

POLICY AND PROCEDURE

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Manual: General Administrative		Section: Patient Accounting Services
Sponsor: Executive Vice President Chief Financial Officer		Origination Date: 05/1995
Distribution: System Wide		
Approver: Vice President Financial Operations		
Revision Date (s)	10/2000, 10/2002, 10/2008, 06/2016, 07/2018	
Review Date (s)	06/2016, 08/2018, 08/2020	

I. Purpose:

- A. To set forth the collection actions that Broward Health will take in the event of non-payment of charges for medical care on the part of patients who do not have insurance coverage and are thus considered private pay/self pay patients.
- B. As described herein, Broward Health will not engage in any extraordinary collection actions (as such term is defined below) against an individual to obtain payment for care before reasonable efforts have been made to determine whether the individual is eligible for financial assistance for emergency and other medically necessary care under the Broward Health Financial Assistance Program Policy (FAP).

II. Policy:

This policy is implemented and will be administered in strict accordance with Section 501(r)(6) of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.501(r)-6. All of the terms, conditions and requirements contained therein are incorporated by reference in this policy as if fully set forth herein.

III. Definitions:

“AGB” means amounts generally billed for emergency or other medically necessary care to individuals who have insurance coverage.

“Application Period” means the period during which Broward Health must accept and process an application for financial assistance under its FAP submitted by an individual in order to have made reasonable efforts to determine whether the individual is eligible for financial assistance under the policy. The Application Period begins on the date the care is provided and ends on the latter of the 240th day after the date that the first post-discharge billing statement for the care is provided or at least 30 days after Broward Health provides the individual with a written notice that sets a deadline after which ECAs may be initiated.

“ECAs” means extraordinary collection actions – a list of collection activities as defined by the Internal Revenue Service and the U.S. Treasury that healthcare organizations may only take

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against an individual to obtain payment for care *after* reasonable efforts have been made to determine whether the individual is eligible for financial assistance under the FAP. ECAs against the individual include ECAs to obtain payment for the care against any other individual who has accepted or is required to accept responsibility for the individual's care. ECAs include but are not limited to:

- Place a lien on an individual's property
- Commencing a civil action against an individual
- Attach or seize an individual's bank account or any other personal property
- Garnish an individual's wages
- Selling an individual's debt to another party
- Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.

"FAP" means Broward Health's Financial Assistance Policy.

"FAP-Eligible Individual" means an individual eligible for financial assistance under Broward Health's Financial Assistance Policy.

IV. Self Pay Billing and Collections Process

Broward Health will make reasonable efforts to assist and determine whether an individual responsible for payment is eligible for financial assistance under the FAP (as described in Part V. of this policy) and will also provide assistance with enrolling for any available local, state or federally funded health insurance programs. However, if it is determined that the individual is ineligible for financial assistance under the FAP the following may occur:

- a) All FAP ineligible individuals receiving care at any Broward Health facility will be billed the full charges for such care.
- b) Broward Health will communicate to FAP ineligible individuals with outstanding account balances in the following manner:
 - i. Collections letters and dunning statements will be sent in order to keep individuals informed of outstanding account balances. The severity of dunning message will be determined by the age and payment status of the account.
 - ii. Broward Health Representatives may also contact patients telephonically in an attempt to inform individuals of outstanding account balances and to collect on outstanding account balances.
 - iii. Itemized bills will be sent to individuals upon request or as otherwise required.

V. Extraordinary Collection Actions (ECAs)

- a) Broward Health will not engage in ECAs before making reasonable efforts to determine whether a patient is eligible for financial assistance for the care under the FAP.
- b) ECAs in which Broward Health may engage include:

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1. Actions that require legal or judicial process that may lead to filing of a lien against personal property, judgement or garnishment of wages.
2. Reporting adverse information to consumer credit reporting agencies or credit bureau.
3. Commence a civil action against an individual.

VI. DETERMINING FINANCIAL ASSISTANCE ELIGIBILITY PRIOR TO ECA

- a) Broward Health will make reasonable efforts to determine whether individuals are eligible for financial assistance under the FAP. To that end, Broward Health will notify individuals about the FAP before initiating any ECAs to obtain payment for the care and refrain from initiating such ECAs for at least 120 days from the date Broward Health provides the first post-discharge billing statement for the care.
- b) In the event an individual submits an incomplete FAP application during the application period, Broward Health will notify the individual about how to complete the FAP application and will suspend any ECAs for a reasonable time to allow the individual to complete and re-submit the FAP application.
- c) Broward Health will take the following actions at least 30 days before first initiating one or more ECA(s) against an individual to obtain payment for care:
 1. Provide the individual with a written notice that indicates financial assistance is available under the FAP for eligible individuals, identify the ECA(s) that Broward Health (or other authorized party) intends to initiate to obtain payment for the care, and state a deadline after which such ECA(s) may be initiated that is no earlier than 30 days after the date that the written notice is provided.
 2. Provide the individual with a plain language summary of the FAP with the written notice described above.
 3. Make a reasonable effort to orally notify the individual about the FAP and explain how the individual may obtain assistance with the FAP application process.
- d) If Broward Health aggregates an individual's outstanding bills for multiple episodes of care before initiating one or more ECAs to obtain payment for those bills, it will refrain from initiating the ECA(s) until 120 days after it provided the first post-discharge billing statement for the most recent episode of care included in the aggregation.

