



Manual	Business Office
Title	Billing and Debt Collection
Policy Number	
Effective Date	1/2008
Revise Date	3/2013; 10/22; 11/2023,12/24
Review Date	
Scope	Organization Wide
Reference	CHA Hospital Charity Care & Discount Policies Handbook

POLICY:

Kentfield Hospital and its Billing Offices must demonstrate due diligence in the collections of all Patient Account Balances. Kentfield Hospital must follow appropriate state Medicaid and federal Medicare billing requirements as they relate to the submission of coinsurance and/or deductible amounts. Prior to transferring to the Outside Collection service, the Billing Office shall make at least three reasonable collection efforts on each account in thirty-day increments. The collection attempts can be made either by phone calls or the mailing of Account Statements. If during this period, the Patient contacts the Billing Office about the balance due and patient has attempted to resolve the balance due, the account cannot be sent to Collections. The account can only be sent after 60 days of no resolution or positive contact with the patient.

If at the time of Admission or during the billing process a patient makes Staff aware they may qualify for Charity Care, a copy of the specific facility's Charity Care and Discount Payment program must be provided to the patient. Patients without insurance will be treated fairly and with respect during and after their treatment. Kentfield Hospital will provide financial counseling to all patients requiring financial assistance. This will include help in understanding and applying for local, state, and federal healthcare programs such as Medicaid. All patients will be offered reasonable payment plans and, subject to their acceptance of the offer, will be billed at discounted rates. Any patient who lacks coverage or provides information that he or she may have "high medical costs", Kentfield Hospital and its Collection

Agency will not report adverse information to any consumer credit reporting Agency. Additionally, Kentfield Hospital and its Collection Agency will not commence civil action against the patient for non-payment prior to 180 days from the initial billing date.

BILLING PROCEDURE:

a. Billing Third-Party Payers

For all patients with health insurance, Kentfield Hospital will bill the third-party payer information as provided or verified by the patient on a timely basis.

If a third-party payer denies the claim due to Kentfield Hospitals error, Kentfield Hospital will not bill the patient for any amount in excess of that for which the patient would have been liable had the third-party payer paid the claim. However, if the third-party payer denies the claim due to factors outside of Kentfield Hospitals control, hospital staff will follow up with the third-party payer and patient as appropriate to facilitate a resolution to the claim. If a resolution cannot be reached, after reasonable follow up efforts, Kentfield Hospital may bill the patient or take other actions consistent with current industry standards.

b. Billing Insured Patients

For all patients with health insurance, Kentfield Hospital shall send the bill to the billing department to assist in billing and collecting the patient's responsibility amount as computed by the explanation of benefits (EOB) and as directed by the third-party payer. Kentfield Hospitals billing department will comply with the hospitals billing and collection policy as well as all state federal laws.

c. Billing Uninsured Patients

For uninsured patients, Kentfield Hospital shall promptly send the patients' bill for items and services provided to the billing department.

d. Requesting an Itemized Statement

All patients may request an itemized statement for their account at any time.

e. Accessing Financial Assistance Information and Application

Kentfield Hospital will again provide a summary of its Financial Assistance Policy to all patients that receive services at Kentfield Hospital. All billed patients will have the opportunity to contact Kentfield Hospital regarding financial assistance for their accounts. Financial assistance may include charity care, discounted care, or other applicable programs.

Kentfield Hospital financial assistant application is available free of charge by visiting: <https://kentfieldhospital.org/help-paying-your-bill/>

Kentfield Hospital and the Collection Agency, debt buyers, or other assignees not a subsidiary or affiliate of Kentfield Hospital (the "Collection Agency") shall not pursue collections from a patient who is attempting to qualify for financial assistance under Kentfield Hospital financial assistance policy and is attempting in good faith to settle an outstanding bill by negotiating a Reasonable Payment Plan. A "Reasonable Payment Plan" is defined as a monthly payment that does not exceed 10% of the patient's family income for a month, excluding deductions for Essential Living Expenses, or an amount as negotiated and arranged by Kentfield Hospital billing office.

