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**TITLE: Billing and Collection Policy**

**PURPOSE:** UF Health Jacksonville bills patients and applicable third-party payers after health care services have been provided. This policy provides clear and consistent guidelines for conducting billing and collections functions in a manner that promotes compliance, patient satisfaction, and efficiency.

- Employing billing statements, written correspondence, and phone calls, UF Health Jacksonville will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts.
- This policy requires UF Health Jacksonville to make reasonable efforts to determine a patient's eligibility for financial assistance under UF Health Jacksonville's financial assistance policy before engaging in extraordinary collection actions to obtain payment.

**DEFINITIONS:**

- **Extraordinary Collection Actions (ECAs):** A list of collection activities, as defined by the IRS and Treasury, which healthcare organizations may only take against an individual to obtain payment for care *after* reasonable efforts have been made to determine whether the individual is eligible for financial assistance. These actions include reporting adverse information to credit bureaus/reporting agencies along with legal/judicial actions.
- **Financial Assistance Policy (FAP):** A separate policy that describes UF Health Jacksonville's financial assistance program—including the criteria patients must meet in order to be eligible for financial assistance as well as the process by which individuals may apply for assistance.
- **Reasonable Efforts:** A certain set of actions a healthcare organization must take to determine whether an individual is eligible for financial assistance under a financial assistance policy. In general, reasonable efforts may include making presumptive determinations of eligibility for full or partial assistance as well as providing individuals with written and oral notifications about the FAP and application processes.
- **Application Period:** The period during which UF Health Jacksonville must accept and process an application for financial assistance under its FAP submitted by an individual in order to have made reasonable efforts to determine whether the individual is eligible for financial assistance under the policy. The Application Period begins on the date the care is provided and ends on the later of the 240<sup>th</sup> day after the date that the first post-discharge billing statement for the care is provided, or at least 30 days after UF Health Jacksonville provides the individual with a written notice that sets forth a deadline after which ECAs may be initiated.

**PROCEDURE:** To establish a billing and collections policy that is in compliance with Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder. This policy was adopted by the Board of Directors in June, 2016 and is reviewed each year thereafter.

I. Insurance Billing

- A. For insured patients, UF Health Jacksonville will bill applicable third-party payers (based on information provided by or verified by the patient) in a timely manner.
- B. If a claim is denied or not processed by a payer due to an error on our behalf, the patient will not be billed for any amount in excess of what the patient would have owed had the payer paid the claim.
- C. If a claim is denied or not processed by a payer due to factors outside of our organization's control, staff will follow up with the payer and patient as appropriate to facilitate resolution of the

claim. If resolution does not occur after prudent follow-up efforts, UF Health Jacksonville may bill the patient or take other actions consistent with current regulations and industry standards.

## II. Patient Billing

- A. Uninsured patients will be billed directly and timely, and they will receive a statement as part of the organization's normal billing process.
- B. Uninsured patients who are not eligible for financial assistance under the Financial Assistance policy may be eligible for a self-pay discount of 45% off of UF Health Jacksonville's gross charges. Any self-pay discount applied will be reversed if insurance coverage is located.
- C. The self-pay discount does not relieve nor forgive point-of-service cash payments that the patient may be required to pay. Also, the discount will not be applied to any "cosmetic" or other elective services.
- D. For insured patients, after claims have been processed by third-party payers, UF Health Jacksonville will bill patients in a timely manner for their liability amounts as determined by their insurance benefits.
- E. Patients may request an itemized statement for their accounts at any time.
- F. If a patient disputes his or her account and requests documentation regarding the bill, staff members will provide the requested documentation in writing within 10 days (if possible) and will hold the account for at least 30 days before referring the account for collection.
- G. UF Health Jacksonville may approve payment plan arrangements for patients who indicate they may have difficulty paying their balance in a single installment.
  - 1. Patient Financial Services managers and directors have the authority to make exceptions to this policy on a case-by-case basis.