VII. PROCESSING FAP APPLICATIONS

Broward Health will process FAP applications in accordance with the provisions set forth below.

1. If an individual submits a complete FAP application during the Application Period, Broward Health will:
 - a. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);
 - b. Make a determination as to whether the individual is FAP-eligible and notify the individual in writing of the eligibility determination and the basis for this determination.

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- c. If Broward Health determines the individual is FAP-eligible, Broward Health will take the following actions:
 - i. Notify the individual in writing of 100% financial assistance coverage for emergency and other medically necessary care along with applicable copayments.
 - ii. Refund to the individual any amount he or she has paid for the care (whether to the hospital facility or any other party to whom the hospital facility has referred or sold the individual's debt for the care) that exceeds the amount he or she is determined to be personally responsible for paying as a FAP-eligible individual, unless such excess amount is less than \$5 (or such other amount published in the Internal Revenue Bulletin).
 - iii. Take all reasonably available measures to reverse any ECA taken against the individual to obtain payment for the care.
- d. If, upon receiving a complete FAP application from an individual who Broward Health believes may qualify for Medicaid, Broward Health may require the patient to apply and comply with the Medicaid Eligibility process. Failure to apply and comply with the Medicaid process if required may result in the individual not being eligible for financial assistance under the FAP.

2. Submission of Incomplete FAP Application

If an individual submits an incomplete FAP application during the Application Period, Broward Health will

- a. Notify the individual that the FAP application is incomplete and explain how to complete the FAP application.
- b. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);
- c. Provide the individual with a written notice that describes the additional information and/or documentation required under the FAP or FAP application form that the individual must submit to Broward Health to complete his/her FAP application.
- d. If an individual who has submitted an incomplete FAP application during the Application Period subsequently completes the FAP application during the Application Period (or, if later, within a 30 day time period given to respond to requests for additional information and/or documentation) the individual will be considered to have submitted a complete FAP application during the Application Period.

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VIII. MISCELLANEOUS PROVISIONS

- a) **Anti-Abuse Rule** – Broward Health will not base its determination that an individual is not FAP-eligible on information that Broward Health has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.
- b) **No Waiver of FAP Application** – Broward Health will not seek to obtain a signed waiver from any individual stating that the individual does not wish to apply for assistance under the FAP, or receive the information described above, in order to determine that the individual is not FAP-eligible.
- c) **Final Authority for Determining FAP Eligibility** – Final authority for determining that Broward Health has made reasonable efforts to determine whether an individual is FAP-eligible and may therefore engage in ECAs against the individual rests with Central Financial Assistance Unit (CFAU).
- d) **Agreements with Other Parties** – If Broward Health sells or refers an individual's debt related to care to another party, Broward Health will enter into a legally binding written agreement with the party that is reasonably designed to ensure that no ECAs are taken to obtain payment for the care until reasonable efforts have been made to determine whether the individual is FAP-eligible for the care.
- e) **Providing Documents Electronically** – Broward Health may provide any written notice or communication described in this policy electronically (for example, by email) to any individual who indicates he or she prefers to receive the written notice or communication electronically.
- f) **Providing Medically Necessary Care**- Broward Health will not defer, deny, or require a payment before providing medically necessary care to an individual because of prior outstanding bills.
- g) **Payment Plans**- All FAP-ineligible individuals who are uninsured are eligible for payment plans or a discount on outstanding FAP-ineligible balances.

IX. HOSPITAL CONTACT INFORMATION

Broward Health Medical Center
(954)355-5442
1600 S Andrews Ave
Fort Lauderdale, FL 33316

Broward Health North
(954) 786-6589
201 E Sample Rd
Deerfield Beach, FL 33064

Broward Health Imperial Point
(954) 776-8708
6401 N Federal Highway
Fort Lauderdale, FL 33308

Broward Health Coral Springs
(954) 344-3006
3000 Coral Hills Drive
Coral Springs, FL 33065

X. Related Policies

GA-018-055- Financial Assistance Program Policy

XI. Regulations/Standards

Section 501(r)(4) of the Internal Revenue Code

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XII. References

F.S. 409.911(1)(c)
Internal Revenue Code §§ 501(r)(4) (financial assistance policies); 501(r)(5) (limitation on charges);
and 501(r)(6) (billing and collection requirements) (and Treasury Regulations issued thereunder)

Administration and Interpretation

The administration and interpretation of this policy is the responsibility of the Executive Vice President Chief Financial Officer.