

MAIMONIDES MEDICAL CENTER

CODE: FIN 055 (Reissued)

DATE: December 8, 2017

ORIGINALLY ISSUED DATE: November 19, 2015

SUBJECT: BILLING AND COLLECTIONS POLICY

I. POLICY

Maimonides Medical Center (“Maimonides” or the “Hospital”) is committed to fair billing and collection practices. This Policy implements Maimonides’ billing and collections practices.

II. ACTIONS IN EVENT OF NON-PAYMENT

A. Non-Payment Actions

In the event that a patient does not pay a bill for medical care, the Hospital may take the following actions related to obtaining payment of the bill:

- Refer the patient’s account to a collection agency, subject to the restrictions in Section II.B; and/or
- Take any action that requires a legal or judicial process against the patient, but only after the Hospital has made reasonable efforts to determine whether the patient is eligible for assistance under the Hospital’s Financial Assistance Policy (“FAP”) in accordance with the provisions of Section III.B, including notifying the patient about the FAP at least 30 days before taking any such legal action.. In addition, Maimonides will not take any such legal action for at least 120 days from the first post-discharge billing statement.

The Hospital does not:

- Report adverse information about patients or refer unpaid accounts to consumer credit reporting agencies or credit bureaus;
- Sell patient debt to third parties;
- Defer or deny medically necessary care because of a patient’s nonpayment of one or more bills for previously provided care covered under the Hospital’s FAP; or
- Require a patient to pay a bill for previously provided care covered under the Hospital’s FAP before providing medically necessary care.

B. Restrictions on Collection Practices

The Hospital will not refer a patient's account to collection until the Hospital has made reasonable efforts to determine whether the patient is FAP-eligible in accordance with Section III.B. A patient will be provided with at least 30 days written notice, on the patient's bill, before his or her debts are referred to collection. Once an account is in collection, the Hospital and/or its employees, representatives or contractors are not permitted to:

- Freeze a debtor's bank account;
- Garnish a debtor's payroll check, unless authorized by the Director or Vice President of Patient Accounts or the Hospital's affiliated billing company, Executive Physician Systems;
- Seek civil arrests of debtors;
- Seek a forced sale or foreclosure of a debtor's primary residence; or
- Pursue any action which would cause or prevent a debtor from paying their normal monthly rent, utility or food expenses.

Contracts with all collection agents of the Hospital will require the collection agents to (a) follow this Policy including providing information to patients on how to apply for financial assistance where appropriate; and (b) obtain the Hospital's written consent prior to commencing a legal action.

Collections are not permitted from a patient who is determined to be eligible for Medicaid at the time services were rendered when Medicaid payment is available for those services.

III. PROCESS AND TIMEFRAMES

A. Summary of General Requirements

Maimonides will continue to accept FAP applications for at least 240 days from the date that the first post-discharge billing statement is provided.

Maimonides will notify patients in writing of their FAP application's approval or denial within 30 days of receiving the patient's completed FAP application. FAP-approval notifications must include a detailed explanation of amounts owed. FAP-denial notifications must detail the basis for the denial.

Any printed written notice or communication to patients required under this Policy must be conspicuously placed and of sufficient size to be clearly readable. Maimonides may provide any written notice or communication required to patients under this Policy electronically (for example, by email) to any patient who indicates this preference.

B. Reasonable Efforts to Determine Eligibility for Financial Assistance

Maimonides does not make determinations about a patient's FAP-Eligibility based solely on information from third parties, or based on a prior FAP-eligibility determination. Maimonides will make reasonable efforts to determine whether a patient is FAP-eligible by meeting the requirements set forth below.

1. General Notification Requirements

Maimonides will notify a patient about the FAP by doing all of the following:

- Providing the patient with a written notice that indicates financial assistance is available for eligible patients, identifies the actions that Maimonides (or another authorized party) intends to initiate to obtain payment for care, and states a date after which such actions may be initiated that is no earlier than 30 days after the date that the written notice is provided;
- Including, with the written notice, a Plain Language Summary of the FAP; and
- Making a reasonable effort to orally notify the patient about Maimonides' FAP and about how the patient can obtain assistance with the FAP application process.

2. Incomplete FAP Application

If a patient submits an incomplete FAP application during the Application Period, Maimonides will:

- Provide the patient with a written notice that describes the additional information and documentation required under the FAP or FAP application that must be submitted to complete the FAP application and that includes the following contact information: Maimonides Medical Center Financial Services Department, 983 48th Street, Brooklyn, New York 11219. With respect to FAP applications for outpatient mental health services, different contact information applies, and therefore, the following contact information will be included in the written notice: Maimonides Medical Center Psychiatry Cashier/Registration, 920 48th Street, Brooklyn, NY 11219.
- Suspend any action to obtain payment for the care until either: the Hospital has determined whether the patient is FAP-eligible based on a complete FAP application and has otherwise complied with the requirements applicable to a complete FAP application (set forth in Section III.B.3 of this Policy), or in the case of an incomplete FAP

Application, the patient has failed to respond to requests for additional information and/or documentation within a reasonable period of time given to respond to such requests.

Application Period in this context begins on the date care is provided and ends on the later of: the 240th day after the date that the first post-discharge billing statement for care is provided or the deadline specified in the required written notice.

If a patient 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 patient will be considered to have submitted a complete FAP application during the Application Period.

3. Complete FAP Application

If a patient submits a complete FAP application during the Application Period, Maimonides will:

- Suspend any action to obtain payment for care until the Hospital has determined whether the patient is FAP-eligible based on a complete FAP application and has otherwise complied with the requirements applicable to a complete FAP application set forth in this Section.
- Make a determination as to whether the patient is FAP-eligible for the care and notify the patient in writing of this determination (including, if applicable, the assistance for which the patient is eligible) and the basis for this determination within 30 days of Maimonides' receipt of a completed application. FAP-approval notifications must include a detailed explanation of amounts owed and the percentage discount for which the patient is eligible. FAP-denial notifications must detail the basis for the denial, describe how to appeal the denial and include information on how to contact the Department of Health. In cases where a face to face interview is conducted, the patients are informed immediately of approval of application and the amount of discount the patient will receive or of denial of the application. In such cases the written notice is also mailed to the patient's home.
- In addition, if the patient is approved for financial assistance, the Financial Services Department will document the determination of eligibility in the "comments" section of the registration system (AHS), including the specific applicable discounts for (a) inpatient services and (b) outpatient services, even if only one type of service (e.g., inpatient services) is required in the current care of the patient.

If Maimonides determines that a patient is FAP-eligible, Maimonides will:

- If the patient is determined to be eligible for assistance other than free care, provide the patient with a billing statement that indicates the amount the patient owes for the care as a FAP-eligible patient, how that amount was determined, and describes how the patient can get information regarding the Amount Generally Billed for the care (*see* FIN-28 and FIN-29 for a definition of Amount Generally Billed).
- Refund to the patient any amount the patient has paid for the care (whether to Maimonides or any other party to whom Maimonides has referred the patient's debt for care) that exceeds the amount the patient is determined to be personally responsible for paying as a FAP-eligible individual, unless the excess amount is less than \$5, or an amount set in other guidance published by the IRS.
- Take all reasonably available measures to reverse any action taken against the patient to obtain payment for care.

Application Period in this context begins on the date care is provided and ends on the later of: the 240th day after the date that the first post-discharge billing statement for care is provided or the deadline specified in required written notice before initiating any action against the patient for non-payment of a bill.

Maimonides will not base its determination that a patient is not FAP-eligible on information that it believes is unreliable or incorrect or on information obtained from the patient under duress or through the use of coercive practices. For this purpose, a coercive practice includes delaying or denying emergency medical care to a patient until the patient has provided information requested to determine if the patient is FAP-eligible for the care being delayed or denied.

If Maimonides receives a complete FAP application from a patient who it believes may qualify for Medicaid, Maimonides may postpone determining whether the patient is FAP-eligible for the care until after the patient's Medicaid application has been completed and submitted and a determination as to the patient's Medicaid eligibility has been made.

FAP eligibility determinations may be appealed by patients, pursuant to Section III.F of the FAP.

IV. RESPONSIBLE AUTHORITY

The Financial Services Department has final authority and responsibility for determining that Maimonides has made reasonable efforts (as defined in Section III.B) to determine whether an individual is eligible for financial assistance under the Hospital's FAP (*see* FIN-28 and FIN-29), and the Patient Accounts Department has final authority and responsibility to determine whether the Hospital may engage in any action that requires a legal or judicial process against the patient for non-payment of a bill (as discussed in Section II.A, above).

V. CONTROLS

The Senior Vice President for Patient Accounts will periodically review procedures involved to ensure adherence to this policy.

Kenneth D. Gibbs
President & CEO

REFERENCES: 26 C.F.R. 1.501(r)-6
 Financial Assistance Policy FIN-028 (Revised)
 Outpatient Mental Health Services Financial Assistance Policy
 FIN-029 (Revised)
 Patient Accounts-Billing Practices Policy FIN-021

ORIGINATING Patient Financial Services
DEPARTMENT: Legal Department/Financial Services