Billing & Collections Policy

This policy applies to patient care at these locations:

- UVA Health Culpeper Medical Center (CPMC)
- UVA Health Haymarket Medical Center (HAMC)
- UVA Health Prince William Medical Center (PWMC)
- UVACH Medical Group
- UVA Health Cancer Center Gainesville

PURPOSE

The purpose of this policy is to provide information regarding the billing and collection practices for UVA Community Health (UVACH), which includes UVA Health Culpeper Medical Center (CPMC), UVA Health Haymarket Medical Center (HAMC), UVA Health Prince William Medical Center (PWMC), UVACH Medical Group, and UVA Health Cancer Center Gainesville. (hereinafter referred to as "Community Health entities")

SCOPE

This policy applies to all Community Health entities.. Any collection agency working on behalf of the Community Health entities will honor and support the collection practices as outlined below. Unless otherwise specified, this policy does not apply to physicians or other medical providers, including but not limited to emergency room physicians, anesthesiologists, radiologists, hospitalists, and pathologists who are not employed by Community Health Medical Group.

DEFINITIONS

Amounts Generally Billed (AGB) – Amounts Generally Billed means the amounts generally charged to patients for emergency and medically necessary services who have insurance for such services. Charges for patients who are eligible for financial assistance shall be limited to no more than amounts generally billed ("AGB") for such services. These charges are based on the average allowed amounts from Medicare and commercial payers for emergency and other medically necessary care. The allowed amounts include both the amount the insurer will pay and the amount, if any, the individual is personally responsible for paying. CPMC, PWMC and HAMC AGBs are calculated using the look back method per 26 CFR §1.501(r).

Bad Debt – Written off of the Accounts Receivable as non-collectable but still considered an outstanding balance owed.

Collection Agency - A Collection Agency is any entity engaged to pursue or collect payment from guarantors.

Eligibility Period – The period of time a guarantor is awarded financial assistance.

Extraordinary Collection Action (ECA) - An ECA is any of the following:

- ☐ Selling an individual's debt to another party, subject to some exceptions
- ☐ Adverse reporting to credit reporting agencies or credit bureaus
- ☐ Deferring, denying or requiring payment before providing medically necessary care due to nonpayment for previously provided care
- ☐ Actions that require a legal process, including but not limited to:
  - Placing a lien on property
  - Foreclosing on real property
  - Attaching or seizing a bank account or other personal property
  - Commencing civil action against an individual
  - Causing an individual's arrest
  - Causing an individual to be subject to a writ of body attachment
  - Garnishing an individual's wages

Filing a claim in a bankruptcy proceeding is not an Extraordinary Collection Action. Guarantor – The

patient, caregiver, or entity responsible for payment of a healthcare bill.

Patient Financial Assistance Program - A program designed to reduce the guarantor balance owed. This program is provided to guarantors who meet the eligibility criteria described in our Financial Assistance Policy.

Patient Responsibility for insured patients - Patient Responsibility for insured patients is the amount that an insured Patient is responsible to pay out-of-pocket after the patient's third-party coverage has determined the amount of the patient's benefits and includes co-payments, co-insurances and deductibles.

Patient Responsibility for uninsured patients - The amount a patient is responsible to pay after application of any uninsured discounts.

Third-Party Payer - An organization other than the patient (first party) or health care provider (second party) involved in the financing of personal health services.

Underinsured - An individual who has insurance but is billed total charges for non-covered services according to their benefit plan. Examples include but are not limited to: Medicare self-administered drugs, maximum benefits reached, maternity riders, etc.

Uninsured - Patients who do not have insurance.

POLICY

It is the policy of UVA Community Health entities to bill guarantors and applicable third party payers accurately, timely, and consistently with applicable laws and regulations.

Itemized Statement
Guarantors may request an itemized statement for their account at any time free of charge.

Disputes

Any guarantor may dispute an item or charge on their bill. Guarantors may initiate a dispute in writing or over the phone with a customer service representative. If a guarantor requests documentation regarding their bill, staff members will use reasonable efforts to provide the requested documentation to the guarantor within three business days.

Billing Cycle

The billing cycle for the Community Health entities begins from the date of the first statement and ends 120 days after that date. During the billing cycle guarantors may receive calls, statements and letters. Calls may be placed to the guarantor throughout the billing cycle. Below is the schedule of statements and letters:

- A statement is sent to the guarantor when a balance is determined to be owed by the guarantor
- A follow-up letter is sent 30 days after the date on the statement informing the guarantor that their account is past due
- A second letter is sent 30 days after the first letter informing the guarantor their account is delinquent
- A third and final letter is sent 30 days after the second letter informing the guarantor that their account is seriously delinquent, and the account may be turned over to a collection agency
- At day 120 of the billing cycle a guarantor's account is placed with a collection agency

Each statement and letter used in our billing cycle contains information regarding payment methods, payment options, financial assistance website, and a contact number for customer service.

