

I. PURPOSE:

This policy applies to Freeman Healthy System and its employed medical partners (collectively "FHS") , together with Financial Assistance Policy, is intended to meet the requirements of applicable federal, state, and local laws, including, without limitation, Section 501(r) of the Internal Revenue Code of 1986, as amended, and the regulations there under. This policy establishes the actions that may be taken in the event of nonpayment for medical care provided by FHS, including but not limited to, extraordinary collection actions, for all self-pay accounts. This policy has been established to ensure appropriate billing and collection procedures are uniformly followed.

II. DEFINITION:

- **Application Period** means the period during which FHS must accept and process an application for financial assistance under the FFAP. The Application Period begins on the date the care is provided and ends on the 240th day after FHS provides the first post discharge billing statement.
- **Billing Deadline** means the date after which FHS may initiate an Extraordinary Collection Actions (ECA) against a Responsible Individual(s) who has failed to submit an application for financial assistance under the FFAP. The Billing Deadline must be specified in a written notice to the Responsible Individual(s) provided at least 30 days prior to such deadline, but no earlier than 120 days of the first post-discharge billing statement and without first making reasonable efforts to determine whether that patient is eligible for financial assistance.
- **Completion Deadline** means the date after which FHS may initiate or resume an ECA against an Individual(s) who has submitted an incomplete FFAP if that Individual(s) has not provided the missing information and/or documentation necessary to complete the application or the denied application. The Completion Deadline must be specified in a written notice and must be no earlier than the later of (1) 30 days after FHS provides the Individual(s) with this notice; or (2) the last day of the Application Period.
- **Extraordinary Collection Action (ECA)** means any action against an Individual(s) responsible for a bill related to obtaining payment of a Self-Pay Account that requires a legal or judicial process or reporting adverse information about the Responsible Individual(s) to consumer credit reporting agencies/credit bureaus. ECAs do not include transferring of a Self-Pay Account to another party for purposes of collection without the use of any ECAs.
- **Financial Assistance Policy (FFAP)** means FHS's Financial Assistance Program for Uninsured/Underinsured Patients Policy, which includes eligibility criteria, the method for applying the policy, and the measures to publicize the policy, and sets forth the financial assistance program.
- **PA** means Patient Accounts, the operating unit of FHS responsible for billing and collecting Self-Pay Accounts
- **Plain Language Summary** means a written statement that notifies an Individual(s) that FHS offers financial assistance under the Freeman Financial Assistance Policy (FFAP) for inpatient and outpatient hospital services and contains the information required to be included in such statement under the FFAP.

· **Presumptive FA-Eligible Individual(s)** means a Responsible Individual(s) eligible for financial assistance under the FFAP without regard to whether the Individual(s) has applied for assistance.

· **Responsible Individual(s)** means the patient and any other Individual(s) having financial responsibility for a Self-Pay Account. There may be more than one Responsible Individual(s).

· **Self-Pay Account** means that portion of a patient account that is the Individual(s) responsibility of the patient or other Responsible Individual(s), net of the application of payments made by any available healthcare insurance or other third-party payer (including copayments, co-insurance and deductibles), and net of any reduction or write off made with respect to such patient account after application of an Assistance Program, as applicable.

III. COLLECTION POLICY

Subject to compliance with the provisions of this policy, FHS may take any and all legal actions, including Extraordinary Collection Actions, to obtain payment for medical services provided.

FHS will not engage in ECAs, either directly or by any debt collection agency or other party to which the hospital has referred the patient's debt, before reasonable efforts are made to determine whether a Responsible Individual(s) is eligible for assistance under the FFAP.

All Single Patient Account statements of Self-Pay Accounts will include but not limited to:

1. A summary of the services covered by the statement;
2. The charge summary or subtotal for such services;
3. The amount required to be paid by the Responsible Individual(s) (or, if such amount is not known, a good faith estimate of such amount as of the date of the initial statement); and
4. A conspicuous written notice that notifies and informs the Responsible Individual(s) about the availability of Financial Assistance under the hospital FFAP including the telephone number of the department and direct website address where copies of documents may be obtained.

At least three separate statements for collection of Self-Pay Accounts shall be mailed or emailed to the last known address of each Responsible Individual(s); provided. No additional statements need be sent after a Responsible Individual(s) submits a complete application for financial assistance under the FFAP. Statements are issued every 30 days for a minimum of three mailings.

It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service or upon moving. If an account does not have a valid address or contact information, steps will be taken to reach the patient or acquire the correct mailing address. If these efforts are unsuccessful, the account will be sent to a bad debt collection agency.

Notice of Collection Actions

At least one of the statements mailed or emailed will include written notice that informs the Responsible Individual(s) about the ECAs that are intended to be taken if the Responsible Individual(s) does not apply for financial assistance under the FFAP or pay the amount due by the Billing Deadline. Such statement must be provided to the Responsible Individual(s) at least

30 days before the deadline specified in the statement. A Plain Language Summary will accompany this statement.

IV. EXTRAORDINARY COLLECTION ACTIONS TAKEN IN EVENT OF NON-PAYMENT

G. ECAs may be commenced as follows:

Extraordinary collection actions will not be initiated before first making reasonable efforts to determine whether that patient is eligible for financial assistance. The 120 day waiting period may be shortened if a financial assistance determination has been made within this timeframe.

1. If any Responsible Individual(s) fail to apply for financial assistance under the FFAP by 120 days after the first post discharge statement, and the Responsible Parties have received the 30-day statement described in the *Notice of Collection Actions* section above, then FHS may initiate ECAs.

2. If a Responsible Individual(s) has applied for financial assistance under the FFAP in the last six (6) months, and PA determines definitively that the Responsible Individual(s)s are ineligible for any financial assistance under the FFAP, FHS may initiate ECAs.

