

CARING COMMUNITY HEALTH CENTER

POLICY AND PROCEDURE

TITLE: Refusal to Pay and Waiver Policy

POLICY #: 06

EFFECTIVE DATE: October 1, 2019

REVISED DATES:

RESPONSIBLE DEPARTMENT:

RESPONSIBLE ADMINISTRATOR:

APPROVED BY:



President

August 30, 2019

Date

POLICY

Caring Community Health Center (the “*Health Center*”) endeavors to provide clear and consistent guidelines for conducting billing and collections functions in a manner that promotes compliance, patient satisfaction and efficiency and does not create a barrier to care.

I. FEE SCHEDULE

- A.** The Health Center has a fee schedule for services that are within its HRSA-approved scope of project and are typically billed for in the local health care market. The Health Center’s fee schedule is intended to generate revenue to cover the Health Center’s costs associated with providing services and assists in ensuring the financial viability and sustainability of the Health Center.
- B.** The Health Center has determined that its fees are based on its reasonable costs and are consistent with locally prevailing rates or charges for the service.
- C.** The fee schedule addresses all in-scope services (required and additional) and is used as the basis for seeking payment from patients as well as third party payors.

II. INSURANCE

- A.** The Health Center participates in Medicaid, CHIP, Medicare, marketplace qualified health plans and other public assistance programs, as well as private third party payors and makes efforts to maximize revenue and collect appropriate reimbursement from such payors.
- B.** Appropriate staff will educate patients on options available to them based on their eligibility for insurance and/or third party related coverage.

III. BILLING AND COLLECTIONS

- A.** Patients and third party payors, as applicable, are billed within a reasonable period of time after services are provided, typically within thirty (30) days.
- B.** The Health Center makes reasonable efforts to secure payment from patients for amounts owed for services in a manner that does not create a barrier to care and while ensuring that no patient is denied service based on inability to pay.

- C. If the Health Center provides supplies or equipment that are related to, but not included in, the service itself as part of prevailing standards of care (*e.g.*, prescription drugs) and charges patients for these items, the Health Center informs patients of these out-of-pocket costs prior to the time of service.

IV. RECORDKEEPING

- A. The Health Center maintains its billing records which show that claims are submitted in a timely and accurate manner to the third party payor sources with which it participates in order to collect reimbursement for its costs in providing health services consistent with the terms of such contracts and other arrangements.
- B. The Health Center has billing records/documentation that reflect that it: (i) charges patients in accordance with its fee schedule and, if applicable, its sliding fee discount schedule; and (ii) makes reasonable efforts to collect such amounts owed from patients.

V. WAIVING/REDUCTION OF CHARGES

- A. In certain situations, patients may not be able to pay the Health Center's charges, including its nominal or discount fee under the Health Center's Sliding Fee Scale Program Policy. Patients may not be able to pay the entire fee or may request that the Health Center reduce the fee.
- B. Waiving and reduction of charges will be approved on a case-by-case basis and may be approved by the Health Center's CEO or CFO. The criteria for granting such a waiver shall include, but shall not be limited to, inability to pay due to bankruptcy, death, house fire, homelessness and any other qualifying hardship as determined by Health Center leadership.
- C. Patients who wish to receive a waiver or reduction of charges must fill out an application. Any waiving or reduction of charges must be documented in the patient's file along with an explanation.
- D. The Health Center ensures that inability to pay for a service will not create a barrier to the patient's access to health care.

VI. REFUSAL TO PAY

- A. The Health Center expects patients to pay their outstanding balances in a timely manner.
- B. If a patient has expressed a refusal to pay, vacates the premises without paying for services or has an account that is over ninety (90) days past due, the patient will be contacted in writing regarding his/her payment obligations. The notice will include the following information: (i) the amount(s) owed by the patient and the time permitted to make the payments; (ii) a request that the patient call the Health Center's billing department to initiate a [payment plan/meeting with a financial counselor] and a notice to the patient that failure to respond will result in the Health Center referring the account to a collection agency; and (iii) how services will be limited or denied when it is determined that the patient has refused to pay.
- C. If the patient does not make an effort to pay or fails to respond within sixty (60) days of the date of the letter, or responds stating that he or she will not pay, this constitutes refusal to pay and the patient may be discharged from the Health Center.
- D. All steps taken to secure payment from the patient prior to discharging must be documented.
- E. If the patient is discharged from the Health Center, the Health Center will notify the patient of his/her discharge by regular and certified mail and that the patient has thirty (30) days to find alternative

medical care. During that thirty (30)-day period, the Health Center physician will only treat the patient on an emergency basis.

- F. The patient may be permitted to rejoin the practice when authorized to do so by the Health Center's CEO or his/her designee.

VII. GOVERNING BOARD OVERSIGHT

- A. The Health Center's Board of Directors reviews and, as appropriate, approves updates to this policy at least once every three (3) years and ensures that it is patient-centered, improves access to care, and assures that no patient will be denied health care services due to an inability to pay.