Tri-City Healthcare District
Oceanside, California

ADMINISTRATIVE
DISTRICT OPERATIONS

ISSUE DATE: 11/22   **SUBJECT: Self-Pay and Collections Policy**

REVISION DATE:

Administrative Content Expert Approval:	07/25
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Board of Directors Approval:	11/22

A.   **PURPOSE:**
1.   To explain how Tri-City Medical Center (TCMC) handles self-pay and remaining balance after insurance (this means unpaid bills) when your bill is sent to a third-party collection agency.

B.   **DEFINITION(S):**
1.   Charity Care – 100% free medical care for medically necessary services that is services you need, based on state and federal law and Tri-City Medical Center' policies that follow laws.
2.   Discounted Payment Program– Paying less than the full price for needed or required medical services, as allowed by law and provided at Tri-City Medical Center.
3.   Self-Pay Patient – A patient who does not have health insurance covering all or any part of their bill. this includes but is not limited to one or all of the following:
  a.   Federal healthcare program
  b.   Workers' compensation
  c.   Medical savings account, or
  d.   Other coverage for all or any part of your bill, including:
    i.   Claims against other parties covered by insurance
    ii.   Automobile insurance or other insurance as determined and documented by the hospital
4.   Uninsured Patient - A patients who does not have any insurance to pay their medical services.

C.   **SELF-PAY PROCESS (HOW BILLS ARE HANDLED):**
1.   If you owe money after insurance:
  a.   Your bill is sent to a company (called a first party self-pay outsourcing vendor) that works with the hospital to collect money owed.
  b.   You will get a series of letters and phones calls over 120 days (about 4 months) from the first party self-pay outsourcing vendor
    i.   Day 2 – First letter is mailed
    ii.   Day 42 – Second letter is mailed
    iii.   Day 82 – Third letter, known as the "Goodbye" Letter and Financial Assistance Application mailed

      c.   After 120 days the balance is then assigned to a collection agency for additional collection measures. Exceptions include:

          i.   You are making payments as arranged.

          ii.   You are in bankruptcy or have shared documents to show this.

          iii.   You have an application for charity care or financial help that is still being reviewed.

          iv.   Your bill is too low to be sent to collections (below a certain amount)

          v.   Medi-Cal Managed, Medicare, or Medi-Cal is responsible for the charges.

          vi.   The legal time to collect the bill has expired.

      d.   If you qualify, you can get a payment plan with no interest. We will work with you to find a monthly payment amount you can afford.

2.   If you Self-Pay; uninsured / underinsured (that is you don't have enough insurance):

      a.   Financial counselors will help you:

          i.   Apply for state and Federal Health Care Programs (like Medi-Cal)

          ii.   See if you can get insurance through the Affordable Care Act ACA

          iii.   A hospital staff will inform you or provide you information of Financial Assistance Programs that may be available to you at the hospital and assist you with completing the application

      b.   If you still owe a balance after getting help, your bill goes through the same process as above, that is letters, phone calls, and possible collections. All uninsured patients get an automatic 40**%** discount off the total bill.

D.   <u>**PROGRAMS FOR PATIENTS WITHOUT ENOUGH INSURANCE OR NOT USING INSURANCE:**</u>

1.   Tri-City Medical Center offers these programs to help you pay your bill:

      a.   Self-Pay Discount Program – for those with no insurance or not using insurance

      b.   Financial Assistance

      c.   Payment Plan Program

      d.   Charity Care – Free care for those who qualify, based on income

E.   <u>**COLLECTIONS PROCESS (HOW ACCOUNTS GO TO COLLECTIONS):**</u>

1.   Who is eligible for collections?

      a.   If you have finished the billing process and still owe money.

      b.   You got a final "Goodbye" letter that states you owe over $25.00 (Twenty-five Dollars) or whatever amount the hospital decides.

2.   How it works: (Balance after Insurance / Self-pay (Uninsured) Patients:

      a.   Accounts are sent electronically to collections, following laws and hospital rules.

      b.   Two different collection agencies may be used, based on last name.

      c.   The collection agency will have documents to prove what you owe.

      d.   All collections follow laws like the Federal Fair Debt Collection Practices Act, Rosenthal Fair Debt Collection Practices Act, and other state and federal financial assistance laws

      e.   Sometimes accounts can be brought back from collections to Tri-City Medical Center at the discretion of the hospital and / or state or federal laws and regulations.

      f.   If your mail is returned as undeliverable, we will try to find you through skip tracing and phone calls before sending to collection.

F. **COMPLIANCE WITH STATE LAW:**
    1. This policy follows California law, including all requirements for letting patients know about financial help. You will always be told about financial help on your billing statements, in writing, and before any collections process begins. If you have a financial assistance application waiting for review, or if you qualify but have not been notified, the bill will NOT be sent to collections.
        a. California laws include:
            i.   California Health & Safety Code Sections 127400–127446
                 https://california.public.law/codes/health_and_safety_code_section_127400
            ii. Assembly Bill (AB) 1020 Hospital Fair Billing Program Laws & Regulations - HCAI
            iii. Senate Bill (SB) 1276

G. **REFERENCE(S):**
    1. Affordable Care Act (ACA) in California- Affordable Care Act in California | Health for California
    2. California Department of Health Care Access and Information Frequently Asked Questions - HCAI
    3. Charity Care and Discounted Payment Program
    4. Federal Fair Debt Collection Practices Act
    5. Rosenthal Fair Debt Collection Practices Act