



EFFECTIVE DATE: *September 6, 2023*

PROCEDURE TITLE:

Billing and Collection

*To be reviewed every three years by:
Executive Vice President, Chief Financial Officer*

REVIEW BY: *October 1, 2026*

PROCEDURE

This Billing and Collection Procedure identifies the reasonable efforts a Trinity Health Ministry must and will take to determine whether a patient is eligible for Financial Assistance, under the Financial Assistance Policy (FAP). This Procedure identifies the Extraordinary Collection Actions (ECA) defined by Internal Revenue Code §501(r). In addition, this Procedure identifies certain ECAs that a Trinity Health Ministry will not pursue when a patient is determined to be eligible for financial assistance.

Collection procedures will be applied consistently and fairly for all patients, regardless of insurance and source of payment status and taking into account the financial assistance provided to patients as described in the FAP. Trinity Health and the Ministries will pursue collection of patient balances from patients who are Able to Pay for services rendered. All collection procedures will be in compliance with applicable federal and state laws.

I. Reasonable Efforts to Identify Patients Eligible for Financial Assistance

The Ministry will notify the individual that Financial Assistance is available to eligible patients by doing the following:

- A. Providing patients with a written notice that indicates Financial Assistance is available for eligible patients. The written notice also identifies the ECA(s) that the Ministry (or other authorized party) will not initiate for patients eligible for financial assistance.
- B. Notifying the patient of the deadline for applying the financial assistance. The notice will advise that collection efforts may be initiated no earlier than 30 days after the date that the written notice is provided if the patient is determined to be Able to Pay.

- C. Posting on the Ministry website the FAP and posting and providing a Plain Language Summary of the FAP with the 30-day written notice; and
- D. Making a reasonable effort to orally notify the patient about the Ministry's FAP and about how the patient may obtain assistance with the FAP application process.

The Ministry will refrain from initiating ECAs for a minimum of 120 days from the date of discharge/completion of service and unless the patient has been determined to be Able to Pay, also will refrain from initiating ECAs for at least 120 days from the date of the first post-discharge billing statement. In addition, the Ministry will not initiate certain types of ECAs described in this Procedure at any time if the patient is determined to be eligible for financial assistance.

If the individual submits an incomplete FAP application during the 240-day Application Period, the Ministry will notify the individual about how to complete the FAP Application and give the individual at least 30 days to do so.

II. Identification of Reasonable Efforts Taken

Prior to engaging in an ECA reasonable efforts to determine Financial Assistance eligibility must be completed as described in Section I above. The Ministry will make the reasonable efforts described in Internal Revenue Code guidance regarding 501(r).

III. Financial Assistance Application Period

The Financial Assistance Application Period begins the day that care is provided and ends the later of 240 days after the first post-discharge billing statement to the patient or the deadline provided to the patient in a written notice, which will be no earlier than 240 days after the date of service and no earlier than 30 days after the date of the notice.

A Ministry may continue to accept and process FAP applications from patients at any time.

IV. Extraordinary Collection Actions

The Ministry has determined that certain collection actions will not be pursued by the Ministry or by a collection agent on their behalf if the patient has been determined to be eligible for financial assistance.

If a patient submits a complete FAP Application during the Application Period, the Ministry will make an eligibility determination before initiating ECAs.

The following actions will not be taken during the Financial Assistance Application Period:

- A. Deferring or denying, or requiring a payment before providing, medically necessary care because of a patient's non-payment of one or more bills for previously provided care.
 - 1. Prior to requiring payment before providing care to an individual with one or more outstanding bills, the Ministry must demonstrate that it is requiring

the payment from the individual based on factors other than, and without regard to, his or her non-payment of past bills.

- B. Selling a patient's debt to another party, unless the purchaser is subjected to the restrictions described below:
1. The purchaser must agree to not engage in any ECAs to obtain payment of the debt.
 2. The purchaser must agree not to charge interest on the debt in excess of the rate in effect under Section 6621(a)(2) at the time the debt is sold (or such other interest rate set by notice or other guidance published in the Internal Revenue Bulletin).
 3. The debt must be returnable to or recallable by the Ministry upon a determination by the Ministry or the purchaser that the individual is FAP-eligible.
 4. If the individual is determined to be FAP-eligible and the debt is not returned to or recalled by the Ministry, the purchaser must adhere to procedures specified in the agreement. The agreement must ensure that the individual does not pay, and has no obligation to pay, the debt purchaser and the Ministry together more than he or she is personally responsible for paying as an FAP-eligible individual.

For those patients who are determined to be eligible for Financial Assistance, the following collection actions will not be pursued by the Trinity Health Ministry or by a collection agent on their behalf:

- A. Actions that require legal action or a judicial process including, but not limited to:
1. Pursuing legal action to collect a judgment (i.e., garnishment of wages, debtor's exam).
 2. Placing liens on property of individuals.
- B. Reporting outstanding debts to Credit Bureaus.

If the patient submits a complete FAP Application *after* the Application Period, the Ministry will promptly review and process the Application. The Ministry will extend financial assistance to the patient from the date of the receipt of the complete FAP Application if the Application is submitted *after* the Application Period.

V. Insurance and Patient Billing

The Ministry maintains standards to ensure timely and accurate billing to all known primary health plans or payers identified by the patient. The Ministry makes reasonable efforts to collect from all known payers for services rendered to assist patients in resolving their medical bills.

- If the Ministry receives timely, complete and accurate payer information from the patient, within payer timely filing guidelines, and the Ministry does not submit the claim timely and the payer denies the claim due to the timely filing limit, the patient will only be financially responsible for the amount the patient would have been liable for had the payer paid the claim.
- If the Ministry does not receive complete and accurate payer information from the patient, within payer timely filing guidelines, then the patient will be financially responsible for the outstanding balance.