UF Health Jacksonville is not required to accept patient-initiated payment arrangements and may refer accounts to a collection agency as outlined below if the patient is unwilling to make acceptable payment arrangements or has defaulted on an established payment plan.

## III. Collections Practices

- A. In compliance with relevant laws, and in accordance with the provisions outlined in this policy, UF Health Jacksonville may engage in collection activities - including ECAs - to collect outstanding balances.
- B. General collection activities may include follow-up calls on statements.
- C. Patient balances may be referred to a third party for collection. UF Health Jacksonville will maintain ownership of any debt referred to collection agencies, and patient accounts will be referred for collection only with the following caveats:
  - 1. There is a reasonable basis to believe the patient owes the debt.
  - 2. Third-party payers have been properly billed, and the remaining debt is patient-responsibility. A patient shall not be billed for any amount that an insurance company is obligated to pay.
  - 3. UF Health Jacksonville will not refer accounts for collection while a claim is still pending payer payment. However, UF Health Jacksonville may classify certain claims as "denied" if such

claims are in “pending” mode for an unreasonable length of time, despite efforts to facilitate resolution.

4. Accounts will not be referred for collection where the claim denial was due to a UF Health Jacksonville error. However, the patient portion of such claims may be referred for collection if unpaid.
5. UF Health Jacksonville will not refer accounts for collection where the patient has initially applied for financial assistance and the patient has not yet been notified of the decision, provided the patient has complied with the information requests delineated during the application process.

#### IV. Reasonable Efforts and Extraordinary Collection Actions (ECAs)

- A. Before engaging in ECAs, UF Health Jacksonville must make certain reasonable efforts to determine whether an individual is eligible for financial assistance under our financial assistance policy:
  1. ECAs may begin only when 120 days have passed since the first post-discharge statement was provided.
  2. Provide the individual with a written notice that indicates financial assistance is available for eligible individuals, identifies the ECA(s) that UF Health Jacksonville (or other authorized party) intends to initiate to obtain payment for the care, and states a deadline after which such ECA(s) may be initiated that is no earlier than 30 days after the date that the written notice is provided.
  3. Provide a plain-language summary of the FAP along with the final notice prior to the ECA.
  4. Attempt to notify the individual orally about the FAP and how he or she may get assistance with the application process.
- B. After making reasonable efforts to determine financial assistance eligibility as outlined above, UF Health Jacksonville (or its authorized business partners) may take any of the following ECAs to obtain payment for care:
  1. Report adverse information to credit reporting agencies and/or credit bureau
  2. Attorney engagements which may or may not lead to a lawsuit.
- C. UF Health Jacksonville Patient Financial Service is ultimately responsible for taking reasonable efforts to determine whether an individual is eligible for financial assistance and for deciding whether the organization may proceed with any of the ECAs outlined in this policy.

#### V. Financial Assistance

- All billed patients will have the opportunity to contact UF Health Jacksonville regarding financial assistance for their accounts, payment plan options, and other applicable programs. Any self-pay or financial assistance discount applied will be reversed if insurance, TPL, a settlement and/or other miscellaneous source is identified.

- UF Health Jacksonville's financial assistance policy is available in English and Spanish. Request a free copy by:
  - a. Calling (904) 244-4015.
  - b. E-mailing [enroll@jax.ufl.edu](mailto:enroll@jax.ufl.edu).
  - c. Accessing the website via the following link: <http://ufhealthjax.org/patient-care/financial-assistance.aspx>
  - d. Visiting, in person, one of the following locations:
    - 1. UF Health Jacksonville Admissions Department, 655 West 8<sup>th</sup> Street, Jacksonville, Florida 32209.
    - 2. UF Health Jacksonville North Admissions Department, 15255 Max Leggett Parkway, Jacksonville, Florida 32218.
    - 3. UF Health Jacksonville Financial Eligibility Department, 2000 Boulevard, Jacksonville, Florida 32209.

