Bristol Hospital Uncompensated Care Policies & Procedures

Statement of Financial Policy

Bristol Hospital expects payment in full for all services rendered within 3 months of service date, unless other arrangements are made. All claims with verified insurance coverage and assigned benefits will be billed by the Hospital to the insurance company as a service to its patients. The patient is always ultimately responsible for payment of services received.

Bristol Hospital	
Title: Charity Care and Patient Assistance Policy	Approved by: Revenue Cycle Committee Date approved: January 19, 2012 Responsible Party: Finance
Applies to: ☒ All ☐ Inpatient ☐ Peri-op ☐ OP/Amb Care ☐ Home Care ☐ Psych ☐ Department: _____	

All policies and procedures represent our current knowledge and judgment regarding the issue covered by this policy. If you can think of a better way to handle the issue covered in this policy and procedure, or if this policy and procedure needs to be revised to reflect changes that have occurred, please bring your issues/concerns forward so that we may consider improving this policy and procedure accordingly.

PURPOSE

The purpose of this Plan is to define a process for ensuring that patients pay amounts for their care which they can afford.

POLICY STATEMENTS

BHHCG recognizes that the burden of health care costs on individuals is a national crisis. Decades of Hospital pricing, distorted by the unique billing requirements imposed by private and governmental payers and regulations, has resulted in a charge structure which unfairly burdens the individuals and families without or with limited insurance. BHHCG wishes to correct this unfairness by ensuring that all uninsured patient's charges are limited and capped at Medicare's payment levels. That discount level is defined as the ratio of Medicare Charge to Payments and listed on the most recent OHCA filing. The most current discount is **71%**. When a patient has no insurance, their bill will be immediately reduced by that percentage discount, using the charity care uninsured allowance code.

Patients, who have balances after insurance and require assistance in paying those bills, will be entitled to a Charity Care Patient Assistance discount, based on their income and family size, using the approved sliding financial assistance scale. The state of Connecticut has set recommended levels of charity care discounts which are stipulates that for families at or below 200% of federal poverty levels should be discounted to cost and that for families between 200% and 400% should be discounted to the commercial and or Medicare rate. BHHCG sliding scale will have greater discounts applied at lower levels of the Federal Poverty Income Levels.

Requirements

For Charity Care Uninsured Discount: Only requirement is that they have no access to insurance. The discount will be immediate and applied to all uninsured patients.

For Charity Care Patient Assistance: To qualify, the patient or family must owe a balance to the hospital after insurance. They must request assistance in paying their balance. They must submit their most recent pay stub and declare the number of family members living in their household.

Notification: We will post a notice of our financial assistance policy at all registration points and other visible locations throughout the hospital. We will also print a notice on all bills and statements informing patients and families to call us if the need financial assistance.

Published Statements: The following statement will be posted at all registration areas, in a highly visible manner, and be posted on all patient statements and bills. The statement will be published in English and Spanish.

"Bristol Hospital provides financial assistance to patients who are uninsured or need assistance in paying their balances after their insurance has paid. If you have no insurance, Bristol Hospital will apply an **"Uninsured Discount"** to your bill down to what the Hospital gets paid by Medicare, on an average basis.

If after that **"Uninsured Discount"** the patient still has difficulty in paying the bill, the patient may apply for a **"Patient Assistance Discount".** That discount is based on household income and family size. A sliding scale will determine the ultimate discount based on those factors. Please provide the most recent pay stub and declare the number of family members in the household.

If the Patient needs assistance in paying their balances after their insurance has paid, for coinsurances, co-pays or deductibles, the patient may apply for a **"Patient Assistance Discount".** That discount is based on household income and family size. A sliding scale will determine the ultimate discount based on those factors. Please provide the most recent pay stub and declare the number of family members in the household.

To apply for the **"Uninsured Discount"** or **"Patient Assistance Discount"** please call **860-585-3035 to s**peak with the Financial Counselor or visit **Bristol Hospital's Financial Counselor Located on Level C of the main hospital building.**

REDUCED FEES APPLICATION PROCESS

PLEASE READ THIS CAREFULLY

Attached please find the Reduced Fees application.

