

UNIVERSITY HEALTH SYSTEM, INC
KNOXVILLE, TENNESSEE
Revenue Cycle

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Title: Patient Billing and Collection Policy Page: 1 of 3
Originator: VP of Revenue Cycle

I. Objective

To ensure The University of Tennessee Medical Center (UTMC) patient billing and collection processes are reasonable, fair and consistent.

- UTMC shall provide non-discriminatory emergency medical services regardless of a patient's ability to pay.
- UTMC will provide:
 - Enough billing information to allow patients to determine the accuracy of their bills.
 - A fair and reasonable opportunity to assess and discuss the accuracy of their bills.
 - Information regarding the Discounts and Financial Assistance Program Policy.
 - Opportunity to establish a reasonable payment plan for their outstanding balances.
- UTMC will not initiate Extraordinary Collection Actions before making reasonable efforts to determine a patient's eligibility for financial assistance under the Discounts and Financial Assistance Program Policy. Patients who do not meet their financial obligations may be subject to additional collection efforts including transfer to a third-party collection agency.
- UTMC will require any external collection agency, vendor partner or individual engaged by UTMC to obtain payment of outstanding bills to agree in writing to comply with the collection provisions of this policy and applicable laws.

II. Patient Communication

- A. Patient billing statements will include the following information:
- a. Date(s) of service
 - b. Brief description of the services provided
 - c. Amount owed for the services
 - d. Any insurance payments or adjustments, patient payments, or other discounts
 - e. UTMC contact information for addressing billing questions including mailing address, phone number, email address and website address
 - f. A statement of financial assistance availability with telephone number, website of application and policy, plain language summary, and how a patient can apply.
- B. Collection notices will include the following information:
- a. UTMC contact information for addressing billing questions including mailing address, phone number, email address and website address
- C. Patient billing inquiries:
- a. Calls: Responded to as promptly as possible, but no later than two (2) business days after received.
 - b. Letters: Responded to as promptly as possible, but no later than ten (10) business days after received.

III. Process and Procedures

- A. Accepted Forms of Payment:

- a. Cash, check, money orders, traveler's checks, electronic checks, Visa, MasterCard, American Express and Discover
 - b. Approved payment plans
 - c. Payroll Deductions for ER copayments (UTMC employees only)
 - d. Returned checks will be charged back to the patients account along with a non-sufficient fund (NSF) service fee.
- B. Prompt Pay Discount
- a. UTMC offers a courtesy 10 % Prompt Pay discount for most Hospital services when the Patient pays their balance in full within thirty (30) days of the first statement date. Certain services are excluded, and the discount amount is subject to change at UTMC's discretion.
- C. Payment Plan Options:
- a. UTMC offers internal payment plan arrangement up to six (6) months to pay patient responsible balance in full. Patient responsible balances will be divided as equal payments over six (6) months.
 - b. Payment plan arrangements greater than six (6) months will be referred to an external vendor partner to assist with options for extended payment arrangements.
 - c. If a patient is unable to meet the monthly payments of one of these options, they will need to apply for Financial Assistance. See Discounts and Financial Assistance Program policy.
- D. Catastrophic Discount
- a. To assist Patients who are resourced but have excessive medical debt, UTMC may offer additional discounts based on the amount the patient can pay over the course of one (1) year.
 - i. Patients with an estimated accumulative balance greater than \$5,000 over a 12-month period may be considered for a catastrophic discount. Patients will not be responsible for amounts greater than 20% of their Disposable Income. Discounted patient balances must be paid within 12-months.
 - 1. Disposable Income: Family Income less any expenses for necessities such as housing, utilities, food, transportation, medical expenses, childcare, mortgage, and health insurance.
- E. Excluded Services
- a. Certain services are not eligible for discounts or programs. These include but are not limited to
 - i. Any service or treatment not deemed medically necessary or elective.
 - 1. Cosmetic
 - 2. Dental
 - 3. Infertility Treatment
 - ii. Special priced services
 - 1. Cardiac Scoring
 - 2. Bone Density
 - 3. Nutritional Counseling
 - 4. Bariatric Services not covered by insurance
 - iii. Noncovered therapy treatments
 - 1. Chimeric Antigen Receptor-T cell therapy (CAR-T)
 - 2. Bone Marrow Transplant (BMT)
- F. Collection Actions/Efforts:
- a. UTMC will not pursue collection action for non-payment of a patient who has clearly demonstrated their inability to meet their financial obligations.
 - b. Patients must cooperate in good faith by providing requested financial documentation necessary to determine financial assistance eligibility.
 - c. Prior to referring a patient balance to an outside collection agency, UTMC will
 - i. Provide billing statements during the 120-day notification period after the first post discharge billing statement.

- ii. A final written notice will be provided 30 days prior to when extraordinary collection actions begin that indicates financial assistance availability, extraordinary collection actions that will be initiated at a specific date. A plain language summary of the financial assistance policy will be included with the final written notice.
 - iii. Allow the patient opportunity to apply for financial assistance under the Discounts & Financial Assistance Program policy.
 - iv. Eligible discounts will be applied to the patients account(s) in accordance with the Discounts & Financial Assistance Program policy.
- d. The minimum patient responsible balance amount transferred to an outside collection agency is \$25.00.
- e. Patients who fail to make payments in accordance with their agreed upon payment plan and do not notify UTMC of any changes in their finances, will be sent a final notice, and balances may be referred to an outside collection agency.
- f. Patients who do not meet presumptive eligibility criteria and do not complete a financial assistance application within 240 days of the first post discharge billing statement in accordance with the Discounts & Financial Assistance Program policy will be subject to the collection processes in this policy.

G. Extraordinary Collection Actions

- a. UTMC shall not engage in extraordinary collection actions defined as reporting adverse information to a consumer credit reporting, filing a collections suit, or garnishing wages sooner than 240 days after the first post discharge billing statement.
- b. The minimum patient responsible balance amount to file a collections suit and pursue legal action is \$1,000.
- c. UTMC will not pursue extraordinary collections actions on patients with limited income as defined by the federal poverty income guidelines of no less than 200 percent FPL.
- d. UTMC must have a written agreement with the third-party collection agency prior to referral of patient accounts that ensures financial assistance applications submitted after referral and within 240 days of the first post discharge billing statement are processed as required under Internal Revenue Code Section 501(r).
- e. Extraordinary collection actions will be suspended while a financial assistance application is pending until UTMC determines patient eligibility for assistance and all required documentation is provided by the applicant. Patient will be notified of eligibility determination in writing. If the application is incomplete based on missing documentation or other information requested and not returned within the reasonable time period, extraordinary collections actions may resume.
- f. UTMC will take all reasonably available measures to remove any adverse information that was reported to a consumer reporting agency or credit bureau.