



**TRIHEALTH, INC.
CORPORATE POLICY**

TITLE: Hospital and Physician Office Billing and Collections Policy	
Formerly: Extraordinary Collection Action	
SECTION: 07	POLICY NUMBER: 06.02
EFFECTIVE DATE: 12/2010	REVIEWED/REVISED DATE(S): 07/2014, 03/2017
<u>AFFECTED AREAS</u>	
All TriHealth Entities.	
This policy acknowledges that other relevant and applicable policies and procedures exist that have been drafted, approved, and adopted by entities (and departments) within TriHealth and are specific to those departments or entities. Interpretation of these other policies must comply with the principles adopted by Corporate Policy #12 01.00, "Corporate Policies, Development & Implementation."	
POLICY OWNER: Sr. Vice President & CFO Finance	
APPROVED BY: Corporate Policy & Procedure Committee President of Health Services & System COO President & CEO Board of Trustees	

PURPOSE

1. The guiding principles behind this Billing and Collections Policy (the "Policy") are: (i) to treat all patients and Responsible Individual(s), defined below, equally with dignity and respect; and (ii) to ensure appropriate billing and collection procedures are systematically and uniformly followed to ensure that reasonable efforts are made to determine whether the individual(s) responsible for payment of all or a portion of a patient account is eligible for assistance under TriHealth's Financial Assistance Policy, defined below. And, together with the Financial Assistance Policy, this 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, as amended, and the Treasury Regulations thereunder, as amended. This Policy establishes the actions that may be taken in the event of nonpayment for medical care provided by TriHealth, including but

not limited to, extraordinary collection actions. This Policy applies to TriHealth, Inc. (“TriHealth”) and its employed medical partners (collectively referred to as “TriHealth” hereunder).

POLICY

A. Overview.

1. TriHealth will not engage in Extraordinary Collection Actions, either directly or by any debt collection agency or other party to which the hospital has referred the patient's debt, before reasonable efforts have been made to determine whether a Responsible Individual(s) is eligible for assistance under the Financial Assistance Policy.

2. Subject to the terms of this Policy and applicable law, TriHealth may take any and all legal actions, including Extraordinary Collection Actions, to obtain payment for medical services provided.

B. Plain Language Summary and Financial Assistance Plan.

All patients will be offered a Plain Language Summary of the FAP and an application form for financial assistance under the FAP as part of the discharge or intake process from a hospital, outpatient, or physician office service.

C. Billing and Notices.

1. At least three separate statements for collection of Self-Pay Accounts shall be mailed to the last known address of each Responsible Individual(s); provided, however, that no additional statements need be sent after a Responsible Individual(s) submits a completed application for financial assistance under the Financial Assistance Policy. At least 60 days shall have elapsed between the first and last of the required three mailings. It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service or upon moving.

2. All Single Patient Account statements of Self-Pay Accounts will include, but not limited to include, the following information:

- a. An accurate summary of the hospital, outpatient, or physician office services covered by the statement.
- b. The charges for such services rendered at the hospital, outpatient, or physician office service areas.
- c. The amount required to be paid by the Responsible Individual(s).
- d. A conspicuous written notice that notifies and informs recipients about the availability of financial assistance under the FAP and includes the telephone number of the department that can provide information about the FAP and

FAP application process and the direct Web site address where copies of the FAP, FAP application form, and Plain Language Summary of the FAP may be obtained.

3. Responsible Individual(s) propensity to pay will be scored based on that assessment of the Responsible Individual(s) likelihood to pay and dollar amount of the Self-Pay Account.

D. Reasonable Efforts to Determine Whether Responsible Individual(s) is FAP-Eligible

1. Reasonable Efforts Based on Notification and Processing of Applications.

With respect to any care provided by TriHealth to an individual, TriHealth will have made reasonable efforts to determine whether the Responsible Individual(s) is FAP-Eligible for the care if it —

- a. Notifies the Responsible Individual(s) about the FAP before initiating any ECAs to obtain payment for the care and refrains from initiating such ECAs (with limited exception under the Regulations) for at least 120 days from the date the hospital facility provides the first post-discharge billing statement for the care;
- b. In the case of a Responsible Individual(s) who submits an incomplete FAP application during the Application Period, notifies the Responsible Individual(s) about how to complete the FAP application and gives the Responsible Individual(s) a reasonable opportunity to do so; and
- c. In the case of a Responsible Individual(s) who submits a completed FAP application during the Application Period, determines whether the Responsible Individual(s) is FAP-Eligible for the care and otherwise meets the requirements of a complete FAP application (as described under the Regulations).

