

Metro Health

| Billing & Collection Policy | | | | | |
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| Section | PFS | Former Policy Number | PFS-D153 | Policy Number | PFS-04 |
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▲ indicates change

Policy Statement ▲ Metro Health – University of Michigan Health (also known as Metro Health) is a not-for-profit, tax-exempt entity with a charitable mission of providing healthcare care services to residents of Metro Health’s primary and secondary service area. The purpose of this Billing and Collection Policy is to ensure that, in connection with Metro Health’s efforts to bill and collect for healthcare services rendered, all patients are treated fairly and reasonably and given sufficient opportunity to apply for financial assistance (see Metro Health’s Financial Assistance Policy) or make other payment arrangements. This Policy shall apply to all locations of Metro Health.

Key Words Self-Pay, Financial Assistance, Collection

Scope Patient Registration, Patient Financial Counselor, ▲ Patient Financial Experience Representatives, Patient Financial Services, Professional Billing

General This policy sets forth the actions that Metro Health may undertake in the event of non-payment of any patient balance for hospital and/or clinic healthcare services. This policy also sets forth the measures that Metro Health will undertake to ensure that reasonable efforts are made to determine whether a patient is eligible for financial assistance under Metro Health’s Financial Assistance Policy, prior to commencing any extraordinary collection actions in an effort to collect the account.

For purposes of this policy, references to “patient” mean either the patient or his or her guarantor, *i.e.*, the person having financial responsibility for payment of the account balance.


A. Metro Health will cause all billing statements to include:

- (i) A summary of the healthcare services provided by Metro Health;
- (ii) A summary of the charges for such services, with a statement that a detailed itemization of charges will be provided upon request; and
- (iii) The amount required to be paid by the patient.

B. All patients who have no insurance coverage or other third-party payment source will automatically be granted the Self-Pay Discount in accordance with Metro Health’s Financial Assistance Policy PFS-03. The Self-Pay Discount will be reversed if the patient is later determined to qualify for financial assistance under the income-based guidelines as provided for in that Policy, in which case the financial assistance discount will apply in lieu of the Self-Pay Discount.

- C. With respect to each self-pay patient, Metro Health will ensure that the first post-discharge Billing Statement for the care includes a conspicuous statement regarding the availability of the Self-Pay Discount, and the amount due will reflect that Discount.
- D. Metro Health will accommodate patients through the establishment of payment plans for patient balances due, through Metro Health's Care Payment Program. Unless otherwise agreed in writing by Metro Health, each payment plan will provide for (i) the account to be paid in full within 48 months based on the balance, following the date of care (subject to extension in the case of substantial balances), and (ii) a minimum monthly payment of at least \$25 based on the balance of the outstanding balance. The Care Payment Program is an interest free program.
- E. Subject to compliance with the provisions of this policy, Metro Health may take any and all legal actions, including Extraordinary Collection Actions (ECA), to obtain payment for healthcare services provided.
- F. Metro Health will not engage in any ECAs, either directly or by any debt collection agency or other representative, before reasonable efforts are made to determine whether the patient is eligible for assistance under Metro Health's Financial Assistance Policy. To that end:
- (i) Metro Health will not engage in any ECAs during the Notification Period.
 - (ii) Metro Health will publicize the availability of financial assistance through the methods specified in Metro Health's Financial Assistance Policy, including through:
 - Posting of signage in Metro Health facilities;
 - Posting the Financial Assistance Policy, the Financial Assistance Application, and Plain-Language Summary on Metro Health's website;
 - Including the Plain-Language Summary in patient registration materials and inpatient handbooks; and
 - Including the Plain-Language Summary in materials offered to each patient as part of the intake or discharge process.
 - (iii) Metro Health will ensure that the Financial Assistance Policy, Financial Assistance Application, and Plain-Language Summary are made available in both English and at least any other language that is the primary language of the lesser of (i) 1,000 individuals, or (ii) 5% of the population within Metro's primary and secondary service areas.
 - (iv) During the Notification Period, Metro Health will provide each patient with at least three Billing Statements (although no further Billing Statements need be sent, once the patient submits a Financial Assistance Application), each of which includes a conspicuous statement regarding the availability of financial

assistance, including:

- A conspicuous statement regarding the availability of financial assistance;
 - A phone number for information about the Financial Assistance Policy and the application process; and
 - A website address where the Financial Assistance Policy, Financial Assistance Application, and Plain-Language Summary are available.
- (v) If any patient contacts Metro Health for information regarding possible financial assistance, Metro Health will provide such patient, at no cost, with a copy of the Financial Assistance Policy, the Financial Assistance Application, and the Plain-Language Summary. In addition, Metro Health will ensure that the patient is referred to a  Metro Health Patient Financial Experience Representative for further explanation and assistance as needed.

