a Payment Arrangement Agreement. Payments will be deemed in default if not paid within 30 days of the due date and will be declared due in full, at which time the account will be subject to the hospital's collection process and possible referral to an outside agency for collection. In the event of suit to enforce payment, the patient or responsible party will be liable for additional sums such as attorney's fees as the court may judge reasonable, as well as any incurred collection costs.

ATTACHMENTS: Payment Arrangement Agreement Initial Letter to Patient

REFERENCES:

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

Page 1 of 1

POLICY NUMBER: BO-020

DEPARTMENT: Business Office

POLICY DESCRIPTION: Bad Debt/Doubtful
Accounts

APPROVED BY:

CEO:

DATE:

NHA:

DATE:

DPT. MGR.:

DATE:

EFFECTIVE DATE: Jan. 1, 2000, Jan. 26, 2001

REPLACES POLICY NUMBER (S):

SCOPE:

PURPOSE:

POLICY: When all feasible collection efforts have been exhausted on an account, and it has been determined that the balance is uncollectible, the account should be identified as a bad debt.

PROCEDURE: The following criteria should be used in determining and evaluating bad debt.

1. The debt must be related to covered services and derived from deductible and co-insurance amounts.
2. The provider must be able to establish that reasonable collection efforts were made.
3. The debt was actually uncollectible when claimed as worthless.
4. Sound business judgment established that there was no likelihood of recovery at any time.
5. The bad debt must be held for at least 120 days from the date the patient is first billed.

Steps to write off bad debt accounts:

- A. Process the report in computer system to identify accounts that have not had payments posted to them in 120 days.
- B. Prepare copy for presentation to the Board of Directors for approval.
- C. Turn account over to collection agency.
- D. At end of each month place accounts on bad debt schedules, and update total. This would include both commercial and Medicare schedules.

REFERENCES:

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

Page 1 of 1

POLICY NUMBER: BO-021

DEPARTMENT: Business Office

POLICY DESCRIPTION: Point of Service
Discounts for Self-Pay Patients

APPROVED BY:

CEO:

DATE:

CFO:

DATE:

DPT. MGR.:

DATE:

EFFECTIVE DATE: March 17, 2009

REPLACES POLICY NUMBER (S):

SCOPE: Business office, Spanish Peaks Family Clinic, Specialty Clinic

PURPOSE: To establish a process for receiving prompt payments from self-pay patients.

POLICY: It shall be policy of the hospital to offer a prompt pay discount to self pay accounts when specific payment terms are agreed upon and met.

PROCEDURE: If 100% of the estimated charges are paid at time of service, the discount will be 30%.

If half of the estimated charges are paid at time of service, the discount will be 15%. If the total estimated charges are less than \$100.00, the charges must be paid in full in order to be eligible for the 30% discount.

The prompt pay discount will be applied to actual charges if the initial payment estimate was less than actual charges. The outstanding account balance will be reduced by the additional discount earned. If the initial POS payment was over actual charges, the discount applied at time of service will be considered final, and a patient refund will be issued.

REFERENCES:

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

Page 1 of 1

POLICY NUMBER: BO.074

DEPARTMENT: Business Office

POLICY DESCRIPTION: CICIP POLICY

APPROVED BY:

CEO:

DATE:

CFO

DATE:

DPT. MGR.:

DATE:

EFFECTIVE DATE: December 16, 2004

REPLACES POLICY NUMBER (S):

SCOPE: Staff whose duties include screening, processing, and approving CICIP eligibility for patients of SPRHC.

POLICY: Spanish Peaks Regional Health Center (SPRHC) will participate in the Colorado Indigent Care Program to the extent as contracted by SPRHC and the state of Colorado's CICIP program.

PROCEDURE: SPRHC will provide access to the COLORADO INDIGENT CARE PROGRAM for Emergent care, and for Emergent and Urgent Inpatient admissions. CICIP eligibility will be determined by completing an application outlined in the CICIP manual. Refer to the manual for specific details. Proof of identity will be established through completion of the "Affidavit for Lawful Presence" document. CICIP clients will be re-rated on a semi-annual basis. Co-pays will be based on ratings as established by Federal poverty guidelines and as determined by the State of Colorado. These guidelines are updated on an annual basis. All possible efforts will be made to obtain the co-payment at time of service. The difference between the total charges of the claim and the established co-pay will be written off as a CICIP adjustment. Any uncollected co-pay amounts will be transferred to a collection agency in accordance with the hospital bad debt policy after all methods of internal collection attempts are exhausted.