#### VI. Processing FAP Applications

UF Health Jacksonville will process FAP applications in accordance with the provisions set forth below:

1. Submission of Complete FAP Application:
  - a. If an individual submits a complete FAP application during the Application Period, UF Health Jacksonville will:
    - i. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);
    - ii. Make a determination as to whether the individual is FAP-eligible and notify the individual in writing of the eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination;
    - iii. If UF Health Jacksonville determines the individual is FAP-eligible, UF Health Jacksonville Hospital will:
      - Provide the individual with a statement that indicates the amount the individual owes for the care as a FAP-eligible individual (if the individual is eligible for assistance other than free care) and how that amount was determined and states, or describes how the individual can get information regarding, the AGB for the care.

- Refund to the individual any amount he or she has paid for the care (whether to the hospital facility or any other party to whom the hospital facility has referred or sold the individual's debt for the care) that exceeds the amount he or she is determined to be personally responsible for paying as a FAP-eligible individual, unless such excess amount is less than \$5 (or such other amount published in the Internal Revenue Bulletin).
  - Take all reasonably available measures to reverse any ECA (with the exception of a sale of debt) taken against the individual to obtain payment for the care.
- b. If, upon receiving a complete FAP application from an individual who UF Health Jacksonville believes may qualify for Medicaid, UF Health Jacksonville may postpone determining whether the individual is FAP-eligible for the care until after the individual's Medicaid application has been completed and submitted and a determination as to the individual's Medicaid eligibility has been made.

## 2. Submission of Incomplete FAP Application

- a. If an individual submits an incomplete FAP application during the Application Period, UF Health Jacksonville will:
- i. Suspend any ECAs against the individual (with respect to charges to which the FAP application under review relates);
  - ii. Provide the individual with a written notice that describes the additional information and/or documentation required under the FAP or FAP application form that the individual must submit to UF Health Jacksonville Hospital to complete his/her FAP application.
- b. If an individual who has submitted an incomplete FAP application during the Application Period subsequently completes the FAP application during the Application Period (or, if later, within a reasonable timeframe given to respond to requests for additional information and/or documentation), the individual will be considered to have submitted a complete FAP application during the Application Period.

## VII. Miscellaneous Provisions

1. **Anti-Abuse Rule** – UF Health Jacksonville will not base its determination that an individual is not FAP-eligible on information that UF Health Jacksonville has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.
2. **No Waiver of FAP Application** – UF Health Jacksonville will not seek to obtain a signed waiver from any individual stating that the individual does not wish to apply for assistance under the FAP, or receive the information described above, in order to determine that the individual is not FAP-eligible.

3. **Agreements with Other Parties** – If UF Health Jacksonville sells or refers an individual's debt related to care to another party, UF Health Jacksonville will enter into a legally binding written agreement with the party that is reasonably designed to ensure that no ECAs are taken to obtain payment for the care until reasonable efforts have been made to determine whether the individual is FAP-eligible for the care.
  
4. **Providing Documents Electronically** – UF Health Jacksonville may provide any written notice or communication described in this policy electronically (for example, by email) to any individual who indicates he or she prefers to receive the written notice or communication electronically

#### VIII. Customer Service

During the billing and collections process, UF Health Jacksonville will provide quality customer service by implementing the following guidelines:

1. UF Health Jacksonville does not allow abusive, harassing, offensive, deceptive, or misleading language or conduct by its employees.
2. UF Health Jacksonville will maintain a process for patient questions and/or disputes. This information will be listed on all bills and collections statements sent.
3. After receiving a communication from a patient (by phone or in writing), UF Health Jacksonville staff will return phone calls as promptly as possible (but no more than one business day after the call/correspondence was received) and will respond to written correspondence within 10 days.
4. UF Health Jacksonville will maintain a log of patient complaints that will be available for audit.