If you feel you may be eligible, please bring in the following information, along with your completed application, to the Bristol Hospital Financial Assistance Department. This income verification applies to all family members residing at your legal address.

- If Self Employed Last Income Tax Return Filed.
- Statement of wages from Unemployment Compensation showing date unemployment started, if applicable.
- Payroll stubs for the last eight- (8) consecutive weeks.
- If there is no income for the last eight – (8) weeks, a notarized letter stating that no income has been received in the last eight weeks is required.
- State of Ct determination letter for Medicaid Services.
- Current bank statement for Savings and Checking Account(s).
- If you receive Social Security Benefits please provide the current letter from Social Security or a most recent bank statement showing the direct deposit of the funds.
- If you receive a monthly pension check please provide proof either by providing a copy of the check or if direct deposited please provide a copy of the bank statement showing the deposit amount.
- If you have any stocks/bonds or investment accounts please provide current documentation including value.

This information is required to process your application. If you have any questions or concerns regarding this process, please contact our Financial Assistance representative at (860) 585-3534, or come in and we will be happy to assist you with this process. The Financial Assistance Department is open Monday through Friday 8:00 a.m. to 4:30 p.m. Thank you for your prompt attention to this matter.

Date App. Sent:_____

BRISTOL HOSPITAL, INCORPORATED
APPLICATION FOR REDUCED FEES

Date of Request:_____

Name: _____
Last First M.I.

Address: _____
Number and Street City State Zip

Social Security Number: _____Home Telephone:_____

Account #('s)_____

- Please list any property you may own this includes, homes, vehicles, recreational vehicles, etc:_____
  _____
- Please list any assets you may have this includes, stock or bonds, investment accounts, tax refunds, etc.

_____

_____

List of Household Members and Their Relationship, only children under 18 years of age will be considered:

Name	Relationship	Age

I certify that the above information is true and accurate to the best of my knowledge. Further, I will make application for any assistance (Medicaid, Medicare, Insurance, etc.) which may be available for payment of my hospital charge and I will take any action reasonably necessary to obtain such assistance and will assign o pay to the hospital the amount recovered for hospital charges.

I understand that this application is made so that the hospital can judge my eligibility for services on a reduce fee scale based on the established criteria on file. Further, I agree to make re-application based on the institutions policy. The hospital is required to re-evaluate my financial information every six months, consistent with hospital policy. If any information I have given proves to be untrue, I understand that the hospital may re-evaluate my financial status and take whatever action becomes appropriate.

I understand that should I be determined to be eligible for a reduced fee, I must comply with the payment schedule deemed appropriate for my financial circumstances.

Applicant's Signature: _____

The Financial Assistant Department will respond to your request accordingly.

_____Approved: Reduction Rate: _____% of service not covered by insurance

_____Denied: _____

_____,Coordinator, Financial Assistance Date_____

BRISTOL HOSPITAL, INC.
REDUCED FEE
ELIGIBILITY DETERMINATION

Date: _____

Applicant's Name: _____

Address: _____

Account Number(s): _____

Dear Client:

Your application for reduced fee has been processed. Your eligibility has been determined as follows:

