



TCLMH, Inc.

### Trego County Lemke Memorial Hospital

*Approved by*

Dept. Head: Amanda Cronn

Administrator: David Augustine

Revised:

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**PURPOSE:**

To provide guidelines for billing and collection activity to maintain a sound financial position, thus affording the hospital necessary resources to maintain the best health care services possible to our service area.

**POLICY:**  
[Dept]

**Credit and Collections  
Business Office**

**PROCEDURE:**

Registration:

Patients will be pre-registered whenever possible. Patient registration will obtain all necessary information which may be pertinent and valuable to the follow-up and collectability of the account. The information requirements should be pertinent to internal and external collection capability. If further information is needed the insurance clerk may obtain this.

Inpatient Services:

Any patient with requirements from the insurance carrier for pre-admission certification are required to contact their insurance carrier and advise the hospital business office at the time of admission. If a patient is expecting to be admitted to the hospital at some point in the future, they must notify the business office to complete the pre-admission forms as soon as possible.

If a patient fails to notify the hospital of pre-admission certification needs, any increases in deductible/coinsurance from the insurance carrier will be the patient's responsibility. Any remaining balance from the inpatient service is due based on the payment schedule.

Outpatient/Emergency Services:

Patient insurance will be billed for outpatient/emergency services if the information is provided at the time of service. Outpatient and Emergency Room co-pays are due upon treatment, unless after office hours. Treatment will not be delayed awaiting co-pay for patients in emergency situations in accordance with EMTALA regulations. Any remaining balance from the service is due based on the payment schedule.

Patients with requirements from the insurance carrier for pre-admission certification for outpatient procedures are required to contact their insurance carrier and to advise the hospital business office prior to admission. If a patient fails to notify the hospital of pre-admission certification needs, any increase in deductible/coinsurance from the insurance carrier will be the patient's responsibility.

Insurance:

All services rendered are charged to the patient, not to an insurance company. The patient is responsible for all charges, regardless of insurance coverage. The filing of claims with the insurance company in no way relieves the patient of his or her obligation. All policy co-pays will be paid at the time of service.

Patients who have hospitalization insurance must provide proof of insurance coverage upon registration or pre-registration. Patients having insurance are requested to assign benefits to the hospital at the time of service. If a patient's insurance cannot be verified the patient will be responsible for their bill. The hospital will bill all insurance companies in a timely manner. All insurance claims become the patient's responsibility if unpaid after 45 days of filing the insurance claim. All balances not covered by the insurance become due per the payment schedule for accounts.

All insured patients whose deductible/co-insurance is higher than the amount they can afford to pay, may be eligible for financial assistance. Applications are available upon request. After eligibility is determined, any balances become due per the payment schedule for accounts.

Co-pay, Deductable and Co-Insurance:

Co-pay amounts will be applied to the patient's billed amount if they are unable to pay in full at time of service. Trego County-Lemke Memorial Hospital (TCLMH) patients will be required to pay a \$75 co-pay at time of service. Wakeeney Family Care Center (WFCC) and Ellis Family Care Center (EFCC) patients will be required to pay a \$40 co-pay at time of service. This co-pay policy will be applied unless otherwise stated by patients individual insurance policy.

In the event that a co-pay amount exceeds amount billed to the patient/guarantor the overpayment will be applied to patient/guarantor's outstanding account balance at any of the above listed facilities (TCLMH, WFCC, or EFCC).

Any accounts paid in full within fifteen (15) days of first billing will be given a 7% prompt pay discount.

Non-insured Patients:

If payment in full cannot be made at the time of service, arrangements must be made with the business office. Any charges incurred by patients without insurance coverage will be due based on the payment schedule. These patients are eligible for financial assistance and applications are available upon request. Co-pay will be required to be paid at time of service by non-insured patients in accordance with the above written policy on co-pay.

Medicare:

Patients must present proper Medicare identification and supplemental insurance cards at the time of service. Supplemental insurance will be filed after Medicare payment has been received. Any co-insurance, deductibles, and non-covered items that are not paid by insurance are the responsibility of the patient. Any remaining balance is due based

on the payment schedule.

KanCare:

Patients are required to present the current signed KanCare identification card at the time of service. If the patient has other insurance coverage, KanCare will be billed as supplemental insurance. Any co-pay amounts are due at the time of service. Any remaining balance including spend down balances will be due based on the payment schedule.

