

Washington Hospital Healthcare System Collection Notification Policy

Purpose

The purpose of this policy is to insure that the appropriate collection steps are taken with regards to self pay balances. The policy includes when and under whose authority patient debt is advanced for collection, whether the collection activity is conducted by the hospital, affiliate or subsidiary of the hospital, or by an external collection agency, maintains State and Federal standards and practices for the collection of a debt, as well as provides the Patient Notice at Debt Collection.

Policy

Washington Hospital will notify patients timely and ethically of all billing and collection activity as well as defining standards and practices for the collection of debt.

Accounts are referred to a collection agency after 150 days of standard hospital patient billing activity. All patient debt is carefully reviewed and approved by Patient Accounting Staff, the Patient Account Manager, the Director of Financial Services, as well as the CFO.

All state and federal debt collection statutory requirements are adhered to by the collection agency including but not limited to, the Rosenthal Fair Debt Collection Practices Act and the Federal Debt Collection Practices Act including a statement that the Federal Trade Commission enforces the federal act.

Procedure

- The Collection cycle generates our first statement once payment has been transferred to the patient bucket, or if true Private/Self Pay statement is generated at time of initial billing. The follow-up schedule includes a series of three statements and one follow-up letter before pre collect, then agency collection activity begins and continues as outlined in the collection flow (Exhibit A). CCI is not a credit reporting agency and is a part of our internal collection efforts.
- The first collection statement is designed to support each type of account based on the scenario. The series begins with a Patient Balance Statement which is defined to when the account balance is a patient liability either after final insurance payment or if a true self pay patient balance. This cycle continues with the first statement letter 1 at day 29 continuing with statement letter 2 and 3 automatically every 14 days through to day 71. At day 71 a follow up patient statement letter is sent offering the patient to make arrangements or pay in full before the account is turned over to CCI.
- Statements sent to private pay/uninsured patients include a notice that financial assistance is available by contacting the name and number provided on their statement. Uninsured patients seen in our patient services are offered a discount

Washington Hospital Healthcare System
Collection Notification Policy

of 35 - 45% of total charges depending on if a District resident. Refer to our Uninsured Discount Policy.

- Payment arrangements are offered to provide every effort to work with the patient based on their situation within reasonable financial practice. Patient may also be eligible for our Charity program if they meet the criteria for assistance under the charity policy. Applications are submitted monthly for review and approval to the Director of Financial Services.
- Our pre-collection patient (CCI) process is a final attempt with our collection effort before sending the account to our outside collection agency. CCI allows both patient and management the opportunity to make arrangements, place the account on hold for special consideration or make a change in the financial status. Once the account is placed with CCI it will only qualify at the end of the follow up schedule which must be at least 106 days from first patient notice of a patient balance due. There is a WAIT step message in STAR that indicates statements are no longer being sent out by our department. CCI will then send out three pre-collection letters which are sent every other week at 14 day intervals for a total of 42 days, this allows the patient sufficient time to settle the account. The last letter notifies the patient that CCI is at final disposition before the account is transferred and automatically set up for Bad Debt pre-list at day 148 from the first patient notice of a patient balance.
- Our collection practice is standardized for both inpatient and outpatient in efforts to offer every opportunity to support our patients, occasionally we have exceptions which are handled based on the individual scenarios. This reflects our standard collection practice at Washington Hospital.
- Notifications of adverse information is not reported to a consumer credit reporting agency or are civil actions commenced against a patient for nonpayment at any time prior to 190 days after initial billing from the first patient notice of a patient balance.
- All accounts over \$5,000 are reviewed by the Patient Accounting Manager and then submitted for final approval by the Director of Patient Financial Services and Chief Financial Officer.