Kentfield Hospital will only use the patient's income information for determining eligibility and debt due. Kentfield Hospital will not use this information for collection activities. If the patient has already paid more than the amount due after the financial assistance determination, Kentfield Hospital shall refund the amount paid to Kentfield in excess of the amount due including interest at the rate provided in the Code of Civil Procedure Section 685.010 from the date of Kentfield Hospital receipt of the overpayment.

f. Collections

After 180 days have passed since the initial billing statement was provided to the patient and whether Kentfield Hospital has found the patient ineligible for financial assistance or the patient has not responded to any attempt to or offer financial assistance, Kentfield Hospital may place the patient's bill with a Collection Agency to collect outstanding balances at the discretion of the Director of Revenue Cycle/business office or his/her designee.

COLLECTION PRACTICES.

In compliance with relevant state and federal laws, and in accordance with the provisions outlined in this Billing and Collection Policy, Kentfield Hospital and its Collection Agency may engage in collection activities to collect outstanding patient balances.

Kentfield Hospital and its Collection Agency shall not pursue collections from a patient who is attempting to qualify for financial assistance under Kentfield Hospital's financial assistance policy and is attempting in good faith to settle an outstanding bill.

Information obtained from income tax returns, paystubs, or the monetary asset documentation collected for the discount payment or charity care eligibility determinations cannot be used for collection activities.

a. Initiating Collection Actions

After at least 180 days have passed since the initial billing statement was provided to the patient and either Kentfield Hospital has found the patient ineligible for financial assistance or the patient has not responded to any attempt to bill or offer financial assistance, Kentfield Hospital may place a patient's bill with a collection agency to pursue collection actions to collect outstanding balances at the discretion of the director of revenue cycle/business office or his or her designee. For patients found ineligible for charity care or discount care under Kentfield Hospital's financial assistance policy the collection agency may not use wage garnishment or file a lien against a patient's primary residence as a means of collecting unpaid hospital bills.

If the patient has a pending appeal for coverage of the claims and has made a reasonable effort to communicate with Kentfield Hospital about the progress of the appeal, the hospital will wait until a determination of that appeal is made to place the patient's unpaid bill with the collection agency.

b. Required Notices

Before initiating collection activity to obtain payment, Kentfield Hospital shall send patient notice with the following information:

- The dates of service of the bill that is being assigned to collections or sold;
- the name of the entity the bill is being assigned or sold to;
- a statement information the patient how to attain an itemized hospital bill from Kentfield Hospital;
- the name and plain type of health coverage for the patient on record with the hospital at the time of services or a statement that the hospital did not have that information;
- an application for the Kentfield Hospital financial assistance.
- the dates the patient was originally sent a notice about applying for financial assistance.
- Every initial statement of charges mailed to patients will include the following plain language summary of the patient's rights pursuant to AB 774, the Rosenthal Fair Debt Collection Practices Act, and the federal Fair Debt Collection Practices Act:
 - i. *“State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 877-FTC-HELP.*

REVIEW/REVISION:

This Policy will be reviewed periodically and updated as required by changes in operations and/or laws, rules, and regulations.

DEFINITIONS:

All terms not defined within this Billing and Collections Policy will be defined in accordance with California Health and Safety Code section 127400.

- a. **Collection Agency:** a collection agency contracted by Kentfield Hospital, a debt buyer, or other assignees not a subsidiary or affiliate of Kentfield Hospital that is attempting to collect, including through collection actions, unpaid bills for provided services.
- b. **Essential Living Expenses:** Expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or childcare, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.
- c. **Reasonable Payment Plan:** A monthly payment that does not need 10% of the patient's family income for a month, excluding deductions for Essential Living Expenses.

RELATED DOCUMENTS:

Financial Assistance, Charity Care & Billing Practices for Underinsured