



Entity-Department: MCH Patient Financial Management	Reviewed by: Adam Howard, Revenue Cycle Director	Revision Date: 11/1/2020
Page 1 of 3	Approved by: Lorraine Smith, CEO	Effective Date: 7/1/2018
Policy Name: MCH Collection Policy		

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1. Purpose: It is the policy of Monroe County Hospital (MCH) to ensure that debts owed by patients for medical care delivered by MCH are collected in a timely manner. Payment for such debts will be pursued according to uniform criteria and procedures applicable to all MCH patients who have not qualified for financial assistance.

2. Scope: Revenue Cycle/Business Office

3. Terms & Definitions:

Terms & Definitions	Description
Bad Debt	Amounts considered to be uncollectible from accounts and notes receivable that were created or acquired in providing healthcare services.
Deductibles, Copayments, and Coinsurance	Amounts payable by patients for covered medical services.

4. Standard Requirement: N/A

5. Responsibilities:

A. Patient Financial Services personnel will review unpaid accounts on a regular basis to identify nonpayment of copayments, coinsurance or deductibles required by any third party payer or for any services for which a patient is responsible as self-pay.

B. If a bill remains unpaid more than one hundred and twenty (120) days from the date it was first mailed to the beneficiary, and all reasonable collection attempts have failed, the debt may be deemed bad debt.

C. Reasonable collection efforts include, but are not limited to the following:

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1. The issuance of a bill for medical services on or shortly after discharge, delivery of services or death of the patient to the party responsible for the patient’s personal financial obligations; and

2. Subsequent billings, collection letters, telephone calls or personal contacts with the party, demonstrating a genuine collection effort.

D. A collection agency may be used to obtain payment. The fee charged by the collection agency is merely a charge for providing the collection service, and is not a bad debt. MCH currently uses an outside vendor to attempt collection of self-pay balances after one hundred and twenty (120) days from the date it was first mailed to the beneficiary.

E. For Medicare beneficiaries, a Medicare “bad debt” log will be maintained by Patient Financial Services for both inpatient and outpatient services. This log will contain the Medicare patient’s name and all unpaid charges that meet the criteria for bad debt. Each patient will be identified by his or her account number and Medicare Health Insurance Claim number. Dates of service and total amount due will also be listed. The Medicare Bad Debt Log will also include the coinsurance/deductibles for Medicare patients who have been approved for financial assistance.

F. The Medicare “bad debt” log will be updated monthly. Copies will be forwarded to the Revenue Cycle Director, who will then forward copies to the CFO or other individual responsible for the completion of the cost report. Copies of the log will be maintained in accordance with business records policy.

6. References: N/A

Requirement	Title & Description	Clause



**Monroe County
Hospital**

NavicentHealth *Partner*

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