3. If any Responsible Individual(s) submits an incomplete application for financial assistance under the FFAP prior to the Application Period deadline, then ECAs may not be initiated until after each of the following steps has been completed:

a) PA provides the Responsible Individual(s) with a written notice that describes the additional information or documentation required under the FFAP in order to complete the application for financial assistance, this notice will include a copy of the Plain Language Summary .

b) PA provides the Responsible Individual(s) with at least 30 days' prior written notice of the ECAs that FHS may initiate against the Responsible Individual(s) if the FFAP application is not completed or payment is not made; provided, however, that the deadline for completion or payment may not be set prior to 120 days after the first post discharge statement, unless there is no known address and good faith efforts to obtain are exhausted. In cases of unknown patient/responsible party, account may be sent to third party for further skip tracing efforts to locate patient/responsible party.

c) If the Responsible Individual(s) who has submitted the incomplete application completes the application for financial assistance, and PA determines definitively that the Responsible Individual(s) is ineligible for any financial assistance under the FFAP, FHS may initiate ECAs.

d) If the Responsible Individual(s) who has submitted the incomplete application fails to complete the application by the Completion Deadline set in the notice provided pursuant to the *Notice of Collection Actions* section above, then ECAs may be initiated.

e) If an application, complete or incomplete, for financial assistance under the FFAP is submitted by a Responsible Individual(s), at any time prior to the Application Period deadline, FHS will suspend ECAs while such financial assistance application is pending.

After the commencement of ECAs is permitted under the *Notice of Collection Actions* above, external collection agencies shall be authorized to:

Report unpaid accounts to credit agencies.

File litigation to obtain a legal judgement for a payment plan. Prior approval of PA shall be required before initial lawsuits may be initiated.

Garnishments or liens may be executed if the Responsible Individual(s) is not in compliance with the legal judgement.

FHS and external collection agencies may also take any and all other legal actions including but not limited to telephone calls, auto dialer, emails, texts, mailing notices, and skip tracing to obtain payment for medical services provided.

If a patient or responsible individual applies for financial assistance within 240 days of the first post-discharge statement, the application will be accepted and an eligibility determination rendered. During this period, any collection actions previously initiated will cease while the application is under consideration.

Payments made by patients or responsible individuals on accounts subsequently approved for assistance will be refunded if the payment for the self-pay portion is in excess of the amount owed based on the FAP and providing the payment was not less than \$5.

V. REASONABLE EFFORTS

Reasonable efforts will be made to inform a patient or responsible individual of financial assistance. Information on the FAP will be made available to Freeman Health System patients and the community it serves by posting the FAP, application and a plain language summary of the policy on Freeman Health System's website at www.freemanhealthsystem.com.

For information regarding program eligibility, to request a copy of the Freeman Health System FAP, FAP application form, an FAP plain language summary, Collection Policy, contact the Freeman Health System Business Office at 417.347.8247. This information will be mailed, free of charge, to those individuals requesting it. The information described above is also translated and available in Spanish.

Paper copies of the FAP, FAP application form, an FAP plain language summary, of the Collection Policy may be obtained at our facility located at 3220 S. McClelland Blvd, Joplin, MO 64804, or at the Patient Accounts office.

All patients will be offered a Plain Language Summary as part of the discharge or intake process from a hospital and an application form for financial assistance under the FAP upon screening by FHS employee, or by request.

Financial assistance information will also be posted in registration, admitting and in emergency department locations.

Before an account is sent to a bad debt collection agency, the patient or responsible individual will be mailed a minimum of three written monthly statements. No additional statements need be sent after a complete application for financial assistance is received until a determination has been made. Statements are issued every 30 days. Statements will include a conspicuous notice on the availability of financial assistance and a phone number for information on resolving the self-pay balance or applying for assistance.

Presumptive eligibility will also be used as a reasonable effort to determine whether a patient or the responsible individuals is eligible for assistance. Freeman Health System will use a healthcare industry-recognized model that is based on public record databases. When utilizing

this electronic technology, it will be deployed prior to bad debt assignment after all other eligibility and payment sources have been exhausted.

When electronic screening is used as the basis for presumptive eligibility, a free care discount will be granted on any remaining balances for eligible services only. Accounts granted presumptive eligibility will be classified as financial assistance. They will not be sent to collection or be subject to further collection actions.

VI. ENFORCEMENT

Freeman Health System staff, and any third party agencies working on its behalf, are expected to comply with industry ethical and professional standards. At no time should any staff member use false information in an attempt to collect an account. Third party agencies working on behalf of Freeman Health System will regularly be monitored for compliance with the system’s policies. Appropriate actions will be taken to investigate and resolve complaints for accounts placed with third parties agencies.

VII. POLICY AVAILABILITY

Contact our Business Office at 417.347.6660 for information regarding eligibility or the programs that may be available to you, to request a copy of the FHS, FFA application form, or Collection Policy to be mailed to you, or if you need a copy of the FHS, FFA application form, or Collection Policy translated to Spanish. Full disclosure of the FHS, FFA application form, or Collection Policy may be found at www.freemanhealthsystem.com. A paper copy of our FFA application form, or Collection Policy can be obtained at our facility located at 3220 S. McClelland Blvd, Joplin, MO 64804, at the Patient Accounts office, or Admissions and registration areas, Emergency department or on Freeman website at www.freemanhealthsystem.com.

VIII. POLICY REVIEW AND APPROVAL:

The below individuals have read and approved this policy:

305 _____ Health System CEO Date

305 _____ Health System CFO Date

The Freeman Health System Governance Board has reviewed and approved of this billing and collection policy. This policy is subject to periodic review.

305 _____ Health System Governance Board Date