Credit and Collection

PURPOSE

To outline a fair and equitable means for the payment of medical center services by patients, guarantors, and third-party payers.

POLICY

MercyOne North Iowa Medical Center (Mercy NI) extends credit to all individuals and does not deny access for medical care to anyone based on their resources or their ability to pay. The patient and / or guarantor is ultimately responsible for payment of charges incurred as a result of receiving treatment at the medical center, except as government regulations and / or law may otherwise provide. MercyOne NI works with any individual who has inadequate resources to meet their financial obligation for services received. This includes conducting a financial review to determine whether reduced payments would be appropriate as well as helping the responsible individual determine if he / she qualify for available public assistance programs. If the individual does not qualify for any public assistance programs, refer to Rural Outreach if applicable, or to offer charity care or offer extended payment arrangements via the Healthfirst Loan Program.

- Patients are encouraged to pay their co-payment, deductible, or coinsurance amounts at their time of service. Financial counseling is available to assist patients and / or their families to verify insurance information, estimate potential liabilities for the services they are scheduled to receive, and make payment arrangements. If a patient does not assign insurance benefits nor has an estimated balance due after insurance coverage, the account is considered self-pay and the patient and / or family are advised that payment or satisfactory arrangements for payment be made.
- Registration, billing, and collection staff are to use consistent collection practices. They have the responsibility to be knowledgeable of pertinent laws and regulations. MercyOne NI is responsible for providing the necessary education, training, or in-services regarding changes in policies and procedures, government regulations, applicable laws, third party payer arrangements, or other information and changes as they pertain to the billing and collection of MercyOne NI services.

PROCEDURE

Insurance and the Acceptance of Assignment:

1. MercyOne NI files claims and accepts assignment of benefits for primary and secondary insurance as a service to the patient. It is the patient's responsibility to provide MercyOne NI with proper insurance information such as policy numbers, cards, subscribers, etc.
2. Accounts are handled as self-pay if:
   a. complete insurance information is not provided at the time of service;
   b. the insurance company does not accept an assignment of benefits;
   c. patients wish to bill their own insurance;
   d. insurance is liability or third party payers who may become involved in litigation.

Acceptable Coverage:

1. MercyOne NI bills all acceptable third-party plans on a timely basis and makes all reasonable efforts to collect payments directly from the insurer. Coverage is considered acceptable if the plan pays within a reasonable time period and honors legitimately executed assignment of benefits. If the insurer does not pay within a reasonable period of time according to guidelines specific to Patient Financial Services (PFS), the account becomes due and payable in full by the patient or guarantor.
   a. Medicare:
      • MercyOne NI bills Medicare for services provided to Medicare beneficiaries. Medicare beneficiaries are not sent statements concerning the status of balances for which Medicare is responsible.
   b. Medicaid:
      • Medicaid eligibility may change from month to month. By regulation, the Medicaid recipient is required to present a valid eligibility card to the provider at the time the service is provided. MercyOne NI files a claim with the designated state Medicaid agency for eligible recipient patients and does not provide statements or other notices to the recipient regarding charges or balances due unless the services were considered non-covered by the program.
   c. Commercial Insurance:
      • Accounts with a commercial insurance carrier as primary payment source allow 60 days to respond with a payment or denial before balances are considered self-pay.
   d. Workers' Compensation:
      • Patients claiming medical treatment related to work injuries are protected by law and do not have any personal liability to pay related medical claims. If a claim is denied as a workers compensation case, the patient may be held responsible for payment.

Individual Coverage:

1. MercyOne NI provides the patient or guarantor all information necessary for the patient or guarantor to directly bill additional insurance or indemnity plans.

Collection:

1. The billing and collection staff maintains reasonable, necessary contact with the patient/guarantor in an effort to seek payment on self-pay account balances.

2. Hospital and clinic-based accounts are determined to be bad debt and are referred to an external collection agency when there has not been a response to the Patient Financial Services (PFS) collection efforts. Legal action may be pursued for the portion of the unpaid amount after application of the collection policy. An approval by the Customer Service Manager must be secured prior to proceeding with a legal action to collect a judgment (i.e., garnishment of wages, debtor's exam). External collection agencies are authorized to pursue full legal recourse upon approval of Mercy. The external collection
In the event of an overpayment, every reasonable attempt is made to research the overpayment and to refund the appropriate payer. Refunds are processed in a timely manner in accordance with MercyOne NI's disbursement system.

### MercyOne North Iowa Medical Center Applicability:

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<tr>
<td>Y</td>
<td>MercyOne Facilities &amp; Colleagues</td>
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<td>N</td>
<td>Non-MercyOne Colleagues Working in Health Center</td>
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### Attachments

#### Attachments:

**Applicability**

MercyOne North Iowa Medical Center