Date Completed Application Received: _____

Date Application Processed: _____

_____**Approved:** Reduction Rate_____**%** of services not covered by insurance.

Your new balance is $_____

_____

_____

_____**Denied: Reason For Denial**_____

_____

_____ 860 585 3036
Coordinator, Financial Assistance

_____ _____
Maria Simmone Director Revenue Cycle Chief Financial Officer

Bristol Hospital
Financial Assistance
Sliding Income Discount

Income by Family Size and Percentage Discount Off of Remain Balance After Ins Payment or Charity Care Uninsured Discount									
Family Size 1	Discount	Family Size 2	Discount	Family Size 3	Discount	Family Size 4	Discount	Family Size 5	Discount
Income Up To	%	Income Up To	%	Income Up To	%	Income Up To	%	Income Up To	%
$ 11,770	100%	$ 15,930	100%	$ 20,090	100%	$ 24,250	100%	$ 28,410	100%
$ 29,000	100%	$ 40,000	100%	$ 50,000	100%	$ 61,000	100%	$ 71,000	100%
$ 34,000	92%	$ 46,000	92%	$ 56,000	92%	$ 68,000	92%	$ 77,000	92%
$ 40,000	84%	$ 52,000	84%	$ 63,000	84%	$ 75,000	84%	$ 84,000	84%
$ 47,000	76%	$ 59,000	76%	$ 71,000	76%	$ 83,000	76%	$ 92,000	76%
$ 55,000	68%	$ 67,000	68%	$ 80,000	68%	$ 92,000	68%	$ 100,000	68%
$ 64,000	60%	$ 76,000	60%	$ 90,000	60%	$ 102,000	60%	$ 109,000	60%
$ 75,000	52%	$ 87,000	52%	$ 101,000	52%	$ 113,000	52%	$ 119,000	52%
$ 88,000	44%	$ 99,000	44%	$ 113,000	44%	$ 125,000	44%	$ 130,000	44%
$ 103,000	36%	$ 113,000	36%	$ 127,000	36%	$ 139,000	36%	$ 142,000	36%
$ 121,000	28%	$ 129,000	28%	$ 142,000	28%	$ 154,000	28%	$ 155,000	28%
There After	20%	There After	20%	There After	20%	There After	20%	There After	20%

STATEMENT OF COLLECTION POLICY

Failure to make payment for services rendered, in accordance with the financial policies of Bristol Hospital will result in referral to our outside collection agency. Collection action will be taken by the American Adjustment Bureau on behalf of Bristol Hospital to secure payment not excluding legal action when appropriate.

BRISTOL HOSPITAL everyday extraordinary	**Bristol Hospital & Health Care Group**
	Policy/Process for Patient balance billing and Collection
Approved By: Maria Simmone, Director of Revenue Cycle	
Responsible Party: Nicole Roussel, Patient Receivables Manager	
Date Approved: 2/1/13	Revised: 12/23/15
X All ☐ PeriOp ☐ OP/Amb ☐ Home Care ☐ Psych ☐ Dept.:	

PURPOSE: To assure compliant collection of patient receivables.

Patient balance billing process

All uninsured patient account balances and patient balances after insurance are securely submitted electronically to Cardon Outreach on a daily basis for patient billing. Cardon Outreach will send two patient statements at 30 day intervals. A final notice letter is generated after two statements if there is no payment and/or payment arrangement made. If there is no response to the final notice, Cardon Outreach will close accounts and return to Bristol Hospital via secure email report on a weekly basis. The Credit Collection Representative then places the accounts with American Adjustment Bureau.

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Collection process

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Accounts are placed with American Adjustment Bureau using three agency designations: American Adjustment Medicare placements, American Adjustment OP, and American Adjustment IP.

All accounts with American Adjustment are sent statements on a monthly basis.

Medicare Accounts: If there is no response to the monthly statement or final notice sent by American, Medicare accounts are returned to Bristol Hospital. The timeline for this is determined by American Adjustment Bureau using their internal collection process. Once a Medicare account is returned, its status is changed in Meditech to AAB Close which designates it as exhausted efforts in our system. No further collection attempts are made on these accounts The account is then added to the Medicare Bad Debt log.

American Adjustment OP and American Adjustment IP Accounts: These accounts are pursued up to and including legal action if necessary to attempt to collect the debt using American's internal collection process.

American Adjustment Bureau will generate a monthly report of accounts where collection efforts have been exhausted. Bristol Hospital receives a monthly report from American Adjustment Bureau of deceased debtors as well as bankruptcy filing debtors. Accounts that are deemed uncollectable due to deceased status of debtor or bankruptcy are returned and status is changed to AAB Exh which designates it as exhausted efforts in our system.