G. In the event that Metro Health intends to undertake one or more ECAs, Metro Health will mail or deliver to the patient a Pre-Collection Notice as part of its 3rd billing statement, at least 30 days prior to commencement of the ECA(s). The Pre-Collection Notice and 3rd billing statement will include all of the following:

- (i) A statement that Metro Health intends to initiate one or more ECAs (identifying the specific ECAs to be undertaken) to obtain payment of the balance due;
- (ii) A date (which must be at least 30 days following the date of the Pre-Collection Notice) by which payment must be made in order to avoid the specified ECAs;
- (iii) A conspicuous statement that financial assistance is available pursuant to Metro Health's Financial Assistance Policy; and
- (iv) A copy of the Plain-Language Summary.

Under no circumstances may a Pre-Collection Notice be mailed or delivered to a patient earlier than 30 days prior to the end of the Notification Period. During the 30-day period following the mailing or delivery of the Pre-Collection Notice, Metro Health will continue to make reasonable efforts to orally notify the patient about the availability of financial assistance.

If an intended ECA will cover charges for multiple episodes of care, the timelines associated with the Notification Period (120 days) and the Application Period (240 days) will be measured with respect to the most recent episode of care at issue (specifically, from the date of the first post-discharge Billing Statement for that care).

H. After the Notification Period has expired, Metro Health may commence one or more ECAs as follows:

- (i) If the patient has not applied for financial assistance under Metro Health's Financial Assistance Policy by the last day of the Notification Period, Metro

Health may initiate an ECA, but only after the Pre-Collection Letter has been provided and a period of at least 30 days has elapsed thereafter.

(ii) If the patient has applied for financial assistance but a determination has been made that the patient does not qualify under Metro Health's Financial Assistance Policy, Metro Health may initiate one or more ECAs.

(iii) If a patient submits an incomplete Financial Assistance Application prior to the expiration of the Application Period, then ECAs may not be initiated until the following process has been completed:

- Metro Health provides the patient with a written notice that describes the additional information or documentation required in order to complete the Financial Assistance Application;
- Metro Health provides the patient with at least 30 days' prior written notice of the ECAs that Metro Health may initiate against the patient if the Financial Assistance Application is not completed or payment is not made by a specified date; *provided, however*, that the deadline for completion or payment may not be set prior to the end of the Application Period;
- If the patient then completes the Financial Assistance Application and Metro Health determines definitively that the patient is ineligible for any financial assistance, Metro Health will give the patient an opportunity to establish a payment plan before initiating any ECAs; and
- If the patient fails to complete the Financial Assistance Application by the specified date provided in the written notice, Metro Health may initiate one or more ECAs.

(iv) If a Financial Assistance Application (whether complete or incomplete) is submitted by a patient at any time during the Application Period, Metro Health will suspend any ECAs underway for so long as the patient's Financial Assistance Application is pending.

I. Metro Health may authorize external collection agencies functioning on its behalf to undertake ECAs consistent with the provisions set forth above and applicable law. However, any ECA proposed to be undertaken by an external collection agency will require the prior approval of Metro Health in each case specifically as to the particular patient and account.

J. The account balances of patients who are able, but unwilling, to pay for Metro Health services are considered uncollectible bad debts; such accounts will be referred to outside agencies for collection. The account balances of patients who qualify for financial assistance under Metro Health's Financial Assistance Policy, but who fail to pay the remaining (discounted) balance when due, are considered uncollectible bad debts for the amount of such balances; such accounts will be referred to outside agencies for collection.

K. Metro Health will provide copies of this Billing and Collection Policy without charge to the

public. This Billing and Collection Policy generally will be posted, publicized, and otherwise available in the same manner as Metro Health's Financial Assistance Policy. Metro Health will ensure that this Billing and Collection Policy is made available in both English and at least any other language that is the primary language of the lesser of (i) 1,000 individuals, or (ii) 5% of the population within Metro's primary and secondary service areas.

