

HOLLYWOOD PRESBYTERIAN MEDICAL CENTER

Manual: Patient Accounting Services	
Title: Bad Debt Assignment Procedure	
Formulated: January 2005	Page 1 of 2
Reviewed Only: (no changes)	Revised: 10/09; 4/19; 07/22
Date Approved: July 27, 2022	

Purpose:

To provide guidelines on bad debt assignment.

Scope:

All Hollywood Presbyterian Medical Center Patient Accounting workforce members and/or anyone else who maybe performing the duties outlined below.

Policy:

It is the policy of Hollywood Presbyterian Medical Center (HPMC) to assign accounts to an outside agency for additional collection.

Definition(s):

Accounts written off to Bad Debt are

1. Self – Pay accounts
2. Self – Pay Balance after insurance payment

Procedure:

1. Self-Pay Accounts
 - a. Account is first evaluated for Financial Assistance , using the Charity Policy Guidelines
 - b. Accounts that do not qualify for Financial Assistance remain as Self-Pay.
 - c. Account is netted down to self-pay/cash rate.
 - d. Upon request, an Itemized Bill is sent to the patient
 - e. Three collection letters and several phone calls are made to the patient or patient guarantor, via the HPMC vendor assignment. All activities performed via the vendor are uploaded on the account in the Host System.

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- f. If no response to the collection attempts, the balance is written off and assigned to an outside agency for further collection.
2. Self-Pay Balance After Insurance Payment
- a. Insurance pays and notates on the Explanation of Benefits the patient responsibility.
 - b. Patient portion is billed to patient.
 - c. Three collection letters and several phone calls are made to the patient or patient guarantor, via the HPMC vendor assignment All activities performed via the vendor are uploaded on the account in the Host System.
 - d. If no response after attempts to collect, the balance is written off and assigned to an outside agency for further collection.

References:

None.