Should any payments be received on an exhausted effort account, they would be posted as a recovery from bad debt.

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SMALL BALANCE W/O PROCEDURE
MEDITECH

This procedure is used to adjust Self Pay balances totaling $9.99 or less due from the patient after all insurance benefits have been paid. The non-procedure CDM adjustment code utilized to make this adjustment is: SM BAL WRITEOFF. These fields are set in the B/AR parameters.

The SM BAL WRITEOFF adjustment is executed by using a Meditech auto compile report. This report is set to compile at the close of day every Friday. Once Meditech compiles the report a B/AR batch is opened by the system and is used to capture the adjustments. The batch's name reflects the SM BAL WRITEOFF. The system will then close and post the batch during the nightly run with all other compiled reports.

This process is completely automated but can be done manually by creating a B/AR selection report and using the Write off Small Balance feature under the Collections in B/AR.

Effective 6/1/2011
REV: 10/1/2014
REV: 12/30/15

Uncollectable Write Off Procedure

Patient accounts that are deemed “Uncollectable” must be approved by the Patient Receivables Manager prior to write off.

Patient accounts with a balance of $5000 or more also require approval of the Chief Financial Officer and the Director of Revenue Cycle.

Once accounts have been approved for write off, they are passed to the Accounts Receivables staff to enter using the appropriate procedure code for the write off.

Effective: 6/1/2011

Revised: 12/1/15

MEDICARE BAD DEBT

PROCEDURE- PART I
SERIES & MEDITECH

It is the responsibility of the Patient Receivable Manager to complete the online Medicare Bad Debt Excel Exhausted Collection Returns for Medicare Self-Pay Patient balances returned by the collection agencies and Medicare Secondary State Co-Ins/Deductible unpaid balances. The required information for the Medicare Bad Debt spreadsheet is as follows:

INFORMATION:		MEDITECH/ B/AR/ PROC ACCT SERIES FUNCTION
1.	PT NAME	ARI (Accounts Rec. Inquiry)
2.	PT MEDICARE ID #	IBM (Ins. Benefits Maint.)
3.	PT ADMIT/DISC DATE	ARI
4.	PT STATE ID #	IBM
5.	DATE FIRST BILLED TO PT	CNI (COLLECTION NOTE INQ)
6A.	WRITE OFF DATE FROM B/D	LETTER DATE ON RETURNED ACCTS FROM AGENCIES NEVER LESS THEN 120 DAYS
6B	WRITE OFF DATE (state)	ARI (DATE OF STATE CROSS-OVER ADJ.)
7.	REMITTANCE ADVICE DATE	ARI (DATE OF THE MEDICARE PAYMENT)
8.	DED/CO-PAY	CNI (POSTED FROM MEDICARE REMITTANCES

Medicare Bad Debt Logs are submitted yearly to the Reimbursement Dept. for Cost Reporting.

OTHER FACTS:

- Only accounts with verified back up are to be reported on the log.
- Excel spreadsheets must be in format required by CMS.
- All logs must have a total line on each page for total Ded/Co-Pay amounts.
- All In-Pt, Out-Pt, State Ded/Co-Pay balances and Collection Agency returns are on separate Excel spreadsheets.
- All logs are emailed and printed and a copies maintained by the Pt. Receivable Mng.
- No part B charges are reported.
- Any accounts that have had payments refunded, recouped or late charges after initial billing will not be reported.

- Once accounts have been reported on the Excel Spreadsheet, the Agency Code is changed to "19" Medicare/Exhausted Efforts" in ARPT (ACCTS REC INQUIRY in Series- At END OF MONTH, Update Write Off From Bad Debt is completed by Pt Rec Manger. This purges the account balance from our Series System.

