



BILLING AND COLLECTIONS POLICY

SUBJECT: Billing and Collections	PREPARED BY: Michael Smith, Interim VP of Revenue Cycle	EFFECTIVE DATE: October 1, 2016	POLICY NUMBER: Document ID
PAGE: 1 of 5	APPROVED BY: Care New England Board of Directors	REPLACES: CNE Policy Number: Finance 3	REPLACES:

- I. **Purpose.** The purpose of this Billing and Collections Policy is to ensure that Care New England (CNE) establishes guidelines and controls with respect to billing and collections. This policy along with the Financial Assistance Policy is intended to meet the requirements of applicable federal, state and local laws including and without limitation section §501(r) of the Internal Revenue Code.

- II. **Scope.** This Policy applies to all Care New England hospitals, which includes Butler Hospital, Women & Infants Hospital, Kent Hospital and Memorial Hospital, and all substantially related entities, listed below, and as defined by the IRS for purposes of IRC 501(r), if any are providing medically necessary or ER services within any of the CNE facilities.
 - Butler Hospital Allied Medical Services, LLC
 - Kent Ancillary Services, LLC
 - Affinity Physicians, LLC
 - MHRI Ancillary Services, LLC
 - W&I Ancillary Services, LLC
 - W&I Health Care Alliance, LLC

- III. **Policy.** It is the policy of CNE to insure that all billing and collection efforts follow a standard protocol. Care New England treats all patients equally, regardless of insurance and their ability to pay.

- IV. **Definitions.** Terms not already defined in this Policy have the following meanings:
 - (a) **Application Period:** The time period in which an individual may apply for financial assistance. To satisfy the criteria outlined in IRC §501(r)(6), CNE allows individuals up to 240 days from the date the individual is provided with the first post-discharge billing statement to apply for financial assistance.

- (b) **Notification period:** The time period commencing on the 121st day from the first post-discharge billing statement and ending on the 240th day. Individuals may apply for financial assistance during this time. For insured or underinsured patients, the first post-discharge billing statement will mark the beginning of the 120-day notification period in which no extraordinary collection actions may be initiated against the patient (the “120-day notification period”).

V. Procedure. For accounts determined to be "self-pay" and/or accounts with balance after primary insurance, the following action will take place.

Internal Billing & Collection efforts include:

1. A minimum of three (3) statements (or an equivalent notice of patient liability) after services have been delivered if a valid address is on file.
2. An internal collection effort will be made to address the outstanding patient liability. This may be in the form of a collection letter, an equivalent notice and/or personal telephone call to the patient/guarantor.
3. If a payment arrangement is made with the patient/guarantor then collection efforts on the account are suspended while the patient/guarantor is compliant with the plan.
4. For all returned mail, attempts are made to locate a corrected address and correspondence is sent to that address. If a corrected address cannot be located, telephone calls may be made.
5. Unresolved account balances may be referred to an external collection agency working on behalf of CNE after 120 days has passed from the first post-discharge billing statement and the patient has been provided with 30 days prior written notice and with a copy of the Plain Language Summary (PLS). The written notice will indicate what actions CNE plans to undertake.
6. Prior to commencing any extraordinary collection efforts, a patient, or the financially responsible individual, will be provided at least 120 days from the first post-discharge billing statement and the patient has been provided with 30 days prior written notice and with a copy of the Plain Language Summary (PLS). The written notice will indicate what actions CNE plans to undertake.

Financial Assistance:

If a patient is unable to pay their bill for any reason, CNE’s Financial Assistance Policy (FAP), Plain Language Summary (PLS), application form and required documents are available on CNE’s website: www.carenewengland.org.