PROCEDURE

Non-Guarantor Billing

1. Obtaining Coverage Information: The Community Health entities shall make reasonable efforts to obtain information from Patients about whether private or public health insurance may fully or partially cover the services rendered by the Hospital to the Patient.
2. Billing Third Party Payers: The Community Health entities shall diligently pursue all amounts due from third- party payers, including but not limited to contracted and non-contracted payers, indemnity payers, liability and auto insurers providing direct patient coverage, and government program payers that may be financially responsible for a Patient's care. In addition, the Community Health entities will bill all applicable third-party payers based on information provided by or verified by the Patient or their representative in a timely manner.

Guarantor Billing

A statement and letter series is used to inform the guarantor of an account balance that is due. Each statement and letter contains information regarding payment methods, financial assistance, and a contact number for questions.

1. Billing Insured Patients: The Community Health entities shall promptly bill the guarantor for the amount computed by the Explanation of Benefits (EOB) or as directed or determined by benefits structure under the third-party payers' policy.

2. Billing Uninsured Patients: The Community Health entities shall promptly bill the guarantor the amount owed less any applicable uninsured discounts.

Collection Practices

1. General Collection Practices: Subject to this policy, the Community Health entities may employ reasonable collection efforts to obtain payment from guarantors. General collection activities may include issuing guarantor statements/letters, phone calls, and referral of accounts to extended business partners such as but not limited to, pre-collect, early out and bad debt vendors.

2. Extraordinary Collection Actions: The Community Health entities and its Collection Agency partners may perform an ECA in the form of credit bureau reporting subject to any requirements under the Federal Fair Debt Collection Practices Act.. The reporting of a guarantor to the credit bureau for non-payment of an amount owed will not be performed until 60 days after the billing cycle has ended. The guarantor will be notified 30 days in advance of reporting to the credit bureau by the Collection Agency partner. Neither the Community Health entities nor its Collection Agency(s) partner may engage in an ECA against guarantors before having made reasonable efforts to determine if they qualify for financial assistance.

3. No ECA's During the Financial Assistance Application Process: The Community Health entities and its Collection Agency Partner(s) shall not pursue an ECA from a guarantor who has submitted an application for Financial Assistance. If it is determined the guarantor qualifies for full financial assistance and the guarantor has made a payment, the Community Health entities shall return any amount received greater than $5.00 from the guarantor during the guarantor's eligibility period. If the guarantor is approved for partial financial assistance, The Community Health entities will refund any amount that exceeds the amount the guarantor is deemed to be personally responsible for paying. The Community Health entities will not refund the guarantor any amount less than $5.00.

4. Payment Plans:

a. Eligible Patients: The Community Health entities and any Collection Agency(s) acting on their behalf shall offer guarantors an option to enter into a payment plan agreement. The payment plan agreement allows the guarantor to pay an owed amount over a specified duration of time.

b. Terms of Payment Plan:

- All payment plans shall be interest-free
- All monthly payments will be based on a mutually agreed upon amount between the Community Health entities and the guarantor
- The balance on the account is expected to be paid in full within the agreed upon time period

c. Declaring Payment Plan Delinquent: A payment plan may be declared delinquent after the guarantor's failure to make all consecutive payments. If this occurs, the guarantor will receive a delinquent notice. The notice will be mailed to the last known address of the guarantor. After a payment plan is declared delinquent, the Community Health entities or the Collection Agency may commence collection activities in a manner consistent with this policy.

5. Collection Agencies: The Community Health entities may refer guarantor accounts to a Collection Agency, subject to the following conditions:

a. The Collection Agency must have a written agreement with the Community Health entities.

b. The written agreement with the Collection Agency shall include language requiring the Collection Agency's adherence to the mission, vision, core values, the terms of the Financial Assistance Policy, and this Billing and Collections Policy of the Community Health entities.

c. The Collection Agency shall agree to notify the guarantor 30 days prior to initiating any ECA's. This notice shall include a copy of the plain page summary of the financial assistance policy.

d. The Community Health entities shall maintain ownership of the debt (i.e., the debt is not "sold" to the Collection Agency).

e. The Collection Agency shall have processes in place to identify guarantors who may qualify for Financial Assistance. The Collection Agency must communicate the availability of the Financial Assistance Program and refer guarantors who are seeking Financial Assistance back to the Community Health entities via telephone or to the website: https://uvahealth.com/services/billing-insurance/financial-assistance-eligibility. The Collection Agency shall not seek any payment from a guarantor who has submitted an application for Financial Assistance.

f. No balance shall be referred to a Collection Agency until at least 120 days has passed from when the Community Health entities sent the initial bill to the guarantor on the account, unless returned mail has been received and diligent efforts have been made to find an updated address.

g. No balance shall be referred to a Collection Agency if the guarantor is actively negotiating a payment plan or on a payment plan that has not fallen delinquent.

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