A. TITLE: Billing, Collection & Financial Assistance Policy

B. RATIONALE:

University of Virginia Medical Center (the “Medical Center”) is a tax-exempt organization and an agency of the Commonwealth of Virginia (the “Commonwealth”) subject to both the Virginia Debt Collection Act (Va. Code §§ 2.2-4800, et seq.) and Virginia Setoff Debt Collection Act (Va. Code §§ 58.1-520), each of which requires the use of certain collection processes in support of collecting debts owed to the Commonwealth or agencies thereof. In addition, the Medical Center strives to comply with the intention and spirit of the requirements set forth in Section 501(r) of the Internal Revenue Code (the “Code”) in its approach to patient billing and collection, including evaluation of the ability of its patients to pay for medically necessary care and assisting them in navigating payment options.

C. DEFINITIONS:

1. **Assets/Resources:** All tangible assets held by a patient or its Household, which may include but are not limited to: bank accounts, investment accounts (e.g. 401k, 403b), digital accounts (e.g. Paypal), real estate, vehicles, and annuities.

2. **Catastrophic Financial Assistance:** Assistance that is based upon expanded eligibility criteria applied to a catastrophic, EMTALA/Trauma recognized medical event where the total balance due is more than $10,000, and the assistance provided results in a balance due of no more than 25% of the patients’ yearly household income and resources.

3. **Charity Care:** The Medical Center funded discounts that are supplemental and in certain cases incremental to Indigent Care.

4. **Collection Agency:** A 3rd party company with which the Medical Center contracts to collect past due accounts.

5. **Federal Poverty Level (FPL) Guidelines:** The federal poverty guidelines issued and updated annually by the United States Department of Health and Human Services, which the Medical Center uses to establish income and family size eligibility criteria for Indigent Care.

6. **Household:** Includes the patient’s spouse, or mother and father (regardless of marital status), and any minor children who live in the same home as the patient and are qualifying dependents for tax purposes.

7. **Household Income:** For purposes of the Medical Center Financial Assistance Application, sources of income include but are not limited to: gross salary and wages, self-employment income, interest and dividends, real estate rentals and leases, Social Security benefits, alimony and child support payments, pensions, settlement income, bonds, tax annuities, unemployment and disability payments, and public assistance such as general relief or Temporary Assistance for Needy Families (“TANF”).

8. **Indigent Care:** Medically necessary services provided at no cost or discounted charges to patients who meet current State University Teaching Hospitals Indigent Care Guidelines, and if applicable, additional Medical Center funded criteria described in this policy.

9. **Price Estimates:** An estimated out of pocket amount for a scheduled service that includes both the Medical Center’s and professional fees.

10. **Uninsured Discount:** A discount to patients who are uninsured and ineligible for either Indigent Care or Charity Care. Uninsured patients who meet this criteria receive a 40% discount from charges by the Medical Center.

*Always refer to the official online Policy Manual for the most current version.*

*Printed copies are for temporary reference only.*
D. POLICY:

The Medical Center’s billing and financial assistance practices will reflect financially responsible guidelines that appropriately take into account a patient’s ability to pay. The procedures outlined in this policy describe the Medical Center’s extensive efforts to assist patients in identifying financial assistance and reasonable payment options processes prior to initiating, as a last resort, collection activities consistent with state law. The Medical Center shall implement appropriate procedures as applicable, as detailed below in Section E (“Procedures”), to help eligible patients receive financial assistance with respect to their medical bills, beginning before they receive care and continuing through the patient billing process.

E. PROCEDURES:

1. The Medical Center shall take the following actions to financially care for its patients, publicize availability, and qualify patients for all forms of financial assistance detailed above:

a. Provide a detailed Medical Center Financial Assistance website that includes financial assistance eligibility criteria, the catastrophic policy, a copy of the application, a toll-free phone number to call for help, and an eligibility calculator.

b. Use 3rd party software to evaluate all patients for potential eligibility for financial assistance. The information received is translated into Federal Poverty Level values that are used to send letters and financial assistance applications to patients during the scheduling process or at the time of service for patients needing unscheduled or emergency care. Patients may be eligible for financial assistance as follows (based on Household income and assets) for Medical Center balances:

   i. 100% adjustment to charges - Household income at or below 200% FPL with resources less than $50,000 resulting in a 100% adjustment to charges;
   ii. 60% adjustment to charges – Household income between 201% and 300% FPL with assets/resources less than $50,000
   iii. 50% adjustment to charges – Household income between 301% and 400% of FPL with assets/resources less than $50,000.

c. Use a 3rd party eligibility vendor that has an on-site team who assists patients free of charge in obtaining Virginia Medicaid, Emergency Medicaid, COBRA coverage, Disability, and Affordable Care Act Marketplace coverage.

d. Work with the Albemarle County Department of Social Services to jointly fund employees who are stationed on-site to help patients qualify for Virginia Medicaid and Emergency Medicaid.

e. Establish interest-free payment plans that consider the patient’s income and ability to pay.

f. Enroll in Hospital Presumptive Eligibility (HPE) with Virginia Medicaid, which allows the Medical Center staff to approve eligible patients for temporary Medicaid coverage (full application must be completed for benefits to extend past temporary period).

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g. Send a patient friendly statement with both physician and Medical Center balances contained in one mailing.

h. Publish the Medical Center’s financial assistance eligibility criteria and links to the Medical Center’s financial assistance website and a telephone number for billing and financial assistance questions on every patient statement that is mailed.

i. Staff a customer service unit specifically for patient billing questions.

j. Staff a dedicated team for processing financial assistance applications and following up on pending decisions.

k. Provide an online shoppable services out-of-pocket calculator along with a price estimates team that responds to telephone or email inquiries. Web address: Pricing Estimates & More | UVA Health.

l. Maintain a Billing and Collection Ombuds Office to assist in disputes/questions.

m. Provide signage in Medical Center clinics and the Emergency Department informing patients about the financial assistance program as well as how to obtain an estimate of out-of-pocket costs.

n. Staff financial counselors in central locations available for in-person assistance with our financial assistance process or other billing questions.

o. Maintain a timely and consistent patient billing process for outstanding obligations by sending a minimum of four (4) statements on 28-day intervals with increasing urgency to act.

2. The Medical Center may take the following actions to obtain payment when patient balances are not resolved after the standard billing cycle has been completed:

   a. Referral to the Virginia Debt Set-off program where monies owed to patients who have delinquent balances are offset against money the state owes the patients. Examples include State income tax refunds, refunds owed by the DMV for overpayments, or lottery winnings.

   b. Placement with a collection agency and reporting to credit bureaus after the standard Fair Debt Collection Practices Act (FDCPA) required notifications.

   c. Use of the judicial process where the balance owed is greater than $1,000 and the patient’s household income is greater than 400% of the FPL Level that can result in the creation of liens, and/or wage garnishments. A garnishment will not be issued against an employee of the Medical Center or any affiliated entity unless approved by the Ombuds.

3. The Medical Center will not take any of the below actions to obtain payment when patient balances are not resolved after the standard billing cycle has been completed:

   a. Foreclosing or forced sale of primary real estate that have a lien
b. Selling debt owed by patients to a 3rd party debt collection company.

c. Refusing to provide necessary medical care

F. Plain Language explanation of these procedures in the form of FAQs are available on the UVA Health website at [Billing: FAQs | UVA Health].

SIGNATURE: 

[Signature]
Wendy Horton, CEO, UVA Medical Center

DATE: 12/09/2021

Executive Owner: Medical Center Chief Financial Officer
Initial Approval: December 2021