Washington Hospital Healthcare System
Collection Notification Policy

Exhibit A: Collection Flow Table Pt Balance after Insurance or True Self Pay

Statement/Letter Series	Number of Interval Days	Running Days from Initial Patient Balance Due Statement	Message
Patient Balance Statement after final Insurance Payment and Patient Balance equals Account Balance or True Self Pay	0	1	Itemized statement, Balance Due
Statement Letter 1	28	29	Standard Message 1, Balance Due, System Generated
Statement Letter 2	14	43	Standard Message 2, Balance Due, System Generated
Statement Letter 3	14	57	Standard Message 3, Balance Due, System Generated
Follow-Up Statement Letter	14	71	Final Letter Offering Arrangements
Wait Time for CCI Letter Series	21	85	
CCI Letter 1	14	106	Over Due Notice
CCI Letter 2	14	120	Delinquent Account
CCI Letter 3	14	134	Final Notice
Wait Time for Bad Debt Agency Assignment	7	148	
Bad Debt Letter 1	14	155	Over Due Notice
Bad Debt Letter 2	14	169	Delinquent Account
Wait Time for Credit Bureau Notification	7	183	
Credit Bureau Notification	0	190	

Washington Hospital Healthcare System
Collection Notification Policy

Exhibit B:

- Our Collection Agency requesting patient debt verification required with 30 days (a total of 155 days after initial patient notice of a patient private pay balance). Final Agency credit bureau notification is scheduled to occur after 30 days of undisputed debt request, (35 days per agency at day 190 from initial patient notice of patient balance owing).
- A plain language summary of the patient's rights pursuant to this article, the Rosenthal Fair Debt Collection Practices Act (Title 1.6C (commencing with Section 1788) of Part 4 of Division 3 of the Civil Code), and the federal Fair Debt Collection Practices Act (Subchapter V (commencing with Section 1692) of Chapter 41 of Title 15 of the United States Code).
- A statement that nonprofit credit counseling services may be available in the area.

Washington Hospital Healthcare System Collection Notification Policy

DERECHOS DEL CONSUMIDOR

Este aviso es de un cobrador de deudas. Es un intento para cobrar una deuda. Cualquier información obtenida será usada con ese propósito.

A menos de que usted notifique a esta oficina dentro de 30 días después de recibir esta noticia que usted está en desacuerdo con la validez de esta deuda o alguna porción de ésta, nuestra oficina asumirá que la deuda es válida. Si usted notifica a esta oficina por escrito dentro de 30 días después de haber recibido esta noticia que usted está en desacuerdo con la validez de esta deuda o alguna porción de ésta, esta oficina obtendrá verificación de la deuda u obtendrá una copia de la decisión de la corte y se le enviará.

Si usted solicita a esta oficina por escrito dentro de 30 días después de recibir esta noticia, esta oficina le proveerá el nombre y la dirección del acreedor original si fuera diferente del presente acreedor.

Notice Requirement:

"The state Rosenthal Fair Debt Collection Practices Act and the federal Fair Debt Collection Practices Act require that, except under unusual circumstances, collectors may not contact you before 8 a.m. or after 9 p.m. They may not harass you by using threats of violence or arrest or by using obscene language. Collectors may not use false or misleading statements or call you at work if they know or have reason to know that you may not receive personal calls at work. For the most part, collectors may not tell another person, other than your attorney or spouse, about your debt. Collectors may contact another person to confirm your location or enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission at 1-877-FTC-HELP or www.ftc.gov."

Nonprofit credit counseling services may be available in the area. State and federal law require debt collectors to treat you fairly, and prohibit debt collectors from using profane language or making improper communications with third parties, including your employer.

Aviso Reuerido:

"La ley estatal de California Rosenthal y la ley federal de Cobranza Imparical de Deudas requieren que, salvo circunstancias excepcionales, cobradores no pueden hacer contacto con usted antes de las 8 de la mañana y después de las 9 de la noche. Ellos no pueden molestarle usando amenazas de violencia o de arresto o usando palabras obscenas. Los cobradores no pueden usar información falsa o engañosa o contactarle en su trabajo si ellos saben o tienen razón de saber que Ud. no puede recibir llamadas personales en el trabajo. Generalmente, los cobradores no pueden hablar con nadie, aparte de su abogado o su esposo/esposa, sobre su deuda. Los cobradores pueden hablar con otra persona para confirmar su dirección o hacer cumplir una sentencia. Para más información sobre las actividades de cobranza, Ud. puede llamar gratis al 1-877-FTC-HELP (1-877-382-4357); o puede visitar www.ftc.gov."

Servicios sin ánimo de lucro del consejo de crédito pueden estar disponibles en el área. La ley del estado y la ley federal requieren que los recaudadores de deudas le traten justamente, y les prohíben a los recaudadores de usar lenguaje profano o de hacer comunicaciones no apropiadas con los terceros, incluyendo a su patrón.