



TITLE: Billing and Collections

POLICY: Select Specialty Hospital - Nashville 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. Using billing statements, written correspondence, and phone calls, Select Specialty Hospital - Nashville 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. Additionally, this policy requires Select Specialty Hospital - Nashville to make Reasonable Efforts to determine a patient's eligibility for financial assistance under Select Specialty Hospital - Nashville's Financial Assistance Policy before engaging in Extraordinary Collection Actions to obtain payment.

PURPOSE: 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 **(Insert date)** and is reviewed every two years thereafter.

DEFINITIONS: The following terms are meant to be interpreted as follows within this policy:

- A. **Extraordinary Collection Actions (ECAs)** – A list of collection activities, as defined by the IRS and Treasury, which healthcare organizations may take against an individual to obtain payment for care only *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.
- B. **Financial Assistance Policy (FAP)** – A separate policy that describes Select Specialty Hospital – Nashville'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.
- C. **Reasonable Efforts** – A certain set of actions a healthcare organization shall 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 notifications about the FAP and application processes.
- D. **Business Day** – Any day that is Monday through Friday, with the exception of a national holiday. This excludes weekends and any national holiday.
- E. **Calendar Day** – Any day of the week, including weekends and holidays. Note that every Business Day is included as a Calendar Day.

CORE PROCEDURE:

I. Insurance Billing

- A. For insured patients, Select Specialty Hospital - Nashville 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 by, Select Specialty Hospital - Nashville or its authorized collection vendor(s), 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, Select Specialty Hospital - Nashville 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 adjustment. Any self-pay adjustment applied will be reversed if insurance coverage is located.
- C. The self-pay adjustment neither relieves nor forgives point-of-service cash payments that the patient may be required to pay.
- D. For insured patients, after claims have been processed by third-party payers, Select Specialty Hospital – Nashville will bill patients in a timely fashion for their liability amounts as determined by their insurance benefits.
- E. Select Specialty Hospital - Nashville may approve payment plan arrangements (up to a 2-year repayment period) for patients who indicate they may have difficulty paying their balance in a single installment.
 - 1. Select Specialty Hospital - Nashville CEO and Billing and Account Receivable directors have the authority to make exceptions to this policy on a case-by-case basis.
 - 2. Select Specialty Hospital - Nashville 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, Select Specialty Hospital - Nashville 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. Select Specialty Hospital - Nashville 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. Select Specialty Hospital - Nashville will not refer accounts for collection while a claim is still pending payer payment. However, Select Specialty Hospital - Nashville 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 Select Specialty Hospital - Nashville error. However, the patient portion of such claims may be referred for collection if unpaid.
 - 5. Select Specialty Hospital - Nashville 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, Select Specialty Hospital - Nashville shall 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 calendar days have passed since the first post-discharge statement was provided.
 2. At least 30 calendar days before initiating ECAs, Select Specialty Hospital - Nashville shall do the following:
 - a. Provide the individual with a written notice that indicates the availability of financial assistance, lists potential ECAs that may be taken to obtain payment, and gives a deadline after which ECAs may be initiated (no sooner than 120 calendar days after the first post-discharge billing statement and 30 calendar days after the written notice).
 - b. Provide a plain-language summary of the FAP along with the notice described above.
- B. After making Reasonable Efforts to determine financial assistance eligibility as outlined above, Select Specialty Hospital - Nashville (or its authorized collection vendor(s)) may take any of the following ECAs to obtain payment for care:
1. Report adverse information to credit reporting agencies and/or credit bureaus.
 2. Commence a legal or judicial process for the purpose of recovering unpaid amounts.
- C. Hospital liens may be recorded to secure payment from third party liability claims (i.e. automobile, workers' compensation).
- D. If a patient has an outstanding balance for previously provided care Select Specialty Hospital - Nashville may engage in the ECA of deferring, denying, or requiring payment before providing additional medically necessary care only when the following steps are taken:
1. Select Specialty Hospital - Nashville provides the patient with an FAP application and a plain language summary of the FAP.
 2. Select Specialty Hospital - Nashville provides a written notice indicating the availability of financial assistance and specifying any deadline after which a completed application for assistance for the previous care episode will no longer be accepted. This deadline shall be at least 30 calendar days after the notice date or 240 calendar days after the first post-discharge billing statement for prior care—whichever is later.
 3. Select Specialty Hospital - Nashville processes, on an expedited basis, any FAP applications for previous care received within the stated deadline.
- E. Select Specialty Hospital - Nashville 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

- A. All billed patients will have the opportunity to contact Select Specialty Hospital - Nashville regarding financial assistance for their accounts, payment plan options, and other applicable programs.
- B. Select Specialty Hospital – Nashville’s Financial Assistance Policy is available in English, Spanish and Chinese. Request a free copy:

1. In person at:

Select Specialty Hospital - Nashville
Admissions Department
2000 Hayes Street, Suite 1052
Nashville, TN 37203

- 2. By calling the admissions department at (615)-284-6708
- 3. Online at <https://www.selectspecialtyhospitals.com/locations-and-tours/tn/nashville/nashville/>

VI. Customer Service

- A. During the billing and collections process, Select Specialty Hospital - Nashville will provide quality customer service by implementing the following guidelines:
 - 1. Select Specialty Hospital - Nashville will enforce a zero tolerance standard for abusive, harassing, offensive, deceptive, or misleading language or conduct by its employees or authorized collection vendor(s).
 - 2. Select Specialty Hospital - Nashville will maintain a process for patient questions and/or disputes, which includes a toll-free phone number that patients may call and a prominent business office address to which they may write. 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), Select Specialty Hospital - Nashville staff will return phone calls as promptly as possible and will respond to written correspondence within 10 days.
 - 4. Select Specialty Hospital - Nashville Customer Service Department will maintain a log of patient complaints that will be available for audit.