For patient responsibility balances the Ministry maintains standards for regularly and timely issuing billing statements to patients for services rendered. The Ministry submits claims and billing statements in compliance with the No Surprises Act requirements. A toll-free number and business address is included on the patient statements, for questions or disputes related to the amount owed. Payment plans and low-interest loans will be offered to patients that are unable to pay their balance in full during the first statement period.

Per guidelines provided in the FAP, Financial Assistance will be offered to those patients who meet eligibility criteria.

- If a patient qualifies for free care, the Ministry will provide the patient written notification that nothing more is owed.
- If a patient qualifies for less than free care, the Ministry will provide the patient a billing statement that indicates the amount the patient owes for the care, as a FAP-eligible individual, and how that amount was determined.
- In either case, the Ministry will provide a refund for the amount the patient has paid for care that exceeds the amount the patient is determined to be personally responsible for paying under the FAP, unless such excess amount is less than \$5.00.

VI. Collection Agency

Placing a patient's account with a collection agency is not an ECA. External debt collection agencies may be utilized after reasonable collection and payment options have been exhausted. External debt collection agencies will comply with provisions of 501(r) applicable to third parties. If a patient submits a complete FAP Application after an account has been referred for collection activity, the Ministry will suspend ECAs until the patient's application has been processed and the patient has been notified of the Ministry's determination.

VII. Other Discounts

Patients who are not eligible for Financial Assistance and receive emergency or other medically necessary/non-elective care, may qualify for other types of assistance offered by the Ministry. In the interest of completeness, these other types of assistance are listed here. These assistance types are not need-based and are not part of the Financial Assistance Policy and are included here for the convenience of the community served.

- A. Self-Pay Discount: Uninsured Patients who are not eligible for Financial Assistance may receive a discount off total charges, based on the highest commercial rate paid, calculated by Ministry.
- B. Pre-Pay Discount: Uninsured Patients who are not eligible for Financial Assistance may receive a pre-pay discount, at the time of service. The Pre-Pay Discount may be offered in addition to the Self-Pay Discount described in the immediately preceding paragraph.

VIII. Ability to Pay

The Ministry may pursue legal action only for individuals who are Able to Pay, as defined in this Procedure.

SCOPE/APPLICABILITY

This Procedure applies to all organizations within Trinity Health, including its Ministries and Subsidiaries. In addition, each Ministry and Subsidiary within the System that provides or bills for patient hospital care shall adopt an identical Procedure. Organizations that provide or bill for other types of patient care are required to apply this Procedure with adjustments as necessary to the types of services provided.

DEFINITIONS

Able to Pay means

1. An individual who has been determined ineligible for Medicaid through a Medicaid application screening process or who has received a State Medicaid Program denial for Medicaid benefits.
 - a. Trinity Health does not require that an individual apply for Medicaid as a pre-requisite for Financial Assistance.
2. An individual who has been determined ineligible for Financial Assistance after review of the Application or after the Financial Assistance Application Period expires.
3. An individual who has refused to complete an Application or cooperate in the Financial Assistance Application process.

Application Period begins the day that care is provided and ends the later of 240 days after that date or either --

1. The end of the 30-day period that patients who qualified for less than the most generous assistance available based upon Presumptive Support status or prior FAP eligibility are provided to apply for more generous assistance.
2. The deadline provided in a written notice after which ECAs may be initiated.

Financial Assistance means support (charity, discounts, etc.) provided to patients for whom it would be a hardship to pay for the full cost of medically necessary services provided by Trinity Health who meet the eligibility criteria for such assistance.

Financial Assistance Policy (“FAP”) means a written policy and procedure that meets the requirements described in §1.501(r)-4(b).

Financial Assistance Policy Application (“FAP Application”) means the information and accompanying documentation that a patient submits to apply for financial assistance under a Ministry’s FAP. Ministries may obtain information from an individual in writing or orally (or a combination of both).

Ministry (sometimes referred to as Health Ministry) means a first tier (direct) subsidiary, affiliate, or operating division of Trinity Health that maintains a governing body that has day-to-day management oversight of a designated portion of Trinity Health System operations. A Ministry may be based on a geographic market or dedication to a service line or business. Ministries include Mission Ministries, National Ministries, and Regional Ministries.

Mirror Policy means a model policy approved by Trinity Health and that each Ministry is required to adopt as an identical policy, if appropriate and applicable to its operations, but may modify the format to reflect local style preferences or, subject to approval by the ELT member accountable for such Mirror Policy, to comply with applicable state or local laws and regulations or licensing and accreditation requirements.

Policy means a statement of high-level direction on matters of importance to Trinity Health, its Ministries and Subsidiaries or a statement that further interprets Trinity Health’s, its Ministries’ and Subsidiaries’ governing documents. Policies may be either stand alone, systemwide or mirror policies designated by the approving body.

Procedure means a document designed to implement a Policy or a description of specific required actions or processes.

Standards or Guidelines mean additional instructions and guidance which assist in implementing Procedures, including those developed by accreditation or professional organizations.

Subsidiary means a legal entity in which a Trinity Ministry is the sole corporate member or sole shareholder.

RESPONSIBLE DEPARTMENT

Further guidance concerning this Procedure may be obtained from the Vice President of Patient Financial Services.

RELATED PROCEDURES AND OTHER MATERIALS

- Trinity Health “Guidelines for Policy Development”
- Finance Policy No. 1 - Financial Assistance to Patients

- Finance Policy No. 15 - No Surprise Billing

APPROVALS

Initial Approval: September 6, 2023

Subsequent Review/Revision(s):