



<b>Policy Title: Billing &amp; Collections Policy</b>	
<b>Policy Number: OFS 006</b>	
<b>Effective Date: 1/16/16</b>	<b>Revision Date: 2/29/24</b>
<b>Manual/Section:</b>	
<b>Applicable Catalogs: CAH, RHC, SWG</b>	

**Policy Statement**

After our patients have received services, it is the policy of Livingston HealthCare to bill patients and applicable payers accurately and in a timely manner. During this billing and collections process, staff will provide quality customer service and timely follow-up, and all unpaid accounts will be handled in accordance with the IRS and Treasury’s 501(r) final rule under the authority of the Affordable Care Act.

It is the goal of this policy to provide clear and consistent guidelines for conducting billing and collection functions in a manner that promotes compliance, patient satisfaction, and efficiency. Through the use of billing statements, written correspondence, and phone calls, Livingston HealthCare will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts. Additionally, this policy requires Livingston Healthcare to make reasonable efforts to determine a patient’s eligibility for financial assistance under Livingston HealthCare’s Financial Assistance Policy before engaging in collection actions to obtain payment.

**Definitions**

Financial Assistance Policy (FAP): A separate policy that describes Livingston HealthCare’s financial assistance program—including the criteria patients must meet in order to be eligible for financial assistance as well as the process by which individuals may apply for financial assistance. Reasonable Efforts: A certain set of actions a healthcare organization must take to determine whether an individual is eligible for financial assistance under Livingston HealthCare’s financial assistance policy. In general, reasonable efforts may include providing individuals with written and oral notifications about the FAP and application processes.

**Procedure**

**1. Billing Practices**

A. Insurance Billing Please note that it is the patient’s responsibility to know their insurance benefits and coverage prior to their services at Livingston HealthCare. All required referral(s) or authorizations must be secured prior to services. If you have questions regarding your financial responsibility or coverage of services at Livingston HealthCare, please contact your insurance carrier in advance of services. Patient may also contact one of Livingston HealthCare’s Patient Financial Counselors at 406-823-6414.

1. For all insured patients, Livingston HealthCare will bill applicable third-party payers (as based on information provided by or verified by the patient) in a timely manner.

2. If a claim is denied (or is not processed) by a payer due to an error on our behalf, Livingston HealthCare will not bill the patient for any amount in excess of what the patient would have owed had the payer paid the claim.
3. If a claim is denied (or is not processed) by a payer due to factors outside of our organization's control, staff will follow up with the payer and patient as appropriate to facilitate resolution of the claim. If resolution does not occur after prudent follow-up efforts, Livingston HealthCare may bill the patient or take other actions consistent with current regulations and industry standards.

#### B. Patient Billing

1. All uninsured patients will be billed directly and timely and will receive a statement as part of the organization's normal billing process.
2. For insured patients, after claims have been processed by third-party payers, Livingston HealthCare will bill patients in a timely fashion for their respective liability amounts as determined by their insurance benefits.
3. All patients may request an itemized statement for their accounts at any time.
4. If a patient disputes his or her account and requests documentation regarding the bill, staff members will provide the requested documentation.
5. Livingston HealthCare may approve payment plan arrangements for patients who indicate they may have difficulty paying their balance in a single installment.
  - a. Patient Financial Service Manager and Financial director have the authority to make exceptions to this policy on a case-by-case basis for special circumstances.
  - b. Livingston HealthCare is not required to accept patient-initiated payment arrangements and may refer accounts to a collection agency as outlined below if the patient is unwilling to make acceptable payment arrangements or has defaulted on an established payment plan

## 2. Collections Practices

A. In compliance with relevant state and federal laws, and in accordance with the provisions outlined in this Billing and Collections Policy, Livingston HealthCare may engage in collection activities to collect outstanding patient balances.

1. General collection activities may include follow-up calls and statements.
2. Patient balances will be referred to a third party for collection at the discretion of Livingston HealthCare to include reporting unpaid debts to credit reporting agencies and /or credit bureaus.
3. Livingston HealthCare will maintain ownership of any debt referred to debt collection agencies, and patient accounts will be referred for collection only with the following caveats:
  - a. There is a reasonable basis to believe the patient owes the debt.
  - b. All third-party payers have been properly billed, and the remaining debt is the financial responsibility of the patient.
  - c. Livingston HealthCare will not refer accounts for collection while a claim on the account is still pending payer payment. However, Livingston HealthCare may classify certain claims as "denied" if such claims are stuck in "pending" mode for an unreasonable length of time despite efforts to facilitate resolution.
  - d. Livingston HealthCare will not refer accounts for collection when the claim was denied due to a Livingston HealthCare error. However, Livingston HealthCare may refer the patient liability portion of such claims for collection if unpaid.
  - e. Livingston HealthCare will not refer accounts for collection where the patient has submitted a completed application for financial assistance or other Livingston HealthCare-sponsored program and Livingston HealthCare has not yet notified the patient of its determination (provided the patient has complied with the timeline and information requests delineated during the application process).
  - f. Livingston HealthCare will send a collection letter to patient 120 days from "first post discharge" billing statement. Collection letter states patient has 30 days from the date of the letter to apply for F/A or make payment on account, or account will be placed with collection agency.
  - g. Patient has 240 days from "first post discharge" billing statement to apply for F/A. Even if account has been placed with a collection agency. If patient requests F/A then Livingston HealthCare will suspend any extraordinary collection actions until F/A has been determined.

### **3 Financial Assistance**

A. All billed patients will have the opportunity to contact Livingston HealthCare to determine possible eligibility regarding financial assistance for their accounts, payment plan options and other applicable programs.

1. Livingston HealthCare's Financial Assistance Policy is available, you may request a copy:

a. In person at Livingston HealthCare 320 Alpenglow Lane Livingston Montana 59047

b. By calling Patient Financial Services at 406-823-6414

c. Online at [www.livingstonhealthcare.org](http://www.livingstonhealthcare.org)

2. Individuals with questions regarding Livingston HealthCare's Financial Assistance Policy may call 406-8236414 and visit with any of our PFS customer service staff.

### **References**

### **Attachments**