Auto Accident/Worker's Compensation:

Most health insurance companies now exclude payment for any benefits which may be covered by auto insurance, worker's compensation, or any other liability coverage. If an injury is the result of an auto accident, workplace accident or other accident where other liability coverage may exist, please notify the business at the time of treatment. Claims will be filed accordingly.

Veteran's Administration:

VA patients must have prior authorization from the VA for all hospital services. VA has defined some emergencies which are excluded from the prior authorization requirement. Authorization for services is the patient's responsibility.

**Payment Schedule for Accounts**

The following payment schedule is applicable to any account at TCLMH, WFCC or EFCC:

Minimum monthly payment accepted is \$100.00.

<b>Account Balance</b>	<b>Balance Due</b>	<b>Monthly Payment</b>
\$100 and under	30 days	Payment in full
\$101 - \$250	90 days	1/3 of total owed
\$251 - \$400	120 days	1/4 of total owed
\$401 - \$600	150 days	1/6 of total owed
Over \$600		10% of total owed

A prompt pay discount of 7% will be given to all accounts paid in full within thirty (30) days of the date of the first billing. Policy co-pays are not eligible for prompt pay discounts and must be paid in full at the time of service. VISA, DISCOVER or MASTERCARD is accepted. Each visit to the hospital or clinics initiates a patient bill and financial arrangements should be made for each bill. Patient bills can be combined for payment, with proper arrangements. Payment arrangements for any account will be made with the business office. If a payment is missed, the account will be turned over to an outside agency for collection.

Under Kansas Law, both parents are responsible for bills incurred by their minor children. If parents are divorced, we expect to be provided with complete information on all parties. We retain the right to charge for extra copies of bills or insurance forms.

## Collections

### Detail Bills:

Detail bills will be sent on all accounts in private pay/patient responsibility status with a balance over ten dollars (\$10) prior to the first statement cycle.

### Statements:

Statements will be sent on a 30 day cycle to all accounts in private pay status. They will be sent out approximately 1 week before the end of the month.

The first statement is mailed within 30 days of the account converting to a private pay basis. Payment in full will be requested by the 10<sup>th</sup> day of the following month. A copy of the Patient Payment Policy, Financial Assistance Policy Summary and Electronic Payment Authorization form will be sent with this statement.

The second statement will include a Past Due – Second Request notice. A copy of the patient payment policy and Electronic Payment Authorization form will be sent with this statement. Financial Evaluation forms will be sent upon request.

The third month without payment, the statement is stamped with Final Notice and is sent indicating that failure to make payment will result in placement of the past due accounts with a collection agency, an attorney, small claims court, or other source for collection.

In the event that a payment contract has been entered into, failure to make any scheduled payment will result in one additional attempt to collect the arranged amount. Failure to resume scheduled payments will result in the account being turned to another source for collection.

All statements that are returned for address unknown and no forwarding address will result in the account being turned to another source for collection.

### Accounts Deemed Uncollectable:

The following criteria may be used to cancel or deem an account uncollectable by the collection agency:

- 1) Account must be worked more than 150 days and be in an \*Inactive Status.
- 2) Any new accounts for the same debtor must have been reviewed.
- 3) Other accounts for the same debtor have been cancelled as uncollectable and credit reporting has not resulted in payment.
- 4) Debtor owns no property and a credit report did not indicate any current loans.
- 5) Debtor is disabled, incarcerated indefinitely, indigent, elderly with no attachable income, or permanently unemployed.
- 6) Account balance is under \$150.00.

\*Inactive status - Collector removes account from Active Collection File, but collection agency retains account for purposes of credit reporting. No phone calls and no letters sent.

A list of uncollectable accounts will be requested from the Hospital's collection agency prior to December 31 of each year.

**Approval & Authorization levels are as follows:**

**Amount to be written off:**

**Prior Authorization:**

a. \$0 to \$5,000

CFO or Administrator

b. \$5,000 or greater

Administrator

**Uncompensated Services/Financial Assistance Policy:**

Trego County Lemke Memorial Hospital will render care to those patients without financial resources to pay. Those patients who qualify for full or partial financial assistance or charity care will be treated with the same courtesy that all of our patients receive. Applications for financial assistance will be provided to patients upon request.