A patient may qualify for Compassionate Care service if the Outpatient service is not determined to be

REFERENCES: Colo. Rev. St. Statute 26-15-101 to 112 CICIP Policy FD.109 Business Office Bad Debt Policy BO.067 Waiver letter from CICIP limiting statute guidelines CICIP application manual Affidavit for Lawful Presence document

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

Page 1 of 2

POLICY NUMBER: BO-075

DEPARTMENT: Business Office

POLICY DESCRIPTION: Compassionate Care

APPROVED BY:

CEO:

DATE:

NHA:

DATE:

DPT. MGR.:

DATE:

EFFECTIVE DATE: December 16, 2004; January 24, 2006

REPLACES POLICY NUMBER (S):

SCOPE: Business Office, Outpatient, & Ancillary Departments, including Family Clinic and Satellite Clinics

PURPOSE: To establish a compassionate care plan to provide non-emergent outpatient health care for patients who meet pre-established income/family size guidelines.

POLICY: Spanish Peaks Regional Health Center will provide a compassionate care plan for outpatient services for patients of Spanish Peaks Regional Health Center, and Spanish Peaks Family Clinic, including La Clinica and Women's Clinic.

PROCEDURE: A compassionate care plan will be offered to those patients who are legal residents of Huerfano County. It is understood that patients who do not pay designated co-payments and return for future services may not be rescheduled for non-emergent services.

- A legal resident of Huerfano County is one who has an established address in Huerfano County. Proof of address will be obtained by admitting staff.
- An internal sliding fee scale will be developed and utilized to provide discounted services for outpatients of SRPHC and SPFC. The sliding fee scale will be reviewed annually and updated according to Federal poverty guidelines. Currently the limit is set at 20 per cent of poverty level guidelines, effective February 1, 2006.
- Patients will be screened for CICP eligibility which will be available for Emergent outpatient and Emergent and Urgent Inpatient admissions.
- The payments due will be based on amount of total charges and CICP rating, as set out in the sliding fee schedule attachment. Co-payments will be based on the service received. Therapy services are billed on a monthly basis, and therefore one co-payment per month will be due.
- Co-payment amounts will be due at time of service. Patients will be admitted using the Compassionate Care financial class (09). The Patient Financial Counselor will determine the co-payment according to an estimate of cost of services received. The PFC will write an adjustment for the balance of the charges after the bill is created. The co-payment will be assigned according to the sliding fee schedule.
- The PFC will ask the patient to sign a payment agreement for any balance that is not collected at time of service. No negotiated payment agreement will exceed 12 months from time of service, or for a therapy claim, the time of billing, according to the guidelines established in the payment plan letter.
- With the understanding that the agreement to pay is a binding contract, the patient will be informed that

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

Page 2 of 2

POLICY NUMBER: BO-075

SPRHC will reserve the right to pursue the balance remaining for the service to the full extent allowed by Colorado state law.

- Any balances not paid by the patient will be referred to a collection agency in accordance with SPRHC bad debt policy, after all internal collection procedures have been exhausted.
- If pathology services are necessary, SPRHC will collect \$50.00 for the pathology fee and remit to San Louis Regional Medical Center for Dr. Knaus.
- If a medical screening determines that the patient in the Emergency Department is not emergent, the patient will be directed to the area of appropriate care, i.e. physician office or clinic. If the patient insists on receiving care in the ED, the service will not be eligible for CICP consideration, and will be eligible for the compassionate care discount. The patient will be asked to pay for a low level ED visit.
- If the patient has a service at SPFC and SPRHC on the same day, the services will be on a single claim.
- The facility will apply retroactive eligibility for claims with DOS up to 90 days before the effective date of the Colorado state guidelines change. This will also apply if the state adds a CICP rating. The claim will be considered for eligibility for Compassionate Care.

If a patient encounters circumstances out of his ability to control regarding an account that payment arrangements were made, and has made consistent payments of the account, the claim may be considered for Compassionate Care for any account owed to SPRHC.

REFERENCES: Colorado State statute 26-15-101 to 112 CICP policy FD.09

ATTACHMENTS: Sliding fee scale - CICP rating and family size schedule - Payment plan letter

SPANISH PEAKS REGIONAL HEALTH CENTER & COLORADO STATE VETERANS NURSING HOME POLICY AND PROCEDURE

Page 1 of 2

POLICY NUMBER: BO-077

DEPARTMENT: Business Office

POLICY DESCRIPTION: PAYMENT AT TIME OF SERVICE

APPROVED BY:

EFFECTIVE DATE: April 5, 2007

CEO:

CFO:

BOD:

REVISED: March 16, 2009

SCOPE: Spanish Peaks Regional Health Center and Spanish Peaks Family Clinic

PURPOSE: To collect payment at time of service for self-pay patients, and co-payments and deductibles for insured and Compassionate Care patients.

POLICY: Spanish Peaks Regional Health Center and Spanish Peaks Family Clinic will collect payment at time of service for amounts that are determined to be patient responsibility.

PROCEDURE: SELF PAY PATIENTS

Admissions staff will provide an estimate of charges to self pay patients. Non-emergent patients presenting as outpatients in the hospital admitting area or family clinic will be required to make a minimum payment before services will be provided. If the patient is unable to make the minimum payment at that time, he/she will be asked to reschedule the service to a time when payment will be made. The patient will be requested to pay \$50.00 or 25% of the estimated charges, whichever is larger. If the patient pays for the estimated charges in full, he will be offered a 30% discount. If he pays for half of the estimated charges, he will be offered a 15% discount.

Office visits at Spanish Peaks Family Clinic will be paid at a minimum of \$50.00. When clinic staff makes or confirms appointments with self-pay patients, the patients will be informed that payment is expected at time of service. Patients will be informed that they will be asked to reschedule if payment is not presented at time of service.

If self pay patients are not willing to pay at time of service, they will be asked to reschedule their services.

If the self-pay patient feels that he may qualify for CICP or Compassionate Care, he will be asked for minimum payment and directed to a Patient Financial Counselor. If the patient does qualify for CICP or Compassionate Care, the balance that was paid at time of service will be applied to prior balances or refunded to the patient.

COMPASSIONATE CARE and CICP

An estimate of charges will be prepared by a Patient Financial Counselor or Admitting Staff. Clinic staff

SPANISH PEAKS REGIONAL HEALTH CENTER & COLORADO STATE VETERANS NURSING HOME POLICY AND PROCEDURE

Page 2 of 2

POLICY NUMBER: BO-077

will request basic clinic co-payment for Compassionate Care. Co-payment based on the Compassionate Care or CICP rating for that patient will be requested at time of service. Further, admitting staff and clinic staff will investigate history for that patient to see if that patient owes additional co-payments for prior services. If that is so, the patient will be informed that there are other unpaid amounts, and asked to make an additional payment of the aged amounts. If that patient has been sent to collections for unpaid co-payments, he will be asked to reschedule and return when he can bring his co-payment.

INSURED PATIENTS

The on-line eligibility system, web sites, insurance card, and telephone numbers will be utilized to identify co-payments, co-insurance, and deductible so patient can be informed of his payment responsibility. Patient will be asked to pay the identified amounts. Patients scheduled for surgery will be asked for co-payment and deductible prior to the surgery procedure based on findings listed above. If the billing history for that patient shows that patient responsibility amounts have been sent to collections, that patient will be asked to reschedule.

EMERGENCY ROOM VISITS

Patients will be brought to a Patient Financial Counselor and informed that a \$350.00 down payment is required if the patient is self-pay. Patients who have CICP will be asked for their co-payment. Insured patients will be asked for the amount specified by their insurance.

EXCEPTION TO RESCHEDULING

The physician may determine that the requested service is necessary as rescheduling may be detrimental to the patient's health. If that determination is made, or the determination can be decided from the diagnosis on the patient's order, the patient will not be asked to re-schedule if he does not have his co-payment.

REFERENCES: BO-16 BO-74 BO-75