Finance

Title [REQUIRED]: **PATIENT CREDIT POLICY**	
Joint Commission Chapter Section: 1.0 Administrative	*Date original policy was created:* May 14, 2009
This policy belongs to: *Revenue Management*	
Committee/Council Approval(s) [Optional] and [Date of committee approval]	

☒ **This policy is a systemwide policy, applicable to all entities, locations, services and employees throughout Geisinger.**
☒ **This policy contains one or more PROCEDURES outlining the methods and applicability of this policy.**

PURPOSE

It is the policy of Geisinger to attempt to resolve both current estimated patient liabilities and any prior patient/guarantor balances, excluding any bad debt balances. This policy covers the financial process for any self-pay or insured patient seeking services provided by Geisinger. This policy applies to all Geisinger patients receiving care at any Geisinger entity and all its subsidiary organizations.

PERSONS AFFECTED

- Revenue Management
- Financial Reporting
- Clinic Operations
- Hospital Operations

POLICY

Patient financial communications will include current financial liability as well as any prior visit account balances for which the patient is responsible. If requested, the patient will be referred to resources who can provide a detailed list of prior accounts balances; this list will include date(s) of service, total charges, insurance payments and adjustments, if any, and the patient's balance.

This policy will establish guidelines and provide clarification related to 501(r) requirements associated with the Geisinger Financial Assistance Policy (FAP). The requirements mentioned pertain to patient payment and credit as they relate to a patient's access to medical services.

DEFINITIONS

- **Financial Assistance Policy (FAP):** Financial Assistance Policy is the process used by patients to obtain financial assistance when they cannot meet their financial obligations after treatment.
- **Emergency Medical Treatment and Labor Act (EMTALA):** The Emergency Medical Treatment and Labor Act is a federal law that requires anyone coming to an emergency department to be stabilized and treated, regardless of their insurance status or ability to pay.

- **Patient Financial Counselor (PFC):** Patient Financial Counselor offers financial advice and assistance to patients regarding medical bills. They are the liaison between patients and medical assistance opportunities such as Medicaid and Healthcare Exchange Insurance. They may also secure grants or financial aid for those in need of additional financial assistance. Their job is to handle financial obligations so that patients and physicians can focus on healthcare.
- **Urgent and Emergent Services:** A service required when a physician within Geisinger determines that immediate care is required to avoid the loss of life, limb or disability.
- **Non-Urgent/Elective Service:** A service that is not life-threatening, where the patient's condition permits adequate time to schedule in advance.
- **Medically Necessary**: Related to activities which may be justified as reasonable, necessary, and/or appropriate, based on evidence-based clinical standards of care. In contrast, unnecessary healthcare lacks such justification.
- **Patient Liability:** The dollar amount the patient/guarantor is legally obligated to pay for services rendered by a provider/facility. For insured patients this may include copayment, coinsurance, deductibles and payments for non-covered services.
- **Emergency Medical Condition (EMC):** A medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in either: placing the health of the individual (or unborn child) in serious jeopardy; or serious impairment to bodily functions; or serious dysfunction of any bodily organ or part.
- **Medical Screening Exam (MSE):** The screening process performed by a Qualified Medical Person (QMP) that determines the presence or absence of an Emergency Medical Condition (EMC).

RESPONSIBILITIES:

Revenue Management will administer this policy

EQUIPMENT/SUPPLIES:

N/A

PROCEDURE:

I. A. Point of Service Collections

- For patients with insurance, all copayments, deductibles and outstanding previous balances will be collected. Geisinger will provide liability estimates for self-pay patients. For all non-urgent/ elective services payment of financial liability is required prior to the service being rendered.
- The patient will be informed prior to service as to any amounts owed. Those amounts will be collected prior to or at the point-of-service. If patient expresses the willingness to pay, without the ability to pay, the patient will be transferred to a Patient Financial Counselor prior to service to review payment and/or financial assistance options.

