



Title: Patient Billing, Payment and Collection of Accounts Receivable
Scope: Business Office
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PURPOSE:

Shannon Medical Center is committed to meeting the healthcare needs of the residents of San Angelo and the surrounding counties. As part of that commitment to provide quality healthcare, we have developed billing, discounting and payment guidelines, and a consistent collection process to assist our patients with information regarding their accounts.

POLICY:

Shannon will request payment of billed charges from uninsured/underinsured patients unless the patient qualifies for financial assistance or other programs as outlined below. The patient's ability to pay and eligibility for other funding sources may be taken into consideration at the time the service is provided. Shannon will not engage in billing and collections activities until the patient has been screened and treated in accordance with the Emergency Medical Treatment and Labor Act (EMTALA) Policy, where applicable. Shannon will not engage in any Extraordinary Collection Actions (ECAs) before 120 days after it provided the first post-discharge billing statement and before reasonable efforts have been made to determine whether or not the patient qualifies for financial assistance under the Shannon Financial Assistance Policy.

Patients Without Health Insurance or Underinsured

Uninsured/Underinsured patients who qualify for Financial Assistance will not be charged more than the Amount Generally Billed (AGB) for emergency or other medically necessary care. Patients who may be eligible for government health care programs should call Financial Counseling at 325-657-5696 or 800-313-9267. Benefits under state or government programs must be determined before an account can be considered under the Financial Assistance Policy (FAP).

Charity Care and Discounting for Uninsured/Underinsured Patients

Patients who are not eligible for government health care programs and whose financial condition is such that they are not able to pay for hospital services may be eligible for assistance under the Shannon Financial Assistance Policy. Financial Assistance is determined by review of a completed Financial Assistance Application including supporting documentation of income and will be based on 200% of the Federal Poverty Guidelines. Completed applications must be received within 240 days from the date of service. Other industry measures may also be utilized to determine assistance.

Collection of Accounts Receivable

Patients / guarantor will be responsible for payment of services received at Shannon Medical Center. Insured patients will be responsible for the patient portion and any non-covered services as agreed to in the Admission Agreement. Uninsured patients who do not qualify for Financial Assistance may be eligible for an uninsured discount or payment plan. Payment will be requested prior to or on the date of scheduled services. Patients who are unable to pay the full amount of their responsibility at the time of service can make payment arrangements under the following guidelines:

Total Balance	Monthly Payment Due
\$00 - \$500	\$40.00
\$501 - \$1,000	\$80.00
\$1,001 - \$1,500	\$125.00
\$1,501 - \$2,500	\$200.00
\$2,501 - \$3,500	\$275.00
\$3,501 - \$4,500	\$350.00
\$4,501 - \$6,000	\$450.00
\$6,001 and above	\$500.00

Once a patient qualifies for financial assistance, no further billing and collection actions will be taken for amounts that qualify under the Shannon Financial Assistance Policy. However, the portion of patient charges that do not qualify for financial assistance will be subject to the same billing and collection actions with other patients as outlined below.

Collection Process:

1. Four patient statements will be mailed to the patient's address on file. Statements will be sent in 30 day increments up to 120 days. Collection letters will be utilized at the discretion of the patient account representative.
2. Placement with primary outside collection agency may occur anytime following 120 days from the date of service. Agency will send a minimum of one letter and will attempt multiple phone calls. Placement with an outside collection agency may have an adverse impact on your credit report after 180 days from placement. Upon the uncollected balance being returned from the collection agency, the uncollected balance is deemed Bad Debt.
3. Medicare accounts will not be considered for placement until 120 days from the first notice of patient responsibility in accordance with Medicare regulations. Medicare Bad Debt must meet four basic criteria: a) The debt must be related to covered services and derived from deductible and co-insurance amounts; b) submitted to reasonable collection efforts; c) debt is uncollectible when claimed as worthless, and; d) established that there is no likelihood of recovery at any time in the future. Any overpayment of an account will be reviewed for refund within 30 days from the date the credit balance is created by the overpayment. Credit balances on Medicare accounts will be processed through the normal credit balance process and reported on a quarterly basis in compliance with Medicare regulations. Only uncollected Medicare deductible and co-insurance amounts are considered to be Bad Debt upon return from collection agency.

Interest

Shannon Medical Center does not charge interest on unpaid amounts for services not covered by third-party payers.

Consumer Complaints

Shannon Medical Center values its patients and welcomes the opportunity to address consumer complaints. If you would like to make a formal complaint, please contact the Business Office at 325-657-5307 or Quality Resources at 325-657-5295. If your complaint cannot be resolved informally with SMC, you may file a complaint with the Texas Department of State Health Services by phone at 512-458-7111 or 1-888-963-7111 or by mail to Customer Service Representative, 1100 W. 49th Street, Austin, Texas 78756.