REVISED - JAN 1995
REVIEWED JAN 2004
REVIEWED JAN 2006
REVIEWED JAN 2008
REVIEWED & REVISED FOR MEDITECH JAN 2011
Rev. 10.1.14 Mad

BRISTOL HOSPITAL, INC. BREWSTER RD. BRISTOL CT 06010

MEDICARE BAD DEBT MORTATORIUM AND CLARIFICATION OF BAD DEBT POLICY

DATE: 3/9/07

TO: MEDICARE PART A PROVIDER AUDIT

THE COLLECTION POLICY IN EFFECT ON AUGUST 1,1987, WAS EXPLICITLY APPROVED BY THE FI AND THE POLICY HAS NOT CHANGED FOR THE SUBSEQUENT CORRESPONDING COST REPORT PERIODS.

ATTACHMENT:
BRISTOL HOSPITAL'S MEDICARE BAD DEBT POLICY AND PROCEDURES.

Rev 2.8 Mah
Reviewed 12.10 Mah
Reviewed 10-1-11 Mah
Rev. 10.1.14 Mah

(b) If the beneficiary has not incurred the full deductible applicable under Part B of Medicare before the dialysis treatment, the intermediary subtracts the amount applicable to the deductible from the facility's prospective rate and pays the facility 80 percent of the remainder, if any.

§ 413.178 Bad debts.

(a) CMS will reimburse each facility its allowable Medicare bad debts, as defined in § 413.80(b), up to the facility's costs, as determined under Medicare principles, in a single lump sum payment at the end of the facility's cost reporting period.

(b) A facility must attempt to collect deductible and coinsurance amounts owed by beneficiaries before requesting reimbursement from CMS for uncollectible amounts. Section 413.80 specifies the collection efforts facilities must make.

(c) A facility must request payment for uncollectible deductible and coinsurance amounts owed by beneficiaries by submitting an itemized list that specifically enumerates all uncollectable amounts related to covered services under the composite rate.

§ 413.180 Procedures for requesting exceptions to payment rates.

(a) *Outpatient maintenance dialysis payments.* All payments for outpatient maintenance dialysis furnished at or by facilities are made on the basis of prospective payment rates.

(b) *Criteria for requesting an exception.* If a facility projects on the basis of prior year costs and utilization trends that it will have an allowable cost per treatment higher than its prospective rate set under § 413.174, and if these excess costs are attributable to one or more of the factors in § 413.182, the facility may request, in accordance with paragraph (d) of this section, that CMS approve an exception to that rate and set a higher prospective payment rate. However, a facility may only request an exception or seek to retain its previously approved exception rate when authorized under the conditions specified in paragraphs (d) and (e) of this section.

(c) *Application of deductible and coinsurance.* The higher payment rate is subject to the application of deductible and coinsurance in accordance with § 413.176.

(d) *Payment rate exception request.* A facility must request an exception to its payment rate within 180 days of—

(1) The effective date of its new composite payment rate(s);

(2) The effective date that CMS opens the exceptions process; or

(3) The date on which an extraordinary cost-increasing event occurs, as specified (or provided for) in §§ 413.182(c) and 413.188.

(e) *Criteria for retaining a previously approved exception rate.* A facility may elect to retain its previously approved exception rate in lieu of any composite rate increase or any other exception amount if—

(1) The conditions under which the exception was granted have not changed;

(2) The facility files a request to retain the rate with its fiscal intermediary during the 30-day period before the opening of an exception cycle; and

(3) The request is approved by the fiscal intermediary.

(f) *Documentation for a payment rate exception request.* If the facility is requesting an exception to its payment rate, it must submit to CMS its most recently completed cost report as required under § 413.198 and whatever statistics, data, and budgetary projections as determined by CMS to be needed to adjudicate each type of exception. CMS may audit any cost report or other information submitted. The materials submitted to CMS must—

(1) Separately identify elements of cost contributing to costs per treatment in excess of the facility's payment rate;

(2) Show that the facility's costs, including those costs that are not directly attributable to the exception criteria, are allowable and reasonable under the reasonable cost principles set forth in this part;

(3) Show that the elements of excessive cost are specifically attributable to one or more conditions specified in § 413.182;