- L. If Metro Health refers or sells patient debts to another party during the Application Period, Metro Health will enter into a written agreement with such party that obligates such party to:
- (i) Refrain from engaging in ECAs until the Notification Period has expired and at least 30 days have passed since the Pre-Collection Letter was mailed or delivered to the patient;
 - (ii) Suspend any ECAs if the patient submits a Financial Assistance Application during the Application Period; and
 - (iii) If the patient is determined to be eligible for Financial Assistance, ensure that the patient is not asked or obligated to pay (and does not pay) more than required, and reverse any ECAs previously taken.

Definition(s)

Application Period: The period during which Metro Health must accept and process an application for financial assistance pursuant to Metro Health's Financial Assistance Policy. Copies of the Financial Assistance Policy and the Financial Assistance Application are available at <https://metrohealth.net/about-metro-health/billing-payment-options/financial-assistance/>. The Application Period begins on the date that the healthcare services are provided and ends on the 240th day after Metro Health provides the first post-discharge Billing Statement for the care.

Financial Assistance Deadline: The date after which Metro Health may initiate any ECA against a responsible individual(s) who has failed to submit a Financial Assistance application. The deadline must be specified in a written notice to the responsible individual(s) provided at least 30 days prior to deadline, but no earlier than 120 days.

Financial Assistance Application Completion: The date after Metro Health may initiate or resume ECA against an individual(s) who has submitted an incomplete FAP. The completion deadline must be specified in a written notice and must be no earlier than the later of a) 30 days after notice was provided or b) the last day of the application period.

Extraordinary Collection Action (ECA) - Any action against the patient related to obtaining payment of a patient balance, where such action requires a legal or judicial process. By way of example, ECAs include most types of liens, foreclosure on real estate, attachment or seizure of bank accounts or personal property, commencing a civil action, causing arrest or a writ of body attachment, or garnishment of wages or other income. The term ECA also includes the reporting of a patient debt to a credit bureau or agency. ECAs do not include liens asserted by Metro on the proceeds of a personal injury judgment, settlement or compromise, nor the filing of a claim in a bankruptcy proceeding.

Self-Pay Account: The portion of a patient account that the individual(s) is responsible for after payments are made by healthcare insurance or third party payer (including

copayments, co-insurance and deductibles), any write-off made based in a patients financial assistance application.

Self-Pay Discount: A standard discount off of charges for all identified self-pay patients that do not qualify for financial assistance.

Collection Agency: A contracted company that collects the patient balance on behalf of Metro Health and complies with all Fair Debt Collection Practices.

Care Payment: A financing option that allows you to pay off your balance in manageable monthly payments over an extended period of time without interest.

Billing Statement - Any notice mailed or delivered to the patient requesting payment. The notice can be the first post-discharge Billing Statement for the care, any routine monthly Billing Statement thereafter, or a Pre-Collection Letter.

▲ Patient Financial Experience Representatives - Personnel in Metro Health’s Customer Service Office who educate patients regarding Metro’s financial policies, including but not limited to the Financial Assistance Policy (PFS-03), Charge Discount Policy (PFS-05) and the terms of this Billing and Collection Policy.

Notification Period - The time period during which Metro Health must notify the patient about the availability of financial assistance. The Notification Period begins on the first date care is provided to the patient and ends on the 120th day after Metro provides the first post-discharge Billing Statement for the care.

Patient Balance - Any balance on an account that is not paid by insurance, governmental payer, or other third-party payment source.

Plain-Language Summary - The written summary of Metro Health’s Financial Assistance Policy, a copy of which is attached to the Policy and available at <https://metrohealth.net/about-metro-health/billing-payment-options/financial-assistance/>. The Plain-Language Summary will be publicized as described in the Financial Assistance Policy.

Pre-Collection Notice - A Billing Statement that is mailed or delivered to the patient by Metro Health at least 30 days prior to the commencement of one or more ECAs against the patient, indicating Metro Health’s intent to initiate one or more ECAs to obtain payment of the balance due, and including the other required content described in Section IV.G.

Approving Committee(s) Revenue Cycle Committee Committee(s) **▲ 3/11/2020** Date