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**MARSHALL**

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Owner Teresa Nicponski: Acute Care/Home Health Billing Supervisor  
Area Hospital Patient Billing  
Applicability Marshall Medical Center Administrative

## Debt Collection Process

### POLICY STATEMENT

This Policy is to ensure that Marshall and its contracted debt collections agencies use a fair and reasonable methods, and comply with all applicable federal and state laws, in collections of Marshall's consumer debt accounts.

### DEFINITIONS

The following terms will be used in this policy.

- **Collection Agency**- means an outside, agency engaging in any patient/guarantor collection activities, but does not include outsource vendor which simply carry out Marshall normal billing functions.
- **Statement of Financial Conditions**- is a application that patients can obtain to help get a discount if they meet certain criteria based off of our policy, [www.marshallmedical.org](http://www.marshallmedical.org)
- **Low Income Uninsured Patient**- means a patient who is at or below 450 percent of the Federal Poverty Level (FPL)

### PROCEDURE AND/OR GUIDELINE

In keeping with its goal of providing compassionate care, Marshall strives to treat all patients fairly, with dignity, compassion and respect. Therefore, Marshall will use its best efforts to ensure that its collections efforts related to the patient accounts are fair, reasonable and consistent. This policy sets forth the general standards of Marshall's debt collection practices, and relationships with the collection

agencies that act on its behalf.

## General Requirements Prior to Collection Agency Action

- A. **Consistency in Billing Statements.** At the time of billing, Marshall will provide all patients the same information concerning services received and charges related to those services.
- B. **Notice of Discounted Payment/Charity Care Availability.** In its bill to all patients, Marshall will include a statement to the effect that if the patient meets certain income requirements the patient may be eligible for government-sponsored payor programs or Discounted Payment/Charity Care through Marshall. Bills will also include the department and telephone number to contact for more information about Marshall's Statement of Financial Conditions program and the application process.

## Relationship with Collection Agencies

- A. **Compliance with Law, Medical Center Standards.** Collection agencies with which Marshall contracts must at all times comply with the Federal Fair Debt Collection Practices Act, the California Rosenthal Fair Debt Collections Practices Act, and any other laws applicable to the collection of consumer debts. Collection agencies with which Marshall contracts also must at all times treat Marshall patients, their families and other contacts fairly, with dignity, compassion and respect. For a copy of Marshall's contract with our outside agencies contact Marshall Legal Department.
- B. **Standards of Contracting with Collection Agencies.** Marshall shall not engage any collection agency to collect patients' accounts unless: (i) the arrangement is set for in a written agreement signed by the collection agency and Marshall's Chief Financial Officer; and (ii) the written agreement attaches this policy as an exhibit and requires the collection agency to comply with this policy.
- C. **Assignment of Patient Accounts to Collections Agencies.**
  - 1. Marshall shall not assign any patient account to a collection agency unless Marshall ( or a subcontractor acting on behalf of Marshall ) has first performed to the best of its ability a patient profile/screen and determined to Marshall's satisfaction that the patient (i) does not qualify for alternative payor sources, (ii) is not agreeable to a payment plan or is no longer cooperating with a negotiated payment plan, (iii) does not qualify for Marshall's Discounted Payment/Charity Care program (or has qualified and been given Discounted Payment or Charity Care, in which case only the amount as adjusted to reflect the Discounted Payments available is forwarded for collections) and (iv) has sufficient assets available to pay the amount owing. For purpose of this policy, Marshall has performed the determinations listed above to the best of its ability where Marshall has made a reasonable attempt to gather the necessary information from a patient and the patient either does not respond within a reasonable time or is uncooperative in providing the necessary information.
  - 2. When Marshall assigns an account to a collection agency, the amount that will be assigned for collection will be the amount remaining after any prior discount

arrangements or waivers have been applied to the account balance.

3. For patients who have an application pending for either government- sponsored coverage or for Marshall's own Discounted Payment/Charity Care program, Marshall shall not knowingly send or assign such patient's bill to an outside collection agency prior to 180 days from the date of Marshall's initial billing of that account.
4. For patients who have qualified for Discounted Payment/Charity Care or who have negotiated a payment plan and are reasonably cooperating with Marshall in settling an outstanding bill, Marshall will not knowingly send or assign such patient to an outside collection agency if Marshall knows that doing so may negatively impact a patients credit.
5. If a debt collection agency determines that a patient account qualifies for an alternative source of payment, or determines that the patient does not have significant assets, the collection agency shall return the account to Marshall with an explanation of the determination and the supporting data.
6. If a patient asks a debt collection agency whether Marshall offers a discount from its charges based on the patient's status as a cash-paying patient, the contracted collection agency can offer up to 30% without consulting with Marshall. Anything above and beyond 31% will need to be approved by Marshall's Director of Hospital Patient Billing or designee, who will have the authority to adjust the account in compliance with Marshall's cash discount policy.

D. **Required Approvals of Specific Collection Practices.** When providing services on Marshall's behalf, collections agencies may only take the following actions upon receipt of the approval noted below:

Action	Low-Income/Uninsured Patients	Other Patients
Negotiated Payment Plan	Financial Counselors	Financial Counselors
Adverse report to Credit Bureau	Assignment to the collection agency by the financial counselor is approval	Assignment to the collection agency by the financial counselor is approval

## RECORDKEEPING

Hospital Patient Billing shall maintain adequate notations and documentation in Marshall's patient accounting system to document Marshall's compliance with the requirements of this policy. Each collection agency is also required to maintain adequate documentation in its files to show that the collections agency has complied with the requirements of federal and state consumer debt collections laws and with all other requirements of this policy applicable to the collection agency.

## REFERENCES

For specific policies and procedures related to Marshall's internal process for communicating with patients that are outsourced with a collection agency please refer to Hospital Patient Billing Financial Counselors Policy and Procedures.

## Approval Signatures

Step Description	Approver	Date
Director of Hospital Patient Billing	Karen Dostart: Director of Hospital Patient Billing & Payor Contr	04/2024
	Teresa Nicponski: Acute Care/ Home Health Billing Supervisor	04/2024

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## Applicability

Marshall Medical Center - Administrative

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