B. Urgent and Emergent Services

- This policy applies only to non-urgent/elective, medically necessary appointments and procedures. If a scheduled visit is ordered as urgent, the patient will be notified of their

estimated liability and payment will be requested. However, the patient's care will not be delayed due to lack of payment.

C. Emergency Services
    - Pursuant to the EMTALA Policy, in the event that a patient has an "emergency medical condition" (EMC) as defined under EMTALA, a medical screening examination (MSE) and appropriate treatment shall not be delayed to permit an inquiry regarding the patient's method of payment or insurance status. Geisinger will always provide emergency and medically necessary care to patients regardless of their ability to pay, in compliance with applicable federal and state regulations.
    - Under EMTALA, Labor & Delivery units and any other units in a hospital that provide care for emergency medical conditions on an urgent basis without requiring an appointment are considered emergency departments and must be in compliance with this policy. In those emergency departments, the patient liability discussion will occur after the patient has been clinically stabilized and it has been determined that the patient does not have an emergency medical condition. The conversation will occur either at bedside or at time of discharge. Patients admitted to a Geisinger facility will be identified and monitored for financial resolution prior to discharge.
    - If the patient is not covered by insurance, Geisinger, with the cooperation of the patient, will apply for Medical Assistance on behalf of the patient in an attempt to secure reimbursement for the services provided. Insured patients with an outstanding liability who express concerns regarding their ability to pay will be referred to a patient financial counselor.

II. Discount Policy

A. When a patient presents for non-urgent/elective services and does not possess insurance or the services in question are non-covered, a discount, based on gross charges, may be offered to the patient. The following are the guidelines with respect to this policy:
    - This policy will not be applicable to self-pay, copayments and deductibles.
    - Package price programs are excluded with respect to this form of discounting.
    - The agreement to discount services for non-urgent/elective services must be determined before the services are rendered.
    - If a patient is seeking treatment for urgent/emergent services and the patient does not have insurance coverage or the services are non-covered, the services in question will be rendered and a determination of the various payment options will be performed later.

III. Collection Policy

A. This policy will also establish the collection process for self-pay patients and self-pay balances due after the primary insurance has paid (subject to risk management exceptions). The following outlines the collection process:

- All patients will be notified via their billing statement of Geisinger's Financial Assistance Policy and payment options in addition to an explanation of extraordinary collection actions that can take place.
- Inform individuals the application period for applying for Financial Assistance is 240 days after the date the first post discharge billing statement is sent for the care provided.
- After three (3) months, a bad debt pre-list will be supplied to management of all patients who will be eligible for transfer to bad debt within thirty (30) days. If no response is received from patient, then we will proceed to the next step. The third billing statement will include language to inform patients of the following: You are hereby notified that a negative credit report reflecting on your credit record may be submitted to credit reporting agencies after 30 days from the date of this notice if you fail to fulfill your obligation of resolving unpaid amount owed.
- A fourth (4) month pre-collection process consisting of four (4) patient statements from the "date of service" or from the time that the balance becomes the guarantor's responsibility.
- After the first four months, any unpaid balances would be transferred to "bad debt" and assigned to a first placement collection agency for a period not to exceed six (6) months and the patient will be reported to the various "credit reporting" agencies.
- Furthermore, if the balance remains unpaid after this timeframe, the balance would be assigned to a second placement agency for a period not to exceed six (6) months.
- Legal action may be considered on a case-by-case basis to establish a lien on any property the patient owns. We will not pursue the enforcement of any liens.

REFERENCES:
Exhibit A: Financial Assistance Policy
Exhibit B: Patient Transfer and Emergency Medical Treatment and Labor Act (EMTALA)

Document Information

Developed	*Revised/Reviewed**	*Source*	*Approved By & Date*
08/18/2004	5/14/09 2/8/11 3/29/18 1/25/21	Dept Supervisor	VP, Revenue Management
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