2. Presumptive FAP-Eligibility Determinations. With respect to any care provided by TriHealth to an individual, TriHealth will have made reasonable efforts to determine whether the Responsible Individual(s) is FAP-Eligible for the care if it determines that the Responsible Individual(s) is FAP-Eligible for the care based on information other than that provided by the Responsible Individual(s) or based on a prior FAP-eligibility determination and, if the Responsible Individual(s) is presumptively determined to be eligible for less than the most generous assistance available under the FAP, the hospital facility—

- a. Notifies the Responsible Individual(s) regarding the basis for the presumptive FAP-eligibility determination and the way to apply for more generous assistance available under the FAP;
- b. Gives the Responsible Individual(s) a reasonable period of time to apply for more generous assistance before initiating ECAs to obtain the discounted amount owed for the care; and

- c. If the Responsible Individual(s) submits a complete FAP application seeking more generous assistance during the Application Period, determines whether the Responsible Individual(s) is eligible for a more generous discount and otherwise meets the requirements with respect to the complete FAP application (as described under the Regulations).

3. Final Authority on Reasonable Efforts. Finance/Revenue Cycle Leadership shall have final authority and responsibility for determining that TriHealth has made reasonable efforts to determine whether a Responsible Individual(s) is FAP-Eligible and may therefore engage in ECAs against the Responsible Individual(s).

E. Incomplete FAP Application

1. General. With respect to any care provided by TriHealth to an individual, if a Responsible Individual(s) submits an incomplete FAP application during the Application Period, TriHealth will have notified the Responsible Individual(s) about how to complete the FAP application and given the Responsible Individual(s) a reasonable opportunity to do so only if TriHealth —

- a. Suspends any ECAs to obtain payment for the care; and
- b. Provides the Responsible Individual(s) with a written notice that describes the additional information and/or documentation required under the FAP or FAP application form that must be submitted to complete the FAP application and that includes TriHealth's application contact information.

2. FAP Application Completed. If a Responsible Individual(s) 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 reasonable timeframe given to respond to requests for additional information and/or documentation), the Responsible Individual(s) will be considered to have submitted a complete FAP application during the Application Period, and TriHealth will have made reasonable efforts to determine whether the Responsible Individual(s) is FAP-Eligible only if it meets the requirements for complete FAP applications.

F. Notice Prior to Initiating Extraordinary Collection Actions (ECAs).

At least 30 days before first initiating one or more ECAs to obtain payment for the care, TriHealth or its authorized third-party vendor shall:

- a. Provides the Responsible Individual(s) with a written notice that indicates financial assistance is available for eligible Responsible Individual(s), identifies the ECA(s) that TriHealth (or other authorized party) intends to initiate to obtain payment for the care, and that states 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;

- b. Provides the Responsible Individual(s) with a Plain Language Summary of the FAP; and
- c. Makes a reasonable effort to orally notify the Responsible Individual(s) about the Financial Assistance Policy and about how the Responsible Individual(s) may obtain assistance with the Financial Assistance Policy application process.

G. Extraordinary Collection Actions (ECAs).

1. ECA's may be commenced by TriHealth (or its authorized party) if any Responsible Individual(s) fails to apply for financial assistance under the Financial Assistance Policy within 120 days after the first post-discharge statement, and at least 30 days have passed since written notice was provided to the Responsible Individual(s) as described in Section F.

