

# Self-Pay & Residual Billing and Collection Policy (12/2024)



## Applicability

This policy applies to ECU Health Beaufort Hospital-A Campus of ECU Health Medical Center, ECU Health Bertie Hospital, ECU Health Chowan Hospital, ECU Health Duplin Hospital, ECU Health Edgecombe Hospital, ECU Health Medical Center, ECU Health Physicians, ECU Health Corporate, ECU Health North Hospital, ECU Health Roanoke Chowan Hospital, Outer Banks Health Hospital, ECU Health Home Health and Hospice, Access East, ECU Health Surgicenter, and ECU Health Endoscopy Center.

## Policy

ECU Health facilities are private not for profit entities that treat all patients regardless of ability to pay. However, ECU Health also recognizes that in order to continue providing medical services to the region in the future, the organization must pursue collections from all available resources.

Unresolved balances will become eligible for collection agency referral. Patients or responsible parties will be sent written notice of intent prior to referral of an account that is deemed delinquent to a collection agency. The collection agency's first written communication to the debtor will advise that ECU Health has a charity program for which they may qualify and will include a contact number for ECU Health's Central Business Office. ECU Health contractually requires that a collection agency, entity, or other assignee obtain written consent from the facility prior to initiating litigation against the patient or responsible party.

## Definitions

**Billing Deadline** means the date after which ECU Health or collection agency may initiate an Extraordinary Collection Action (ECA) against a Responsible Individual(s) who has failed to submit an application for financial assistance under the Financial Assistance Policy (FAP). The Billing Deadline must be specified in a written notice to the Responsible Individual(s) provided at least 30 days prior to such deadline, but no earlier than 120 days after the first post discharge statement.

**Extraordinary Collection Action (ECA)** means any action against an Individual(s) responsible for a bill related to obtaining payment of a Self-Pay Account that requires a legal or judicial process or reporting adverse information about the Responsible Individual(s) to consumer credit reporting agencies/credit bureaus.

**Financial Assistance Policy (FAP)** means ECU Health's Financial Assistance Program for Underinsured and Uninsured Patients Policy, which includes eligibility criteria, the basis for calculating charges, the method for applying the policy, and the measures to publicize the policy, and sets forth the financial assistance program.

**Responsible Individual(s)** means the patient and any other Individual(s) having financial responsibility for a Self-Pay Account. There may be more than one Responsible Individual(s).

**Self-Pay Account** means that portion of a patient account that is the Individual(s) responsibility of the patient or other Responsible Individual(s), net of the application of payments made by any available healthcare insurance or other third-party payer (including co-payments, co-insurance and deductibles), and net of any reduction or write off made with respect to such patient account after application of an Assistance Program, as applicable.

## Procedure

- A. Subject to compliance with the provisions of this policy, ECU Health may take any and all legal actions, including ECA, to obtain payment for medical services provided.
- B. ECU Health will not engage in ECAs, either directly or by any debt collection agency or other party to which the hospital has referred the patient's debt, before reasonable efforts are made to determine whether a Responsible Individual(s) is eligible for assistance under the FAP.
- C. All patients can ask for a Plain Language Summary and an application form for financial assistance under the FAP as part of the discharge or intake process from a hospital.
- D. Multiple separate statements as described in Statement Cycle above, for collection of Self Pay Accounts shall be mailed or emailed to the last known address of each responsible Individual(s); provided, however, that no additional statements need be sent after a Responsible Individual(s) account has been paid in-full. If a patient submits a complete application for financial assistance under the FAP, the patient will continue to receive statements until it has been determined if patient is eligible for the FAP. It is the Responsible Individual(s) obligation to provide a correct mailing address at the time of service or upon moving. If an account does not have a valid address, the determination for "Reasonable Effort" will have been made. All Single Patient Account statements of Self-Pay Accounts will include but not limited to:
  - 1. The amount required to be paid by the Responsible Individual(s).
  - 2. A conspicuous written notice that notifies and informs the Responsible Individual(s) about the availability of Financial Assistance under the hospital FAP including the telephone number of the department and direct website address where copies of documents may be obtained.
- E. At least one of the statements mailed or emailed will include written notice that informs the Responsible Individual(s) about the ECAs that are intended to be taken if the Responsible Individual(s) does not apply for financial assistance under the FAP or pay the amount due by the Billing Deadline. Such statement must be provided to the Responsible Individual(s) at least 30 days before the deadline specified in the statement.
- F. ECAs may be commenced as follows:
  - 1. If any Responsible Individual(s) fail to apply for financial assistance under the FAP by 150 days after the first post discharge statement, and the Responsible Parties have received a statement with a Billing Deadline described in Section E above, then ECU Health or collection agency may initiate ECA.

## Statement Cycle:

The Statement Cycle will be measure from the first statement sent to the patient (date sent).

Subsequent statements sent to the patient/guarantor in 30-day increments. Final Notice will be sent 30 days prior to referral to Collection Agency.

## Exclusions:

Hospital account balances for NC residents who qualify for Medical Debt relief are excluded from this policy.