

Policy Number: ARM.07.01	Department Name: AR Management
Policy Title: Account Assignment to Collections	Page: 1 of 4
	Effective Date: 11/27/2024
	Previous Versions: 12/16/21, 7/28/17
	Approved By: Policy Governance Committee

I. Scope

This policy applies to (1) Conifer Health Solutions, LLC, Conifer Holdings, Inc., and its affiliated and/or related entities; and (2) any other entity or organization in which Conifer or an Affiliate owns a direct or indirect equity interest of 50% or more (collectively, “Conifer”).

II. Purpose

To provide an overview of the process Patient Financial Services follows to assign all Self-Pay accounts and “balance after insurance” (BAI) accounts to a third party collection agency for collections on accounts that have defaulted.

III. Definitions

Early Out: The department servicing accounts on behalf of and typically in the name of a Conifer Client, where the balance after all commercial insurance, Medicare, or Medicaid payments have been applied and is considered the patient’s financial responsibility.

Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule: U.S. law designed to provide privacy standards to protect patients’ medical records and other health information provided to health plans, doctors, hospitals, and other healthcare providers.

Self-Pay: Medical debts resulting from uninsured balances, balance after insurance, and balance after Medicare/Medicaid or other insurance providers.

Team Member: Includes only employees of Conifer.

IV. Policy Statement

It is Conifer’s Patient Financial Services team’s responsibility to:

- A. Treat patients fairly regardless of their financial ability to pay for the services provided and to meet the expectations of Conifer’s Code of Conduct during all collection activities.
- B. Upon completion of the Early Out billing cycle, systematically assign accounts to a collection agency or return accounts to the client in accordance with client policy and/or client agreement with Conifer.
- C. Provide the collection agency to whom the account is assigned with the necessary information and documentation regarding the account balance, payments/transaction, patient demographics, and provide access to contract/Conditions of Service terms.

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V. Procedure

A. Transfer Eligibility

When an account has completed the patient billing Early Out cycle, a patient accounting system set of rules will automatically evaluate the account based upon the client's policy including, where applicable, 501(r) requirements and any other statutory or regulatory requirements, to determine if the account is eligible for write-off and assignment to a collection agency.

1. The account will be eligible for assignment to the collection agency when both of the following events have occurred, unless one of the exceptions from Section A. 2. (below) applies:

Account has completed the Early Out billing cycle and an outstanding balance remains due; and

Where applicable, a final notice that payment remains due has been sent in accordance with client policy or regulations.

2. The account will not be eligible for assignment to a collection agency if one or more of the following cases are true:
 - a. Account balance is zero or is otherwise not owed, or the account has been cancelled;
 - b. A stay request has been submitted to not allow an account to be assigned;
 - c. Account is in active bankruptcy, not dismissed or discharged;
 - d. If there is commercial medical, Medicare, or Medicaid insurance responsible for any portion of the bill;
 - e. Guarantor and client (or Conifer acting on behalf of the client) have mutually agreed to a discounted payment in full or monthly payments and the guarantor has not defaulted on such payment(s);
 - f. Account balance is below a specific balance threshold set by client and, when not set by the client, will be an account balance that is less than \$25;

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- g. Where applicable, a final notice has not been sent to the guarantor in accordance with client policy and/or regulations;
- h. Guarantor has disputed any portion of the account that has not been researched and responded to or the guarantor has requested additional information in support of the debt owed;
- i. Guarantor is a minor;
- j. If account has surpassed Statute of Limitations, based on guarantor’s state of residence;
- k. Eligible for Presumptive Charity under client’s policy, if applicable. or
- l. The account is pending charity review pursuant to a financial assistance application. Accounts will be held in Early Out until a determination is made regarding the application and a notice is sent to the patient.

B. Transfer Process

On a regular basis, usually daily unless otherwise required at some other interval by the client’s patient accounting system, eligible accounts written off to bad debt are either returned to the client or transferred to a third party debt collection agency via electronic file, as specified by client policy and/or agreement with Conifer. In addition, Conifer or its client will provide access to information and/or documentation supporting the indebtedness owed by the guarantor or its estate in the case when the guarantor is deceased.

Electronic account files are transmitted in accordance with client/vendor requirements and any regulatory requirements. The file is delivered to a secure FTP server, for which only designated Conifer staff and client staff have authority to access.

At a minimum, the following account data is transferred through the electronic file:

1. Patient account number
2. Patient address
3. Patient/guarantor name and social security number

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4. Account balance
5. Date(s) of service
6. Charge details
7. Facility/creditor name
8. Flag to indicate if current address is not valid, if available
9. Account notes
10. Transaction history

VI. Enforcement

All Team Members whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will subject Team Members to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

VII. References

ARM.07.01JA_Account Assignment to Collection

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I. Workflow Evaluation for Accounts Assignment to Collection Agency

A. Workflow will only evaluate the account for assignment once the account has completed the Patient Billing Early Out cycle

1. Account has completed Patient Billing Early Out cycle based on client and/or regulation requirements.
 - a. Non-for-profit clients adhering to 501r regulations, an account can be eligible for assignment collection agency at 120 days from assignment to Early Out.



(iv) Adventist Health



(vi) UCI Health

2. Clients following Conifer standard cycle of 90 or 120 days based on propensity to pay.

a. Tenet Healthcare



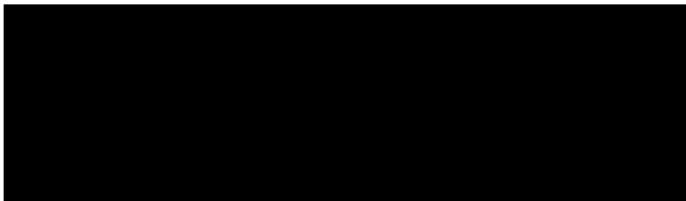
c. Other Commercial Clients

3. The notice sent to entities complying with 501r must include:

- a. A statement that financial is available for eligible individuals.
- b. A statement that collection activities will be initiated.
- c. The deadline that activities will be initiated.

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4. Account is not pending resolution of a patient request, such as but not limited to, adjustment review, dispute/complaint, refund request, financial assistance application review or insurance billing.
5. Account did not qualify for client specific Presumptive Charity Eligibility scrub, if applicable.
6. Bankruptcy accounts that are not dismissed.
7. Small Balance threshold guidelines by client.
 - a. Tenet Healthcare - \$4.99 and under



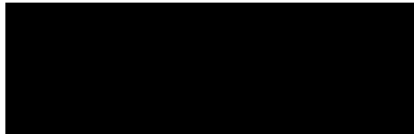
- e. Adventist Health - \$4.99 and under
- f. UCI Health - \$4.99 and under



8. Guarantor defaulted on formal payment plan agreement greater than 7 days from date of evaluation for assignment to collections, unless state law requires longer
9. Account age is within state Statute of Limitation regulatory timelines, allowing us to continue to bill the patient.
10. Guarantor on account has not been identified as a minor at time of treatment.
11. Final notice is sent to guarantor in accordance with client policy or regulatory requirements.
 - a. For non-for-profit clients adhering to 501r regulations, final notice is sent 30 days prior to completion of Patient Billing Early Out cycle of 120 days; letter is sent at day 90.



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- b. For facilities in state of North Carolina and in accordance with House Bill 834, letter is sent 30 days before the account completes Patient Billing Early Out cycle of 120 days; letters are sent at day 90.
- c. A client following Conifer standard process, final notice is generally sent; 15 days prior to completing Patient Billing Early Out cycle of 90 or 120 days; letter sent generally around 95 days.

(i) Tenet Healthcare



II. References

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