Community Healthcare Partner, Inc. Colorado River Medical Center		Policy #: 8530-201	
Department: Business Office	Policy: Business Office Debt Collection Policy	Established: 06/2013	
Revised: 8/22, 8/25, 6/26	Reviewed: 6/13, 8/22, 8/25, 6/26	Approved: 6/13, 8/22, 8/25, 6/26	Page 1 of 3

Business Office Debt Collection Policy

I. PURPOSE

To establish fair, consistent, documented, and legally compliant standards for billing, financial-assistance screening, payment arrangements, referral to collection agencies, legal collection activity, and debt sale.

II. POLICY

CRMC shall pursue patient balances consistently with applicable law and shall not use collection practices that interfere with a patient's right to apply for financial assistance. Emergency care shall not be denied based solely on ability to pay.

III. FINANCIAL ASSISTANCE BEFORE COLLECTION

- CRMC shall provide required financial-assistance notices and an opportunity to apply before collection activity is initiated.
- Accounts for patients who are actively applying for financial assistance shall be placed on hold from collection activity while the application is being timely processed.
- Collection activity shall not be based on information obtained from tax returns, paystubs, or monetary-asset documentation collected solely for financial-assistance eligibility determinations.
- Any discount or charity-care adjustment shall be applied before an account is referred for collection, consistent with the financial-assistance determination.

IV. AUTHORITY TO REFER DEBT

Patient debt may be advanced or referred for collection only under authority delegated by CRMC leadership. The Business Office/PFS Manager shall ensure that the account has completed required billing, notice, financial assistance, and documentation steps before referral. Legal action or debt sale requires the additional approval specified in CRMC's delegation-of-authority schedule.

V. COLLECTION STANDARDS AND PRACTICES

- Collection vendors must comply with all applicable federal and California consumer-protection, hospital fair-billing, and debt-collection requirements.
- CRMC and its vendors shall communicate accurately, respectfully, and without harassment, abuse, deception, or unreasonable pressure.

- Patients shall be given clear information about the amount claimed, available financial assistance, payment options, and how to dispute the balance.
- Collection activity shall stop or be suspended when required by law or when an account is under active financial-assistance review, dispute, or other protected status.
- Vendors shall return accounts to CRMC when instructed and shall provide documentation of collection activity upon request.

VI. DEBT SALE

CRMC shall not sell patient debt to a debt buyer unless the patient has been determined ineligible for financial assistance or has failed to respond to attempts to bill or offer financial assistance for at least 180 days, as required by applicable law. If the patient responds to an attempt to bill or offer financial assistance, the applicable waiting period shall be reset as required.

VII. PAYMENT PLANS

CRMC shall offer an interest-free and reasonable extended payment plan to qualifying patients when required. If the hospital and patient cannot agree, CRMC shall apply the statutory reasonable-payment-plan formula in effect at the time.

VIII. LEGAL ACTION / CREDIT REPORTING

CRMC shall not initiate legal action, sell debt, or engage in credit-reporting activity unless all applicable statutory prerequisites, notices, financial-assistance opportunities, waiting periods, and approvals have been satisfied.

IX. VENDOR CONTRACTS AND OVERSIGHT

Contracts with collection agencies and other debt-collection vendors shall require compliance with this policy and applicable law, including restrictions on debt sale, financial-assistance information, patient communications, payment plans, recordkeeping, and return of accounts.

X. RECORD RETENTION AND MONITORING

CRMC shall retain required records of billing, notices, financial assistance offers and determinations, payment plans, collection referrals, vendor activity, debt sales, and complaints for the period required by applicable law. The Business Office and Compliance function shall periodically audit collection activity for adherence to this policy.

XI. PROHIBITED PRACTICES

- Using financial-assistance documentation as a basis for collection activity.
- Selling patient debt before the applicable statutory conditions are met.
- Referring to an account for collection while a timely financial-assistance application is pending.
- Misrepresenting the amount owed, legal status of a debt, or availability of financial assistance.
- Using collection practices that are abusive, deceptive, or otherwise prohibited by law.