

## **SAMPSON REGIONAL MEDICAL CENTER**

607 Beaman Street  
Clinton, NC 28329

### **Collection of Patient Accounts Policy and Procedure**

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#### **Purpose:**

To define the process for collection of patient accounts.

#### **Policy:**

Sampson Regional Medical Center provides emergency care as described within the meaning of EMTALA to any individual regardless of their ability to pay or regardless of whether they meet the Financial Assistance policy and guidelines.

Patients are screened for financial assistance through automated screening process and/or presumptive guidelines. Patients are eligible to apply for Financial Assistance (Charity Care) if they don't qualify automatically. However, the guidelines in the Financial Assistance policy will be followed.

#### **Self-Pay Accounts:**

Patients that present with no active insurance are pre-screened for Medicaid qualifications and financial assistance qualifications. If they are Qualified for Medicaid, SRMC can assist with a Medicaid application. If they do not meet the Medicaid qualifications, they will be screened through a program to determine their Federal Poverty Level. This FPL will be used to compare with our Financial Assistance (Charity Care) guidelines for debt forgiveness. Patients that are not covered by any federal, state, commercial or liability insurance will receive an automatic 30% discount (501r) and then any financial assistance adjustment will be made. The patient will receive a letter explaining the debt forgiveness. Patients would then be mailed statements if there is any remaining balance due. Statements are sent out every 30 days thereafter. If not paid or set up on an approved payment plan (see below), the account will be sent to a collection agency as outlined below.

#### **Insurance Accounts:**

When all of the patient's insurance plans have processed the claims, the patient will then be put into a work queue to review the FPL score to determine if they qualify for financial assistance. If they do, the adjustment will be made, and a letter will be sent to the patient to inform them of the debt forgiveness. Patients would then be mailed their statement if there is any remaining balance due. Statements are sent out every 30 days thereafter. If not paid or set up on an approved payment plan (see below), the account will be sent to a collection agency as outlined below.

#### **Emergency Department Accounts**

For Emergency Department services, the hospital can collect a fee from the insured and underinsured patients, that is the greater of the amount the patient would owe based on the percentage discounts after any charity debt forgiveness has been applied and (2) \$35.00, not to exceed cost-sharing under the patient's health plan (for insured patients).

**Payment plans:**

All patients with an FPL score of 201- 300 can be set up on a payment plan for their remaining balance after the charity care adjustment has been made, not to exceed 36 months and the payments will not exceed 5% of monthly household income. If a patient wishes to add an account to the payment plan at a later date, the 36-month timeline will restart on the newest account and the payment still cannot exceed 5% of the monthly income. Any balance on prior account(s) will have to be written off if that interferes with the 36month/5% plan. Any amounts above the 36 month/5% limit for any account will be adjusted off.

For patients with FPL score greater than 300, the patient can be set up on a payment plan with the hospital for 36 months interest free. Unless other arrangements are made, after 120 days from the first statement AND delinquent for over 60 days on payment plan, the account will be sent to a collection agency as outlined below.

**Collection Agency Referral process:**

After the patient has received a minimum of 4 statements, they will be sent a letter explaining the next steps in the collection process. This letter reminds patients of the hospital financial assistance (charity care) program and how to apply for a hardship case if they don't qualify for the automated adjustments. It will also explain that the account will be turned over to a collection agency if not paid in full within 30 days from the date of the letter or if there is no pending charity application. Thirty days after the letter is sent the account is then transferred to the agency.

Agencies will not take the following actions to collect:

1. Anything causing an individual arrest.
2. Causing an individual to be held in civil contempt or imprisoned.
3. Foreclosing on an individual's real property.
4. Garnishing wages or State income tax returns

Accounts with balances less than \$2,500.00 will be placed with a collection agency for a minimum of 120 days. The collection agency will close and return the account after the account has been placed with the agency for 120 days with no activity or the patient defaults on the payment plan set up by the agency (determined to be uncollectable)

Accounts with balances of \$2,500.00 and over will be placed with an agency. Accounts will remain with the agency for a minimum of 120 days or until the account is deemed uncollectable by the agency (no limit on how long)

During the first 120 days the patient is in the notification period and must receive information regarding the financial application process and guidelines. The patient is still eligible to apply for financial assistance in the application period during the first 120 days their account has been placed with the collection agency.