Self-Pay & Residual Billing and Collection Policy (06/2026)

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.

Summary of Changes:	
11/2024	New policy

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

Payment 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 Payment 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 under-insured and uninsured patients, which includes eligibility criteria and the method for applying the policy.

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 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. ECU Health's intention is to 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.

1. If ECU Health determines the need to engage in ECAs to obtain payment for medical services provided, these actions will be subject to compliance with the following provisions:
   a. ECU Health and our debt collectors will not engage in any permissible ECAs until 180 days after the first bill for a medical debt has been sent.
   b. ECU Health and our debt collectors will provide patients with 30 days notice of any extraordinary collection actions.
   c. ECU Health and our debt collectors will reverse any extraordinary debt collection actions if a patient is later found to be eligible for financial assistance.

B. 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.

C. Multiple separate statements, as described in the Statement Cycle below, for collection of Self Pay Accounts shall be mailed or emailed to the last known address of each Responsible Individual(s); provided that no additional statements need be sent after a Responsible Individual's account has been paid in-full. If a patient submits a completed 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.

D. 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 Payment Deadline. Such statement must be provided to the Responsible Individual(s) at least 30 days before the deadline specified in the statement.

E. ECU Health further acknowledges the following:

1. The interest rate for all medical debt held directly by ECU Health shall be capped at 3%.
2. All medical debt sold to third party debt collectors shall have interest rates capped at the Secured Overnight Financing Rate (SOFR) plus one percentage point.
3. ECU Health shall not sell debt to third parties prior to 120 days after the first bill has been sent to patient.
4. ECU Health shall not sell debt to third parties for individuals with incomes up to 300% of FPL, unless for the purpose of relieving the debt.
5. ECU Health may enter into arrangements with a third party to manage debt collection activities, provided that ECU Health maintains ownership of the debt; ECU Health must ensure that all contracted debt collection entities comply with all requirements applicable to ECU Health described herein.
6. Medical creditors/debt collectors (including ECU Health and any contracted third party collection agencies) will not take any of the following actions to collect medical debt:
   a. Causing an individual's arrest.
   b. Causing an individual to be held in civil contempt or imprisoned.
   c. Foreclosing on an individual's real property.
   d. Garnishing wages or State income tax refunds.

7. ECU Health and contracted collections agencies will not report a patient's debt to a credit reporting agency.
8. Previous reports to credit reporting agencies will be taken back if the debt has been forgiven.
9. No individual, except for spouses, will be held liable for medical debt owned by ECU Health or sold to third parties of any other person age 18 or older (individuals may voluntarily assume liability).
10. A spouse held liable for a patient's medical debt will be eligible for the same medical debt mitigation policies offered to the patient.
11. Medical creditors/debt collectors will not initiate legal action against a patient for any claims where an insurance appeal/review is pending within the previous 60 days.
12. Medical creditors will not refer debts to an external debt collector if an insurance appeal/review was pending within the previous 60 days.

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.

2026 Federal Poverty Guidelines

Effective as of January 2026

200% of the Federal Poverty Level Guidelines	
Family Size	**Annual**
1	**$31,920.00**
2	**$43,280.00**
3	**$54,640.00**
4	**$66,000.00**
5	**$77,360.00**
6	**$88,720.00**
7	**$100,080.00**
8	**$111,440.00**
For each additional person, add $11,360	