2. After the commencement of ECAs is permitted, TriHealth and authorized third parties (e.g., external collection agencies) shall be authorized to report unpaid accounts to credit agencies, and to file litigation, garnishment, obtain judgment liens and execute upon such judgment liens using lawful means of collection. Provided, however, that prior approval of TriHealth shall be required before initial lawsuits may be initiated. TriHealth and authorized third parties (e.g., external collection agencies) may also take any and all legal other actions including but not limited to telephone calls, emails, texts, mailing notices, and skip tracing to obtain payment for medical services provided.

DEFINITIONS

"Application Period" means the period during which TriHealth must accept and process an application for financial assistance under the Financial Assistance Policy. The Application Period begins on the date the care is provided and ends on the 240th day after TriHealth provides the first post-discharge billing statement. Thereafter, TriHealth, in its sole discretion, may choose not to accept applications under the Financial Assistance Policy.

"Extraordinary Collection Action" ("ECA") means any of the following actions:

- (i) Selling an individual's debt to another party (except as otherwise provided by federal law);
- (ii) Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus;
- (iii) Deferring or denying, or requiring a payment before providing, medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under the Financial Assistance Policy;
- (iv) Actions that require a legal or judicial process, including but not limited to
 - (A) Placing a lien on an individual's property;

- (B) Foreclosing on an individual's real property;
- (C) Attaching or seizing an individual's bank account or any other personal property;
- (D) Commencing a civil action against an individual;
- (E) Causing an individual's arrest;
- (F) Causing an individual to be subject to a writ of body attachment; and
- (G) Garnishing an individual's wages; and
- (v) Any other actions considered an ECA under Treasury Regulation Section 1.501(r)-6(b), as amended.

ECAs against an individual include ECAs to obtain payment for the care against any Responsible Individual(s).

ECA does not include the following actions:

- (i) A sale of a Responsible Individual(s)'s debt for care provided by TriHealth if, prior to the sale, TriHealth has entered into a legally binding written agreement with the purchaser of the debt pursuant to which the purchaser is prohibited from engaging in any ECAs to obtain payment for the care and the other prohibitions as set forth in Treasury Regulation Section 1.501(r)-6(b)(2), as amended.
- (ii) Any lien that TriHealth is entitled to assert under state law on the proceeds of a judgment, settle, or compromise owed to an individual (or his or her representative) as a result of personal injuries for which TriHealth provided care; and
- (iii) The filing of a claim in any bankruptcy proceeding.

"FAP-Eligible" means eligible for financial assistance under the Financial Assistance Policy *without regard to whether the Responsible Individual(s) has applied for assistance under the FAP.*

"Financial Assistance Policy" ("FAP") means TriHealth's Financial Assistance Policy for Uninsured/Underinsured Patients Policy, as amended from time to time, which includes eligibility criteria, the basis for calculating charges, the method for applying the policy, and the measures to publicize the policy, and sets forth the financial assistance policy.

"Plain Language Summary of the FAP" means a written statement that notifies a Responsible Individual(s) that TriHealth offers financial assistance under the Financial Assistance Policy and provides additional information as required under the Regulations that is clear, concise, and easy to understand.

"Regulations" means Treasury Regulations Sections 1.501(r)-0 through 1.501(r)-7, as amended.

“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 personal responsibility of the patient, net of the application of payments made by any available healthcare insurance or other third-party payer (including co-payments, co-insurance and deductibles), and net of any reduction or *write off made with respect to such patient account after application under the Financial Assistance Policy, as applicable.*

SAVINGS PROVISION

If any provision of this Policy is held to be invalid, illegal, or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Policy will be reformed, construed, and enforced in such a manner as to make such provision valid, legal, or enforceable to the greatest extent permitted by applicable law. To the extent this Policy does not address or is inconsistent with a provision set forth in the Regulations, the Regulations shall control.

POLICY AVAILABILITY

A copy of this Policy is readily available on TriHealth’s website <http://www.trihealth.com/tools/pay-your-bill/financial-assistance/> or may be obtained, at no charge, through a request to TriHealth’s patient accounting office, either in-person or by mail to Bethesda North Hospital, 10500 Montgomery Rd, Cincinnati, OH 45242 or Good Samaritan Hospital, 375 Dixmyth Ave, Cincinnati, OH 45220 or by calling (513) 865-5148 or (513) 862-4745.