



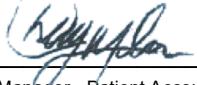
ARROWHEAD REGIONAL MEDICAL CENTER
Patient Accounts Policies and Procedures

Policy No. 701.00 Issue 7
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SECTION: PATIENT ACCOUNTS

SUBSECTION: DEBT COLLECTION

SUBJECT: PATIENT NOTIFICATION OF DEBT COLLECTION REFERRAL

APPROVED BY: Doris Melara 
Administrative Manager - Patient Accounts

I. POLICY

It is the policy of Arrowhead Regional Medical Center (ARMC) to comply with California Code, Health, and Safety Code - HSC § 127425 Health Care Debt and Fair Billing. ARMC shall notify patients of intent to refer past due accounts to the San Bernardino County Revenue Recovery Division (RRD) in compliance with all federal and state regulations.

II. PROCEDURES

- A. Arrowhead Regional Medical Center will make all attempts to collect payment from payor sources identified by the patient or hospital as parties responsible for financial adjudication of medical bills.
- B. When all reasonable attempts have been made by the hospital to collect monies from the responsible parties in a timely manner, such accounts will be referred to the San Bernardino County Revenue Recovery Department (RRD) for debt collection activities under the direction of a Patient Accounts Manager or his/her assigned designee. The following process will be followed by the Patient Accounts department:
1. Self-Pay patients will be referred to the collection agency in approximately 190+ days from the date of service if the account has not been resolved.
 - a. Twenty-eight (28) days (approximately) from the date of service, (portion-EOB the patient/guarantor will be sent a statement detailing services.
 - b. Twenty -Eight (28) days after initial statement, the patient/guarantor will be sent a second statement showing current balance and any financial activity.
 - c. Twenty -Eight (28) days after the second statement, the patient/guarantor will be sent a third statement showing current balance and any financial activity.
 - d. Twenty-Eight (28) days after the third statement, if the account has not been resolved, the patient/guarantor will be sent a fourth statement showing current balance and any financial activity and the account will be considered seriously past due.

- e. Seventy-nine (79) days after the fourth statements is sent a "Goodbye" letter is sent to the patient letting them know their account(s) will be assigned to RRD for further collections.
 - f. As required by SC 127425(e) statute, the Goodbye letter includes the following information:
 - (1) The date or dates of service of the bill that is being assigned to collections or sold.
 - (2) The name of the entity the bill is being assigned or sold to.
 - (3) A statement informing the patient how to obtain an itemized hospital bill from the hospital.
 - (4) The name and plan type of the health coverage for the patient on record with the hospital at the time of services or a statement that the hospital does not have that information.
 - (5) An application for the hospital's charity care and financial assistance.
 - (6) The date or dates the patient was originally sent a notice about applying for financial assistance, the date or dates the patient was sent a financial assistance application, and, if applicable, the date a decision on the application was made.
 - g. The RRD is located at 268 West Hospitality Lane, Second Floor, San Bernardino, CA 92415. Office hours are Monday – Friday 9:00am to 4:30pm and office phone number is (909) 387-8303.
- C. RRD will proceed with collection efforts by contacting the patient or any party financially responsible for these debts.
- a. For a patient that lacks coverage, or for a patient that provides information that he/she may be a patient with high medical costs, RRD shall not report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment at any time prior to 190 days after date of service.
 - b. If a patient is attempting to qualify for eligibility under the hospital's Charity Care or Financial Assistance Programs and is attempting in good faith to settle an outstanding bill with the hospital by making a payment plan, the hospital shall not send the unpaid bill to collections.
 - c. RRD shall not, in dealing with any patient under the hospitals Charity Care or Financial Assistance Program, use wage garnishment as a means of collecting unpaid hospital bills.
 - d. Any extended payment plans offered by ARMC to assist patients eligible under the hospital's Charity Care policy, Financial Assistance policy or any other policy adopted by the hospital for assisting low-income patients with no insurance or high medical costs in settling outstanding past due hospital bills, shall be interest-free. The extended payment plan may be declared no longer operative after the patient fails to make to make all consecutive payments due withing 90-days. A reasonable attempt to contact the patient by phone and, give written notice, that the extended payment plan may be inoperative must be made, along with the opportunity to renegotiate the extended payment plan.

- e. RRD shall follow and honor the patient extended payment plan as expressed in this policy, Section C paragraph d.

REFERENCES: CAL. HSC. Code 127425

DEFINITIONS: N/A

ATTACHMENTS: N/A

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|-----------------------|--------------------------|---|
| APPROVAL DATE: | N/A | Policy, Procedure and Standards Committee |
| | | Applicable Administrator, Hospital or Medical Committee |
| | | Applicable Administrator, Hospital or Medical Committee |
| | <u>11/23/2022</u> | Patient Safety and Quality Committee |
| | | Applicable Administrator, Hospital or Medical Committee |
| | <u>12/8/2022</u> | Quality Management Committee |
| | | Applicable Administrator, Hospital or Medical Committee |
| | <u>1/26/2023</u> | Medical Executive Committee |
| | | Applicable Administrator, Hospital or Medical Committee |
| | | Board of Supervisors |
| | | Approved by the Governing Body |

REPLACES: Policy No. 701.00 Issue 6

EFFECTIVE: 8/1/2013 **REVISED:** 1/1/2019, 10/4/21, 10/31/22