

SPANISH PEAKS REGIONAL HEALTH CENTER POLICY AND PROCEDURE

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POLICY NUMBER: PFS.F00

DEPARTMENT: PFS

POLICY DESCRIPTION: Financial Policies

APPROVED BY:

BOARD CHAIR: Ron Nielsen

DATE: 10/27/2016

CEO: Kay Whitley

DATE: 10/27/2016

CFO: Barbara Miller

DATE: 09/20/2018

DPT. DIR.: Stephanie Warth

DATE: 07/01/2016

EFFECTIVE DATE: 07/01/2016

REVIEWED DATE: 09/27/2018

REVISED DATE: 04/09/2019, 04/14/2020

SCOPE: Huerfano County Hospital District

PURPOSE: This policy serves to ensure that Huerfano County Hospital District (HCHD) is in compliance with federal and state regulations and has the financial stability to provide medical services to residents of Huerfano County.

POLICY:

Payment Responsibility

The guarantor or legal representative is responsible for all charges incurred at the time of service.

Payment for services includes:

- Insurance and other third-party payors
- Cash, check, or credit card
- Monthly interest-free payment plans
- Long-term interest-bearing payment plans
- Financial aid (Colorado Indigent Care Program or SPRHC Compassionate Care Program)

Non-Discrimination of Services

Emergency services are provided regardless of a patient's ability to pay. Services are provided to patients in an inclusive manner that does not discriminate based on race, color, religion, sex, national origin, or sexual orientation.

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Emergency Services

Emergency services are provided regardless of a patient's ability to pay; however, the credit policies of HCHD will be enforced after emergency services have been rendered. After a medical screening has been performed per EMTALA regulations, patients will be required to make satisfactory payment arrangements.

Assignment of Benefits

HCHD will bill non-contracted insurance plans as a courtesy to its patients if the patient provides the required insurance information and signs an Assignment of Benefits statement. The Insurance or Worker's Compensation Information Request forms are given to patients who state they have coverage but cannot provide proof at the time of service.

Elective or Non-Covered Services

Payments for all services that are non-emergent are due and payable prior to or at the time of service, including co-payments for entitlement or financial assistance programs. Financial counseling is provided by the HCHD Financial Counselor and other staff.

Financial Assistance Program

Huerfano County Hospital District has a long tradition of serving every person who requires health care services; however, HCHD alone cannot meet every community need. It must practice effective stewardship of resources in order to continue to provide essential health care services. In keeping with effective stewardship, provision for charity care will be budgeted annually. HCHD will continue to play a leadership role in the community by helping to promote community-wide response to patient needs from government and private organizations.

Resources are limited and it is necessary to set limits and guidelines. These are not designed to turn away or discourage those in need from seeking treatment. They are intended to ensure that the resources that HCHD can afford to devote to its patients are focused on those who are most in need and least able to pay.

HCHD offers financial counseling to help patients find alternative ways to finance their healthcare. Individuals with limited financial resources, and who are unable to access entitlement programs, shall be eligible for discounted healthcare based upon the criteria established in HCHD's Financial Assistance Program.

HCHD will make this Policy available to its patients, in languages appropriate to the community in the following manner:

- www.sprhc.org website
- Notify all patients prior to discharge that financial screening is available via the Conditions of Service general consent form.

Certified Application Assistance Site

HCHD has a Certified Application Counselor trained by the State of Colorado to assist patients with applications for Medicaid. All uninsured or underinsured patients are advised that the program exists and for which they may

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apply.

Colorado Indigent Care Program

Spanish Peaks Regional Health Center (SPRHC) participates in the Colorado Indigent Care Program (CICP) for emergency hospital services per the Program guidelines. SPRHC may include non-emergency services to CICP recipients at their discretion and with the approval of the State.

Pre-admission Program

- Pre-admission information is obtained prior to scheduled hospital admissions and specific outpatient services.
- Third-party payors are contacted to verify benefits and obtain authorization for services as necessary.
- Patients who are uninsured are referred to the Financial Counselor in the Patient Financial Services Department.

Pre-Admission and Pre-Discharge Collections

Patient deductibles and copayments, including prior balances owed to the hospital or an outside collection agency, are requested:

- During the pre-admission process by the Admissions staff.
- At the time of service by the Admissions staff.
- During a patient's hospital stay by the Admissions staff.

Contractual Allowances

Contractual adjustments, bad debt write-offs, policy adjustments, etc. are handled in accordance with written contracts between third-party payors and HCHD, or according to the PFS Department's policies and procedures.

Private Pay Account Management

Patients receive statements, letters, and telephone calls from HCHD and AR Services regarding their balances, as appropriate. Patients receive information during the hospital visit and statements include information on financial assistance programs available to patients.

Patients will be offered reasonable payment plans. HCHD allows for at least thirty (30) days past the due date of the first late payment that is not paid in full before collection proceedings take place.

Accounts with no payment may be placed with an outside collection agency for further collection action. HCHD will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions without first making reasonable efforts to determine whether the patient is eligible for financial assistance.

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Discounts

All patients with no other source of payment receive a ten percent discount from their total charges. Patients who pay their balances in full prior to outsourcing to AR Services will receive a prompt-pay ten percent discount from total charges. Patients who request an additional discount must apply for financial assistance to prove a financial hardship.

Bad Debt Settlements

If an outside collection agency contacts the hospital with a settlement proposal on a bad debt account, the Revenue Cycle Director may negotiate on a case by case basis based on:

- Age of account(s)
- Balance on account(s)
- Amount of proposal
- Ability of guarantor to pay based on the collection agency's advice
- Other extenuating circumstances

Third-Party Litigation

HCHD may place a hospital lien on a patient's third-party liability claims (i.e., automobile accidents, liability claims, etc.), with the exception of verified Worker's Compensation Claims.

Legal Action

When appropriate, HCHD may take legal action. After judgment, collection activity might include the execution of a lien on personal property, attachment of bank accounts, or garnishment of wages in order to collect balances owed.

Third-Party Audits

HCHD recognizes the need for audits of insurance claims by insurance companies or their contracted audit firms. The hospital will cooperate in making available required information as outlined in the Third-Party Audit Guidelines policy.

Refunds

Overpayments will be refunded to the patient or third party payer. Patient refunds will not be processed until all outstanding accounts are paid in full.

REFERENCES:

C.R.S. 25-3-112 Colorado Hospital Payment Assistance Program

I.R.S 501(r) Financial Assistance