Additionally, individuals may, at no charge, request documents by mail, by calling (401) 921-7200, or in-person at any of the following CNE Hospital locations:

- Butler Hospital: 345 Blackstone Boulevard, Providence RI 02906
Patient Financial Services Office, Sawyer Building, 1st Floor
Office Hours: Monday-Friday 8:00AM – 4:30PM
Telephone: (401) 455-6240
- Kent Hospital: 455 Tollgate Road, Warwick, RI 02886

Business Office, 2nd Floor
Office Hours: Monday-Friday 8:00AM – 4:30PM
Telephone: (401) 921-7200

- Memorial Hospital: 111 Brewster Street, Pawtucket, RI 02860
Business Office, 1st Floor
Office Hours: Monday-Friday 8:00AM – 4:30PM
Telephone: (401) 729-2111
- Women & Infants Hospital: 101 Dudley Street, Providence RI 02905
Business Office, 1st Floor
Office Hours: Monday-Friday 8:00AM – 4:30PM
Telephone: (401) 274-1122, ext 41419

Additionally, CNE will publicize this FAP and the PLS in the entities we serve.

Financial Assistance may be accessed as follows:

- Patients or their representatives may request financial assistance
- CNE employees may refer patients or their representatives
- Referring physicians may refer patients or their representative

Uninsured patients will be notified of Financial Assistance at discharge. All patients, insured as well as uninsured, will be notified of Financial Assistance through the patient billing statement process for 120 days after the first post-discharge billing statement for care (“Notification Period”).

Patients may apply for Financial Assistance up to the 240th day after providing the first post-discharge billing statement for care (“Application Period”).

If a complete FAP application is submitted during the application period, the following action will be taken by CNE:

- a. ECA’s against the patient will be suspended;
- b. An eligibility determination will be made and documented in a timely manner;
- c. CNE will notify the patient in writing of the determination and the basis for the determination;
- d. An updated billing statement will be provided which will indicate the amount owed by the FAP-eligible patient (if applicable), how that amount was determined and the applicable AGB percentage;
- e. Any amounts paid in excess of the amount owed by the FAP-eligible patient will be refunded accordingly (if applicable); and
- f. Third Parties will take all reasonable available measures to reverse any ECA’s taken against the patients to collect the debt such as vacating a judgment or lifting a levy or lien.

If an incomplete application FAP application is received, CNE will provide the individual with written notice that describes the additional information or documentation required to make a FAP-eligible decision, along with the Plain Language Summary (PLS), and allow the individual 30 days to provide the information. CNE will also suspend any ECA’s to obtain payment for care during this time. Individuals will be provided a phone number to call with any questions regarding the additional information or documentation required.

Uninsured Population:

All uninsured patients may complete the FAP application process. They should also discuss their qualifications for other programs that may cover them for a portion or all of their health care. Financial Counselors and Patient Financial Services Representatives are available to assist patients. Patients will only be billed the lesser of Amount Generally Billed (AGB) or the charges less applicable FAP discounts and Self-Pay Discounts as described in the FAP.

Bad Debt Qualification:

Unresolved account balances may be referred to an external collection agency working on behalf of CNE after 120 days has passed from the first post-discharge billing statement and the patient has been provided with 30 days prior written notice and with a copy of the Plain Language Summary (PLS). The written notice will indicate what actions CNE plans to undertake.

These accounts have exhausted the normal collection flow as stated below:

1. Three (3) statements are sent to the guarantor
2. An internal collection effort was made to address the outstanding patient liability. This may be in the form of a collection letter, an equivalent notice and/or personal telephone call to the patient/guarantor.
3. Default of payment plan agreement.

CNE will provide the patient with a minimum of 30 days' written notice before engaging in any ECAs. The 30-day written notice will indicate which ECAs CNE plans on undertaking after the 30-days in the event of non-payment and will also include a copy of the Plain Language (PLS) Summary.

Permitted Collection Activity (ECA's):

- a. Placing a lien on an individual's property;
- b. Attaching or seizing an individual's bank account or other personal property;
- c. Commencing a civil action against an individual;
- d. Garnishing an individual's wages.

Prohibited Collection Activity (ECA's):

- a. Selling an individual's debt to another party;
- b. Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus;
- c. Deferring, denying or requiring payment before providing medically necessary care because of an individual's nonpayment for previously provided care;
- d. Foreclosing on an individual's real property;
- e. Causing an individual's arrest;
- f. Causing an individual to be subject to a writ of body attachment.

All collection agencies used by the system will have written guidelines which specify the extent of collection efforts authorized by CNE.

REVISION AND APPROVAL HISTORY: