

MERCY PATIENT FINANCIAL SERVICES POLICY AND PROCEDURE GUIDE

TITLE: Payment Plan Policy	APPROVED BY: Laura Olander	EFFECTIVE DATE: October 30, 2009
POLICY: P - 4		SUPERSEDES DATE: December 28, 2007 December 15, 2006 January 5, 2005 September 28, 2004 April 1, 2000 September 1, 2000

POLICY:

Mercy Hospital/Clinics recognizes that there are medical circumstances which can create a financial burden for our patients. Patients who are unable to meet their financial obligations in one payment may arrange for installments to be paid in accordance with Mercy Hospital's/Clinic's policies and guidelines.

If the patient has coverage with a third-party payor, the remaining patient portion can be considered for payment agreements, as appropriate. Mercy Hospital/Clinics offer a patient payment plan in order to assist patients in fulfilling their financial obligations. Payment in full is preferred; however, payment plans are available.

Representatives are responsible for establishing and/or amending all payment arrangements. The Financial Customer Service Representative who establishes the payment plan will be responsible for entering all information into the system.

PROCEDURE:

The following procedures are to be followed by all personnel:

1. Verify that all third party payers have been loaded into the system in order to bill for services

rendered.

2. Verify the patient does not have previous accounts with an outstanding balance. If there are multiple accounts with balances due, a payment plan needs to be established on all accounts.
3. Patient payment plans are not allowed if insurance benefits were not assigned but were paid directly to the patient and the patient chooses not to remit them to Mercy Hospital/Clinics.
4. Determine if other methods of payment are possible (i.e., check by phone, credit cards, family members, etc.). If yes, secure payment via phone or document the expected date in the system.
5. No payment plans will be carried over longer than 12 months without proper documentation.
6. No payment arrangement will be made for less than \$25 per month or extend longer than 12 months without proper documentation pertaining to the patient's financial situation.
7. If unable to comply with these guidelines, refer to the Charity Care policy.
8. No plans should be established with patients under the age of majority (18).
9. Advise patient/guarantor that all future services are payable in the usual manner and will not be automatically added to patient's current payment plan.
10. All requests to add future charges to an existing patient payment plan will be treated as a new request and evaluated accordingly.
11. The Financial Customer Service Representatives will review the missed payment report or the system to monitor the accounts for current payments.
12. In the event a payment is late, all prior amounts plus the current payment due must be received in order to reactivate the payment arrangements.
13. Default in a patient/guarantor's payment plan results in a pre-collect/final notice letter being sent:
 - a. First missed payment will be reviewed by the Financial Customer Service Representative.
 - b. Pre-collect final notice will be sent to patient in 30 days.
14. Failure to bring the payment plan to a current status will result in turnover to collection agency 30 days from the precollect notice.