

Billing and Collections Procedures

AD-001096

I. SCOPE / PURPOSE

Armstrong Ambulance Service prides itself on its billing staff and policies. Armstrong's billing office is a vital aspect of providing customer service. Armstrong Ambulance Service has always been dedicated to compassionate billing and collection policies.

II. POLICY

- A. Armstrong is committed to providing timely and compassionate customer service in all billing and collection procedures. It is Armstrong's goal to bill each ambulance call within 48 hours from date of service. All invoices are itemized so that all charges are clearly explained and all services and supplies charged to the patient are listed separately. The billing staff is available at our offices to answer questions regarding patient bills.
- B. All questions concerning charges, insurance coverage and other billing issues must be referred to trained personnel in the billing office or an Armstrong supervisor. Armstrong's field personnel are never to comment or speculate on billing or payment issues to a patient or family member.
- C. Armstrong Ambulance will not engage in on-scene collections for services at scene, en route, or upon delivery of the patient. Armstrong Ambulance accepts assignment from Medicare, Medicaid, and all third party payers for patients meeting applicable medical necessity requirements.

III. PROCEDURE

A. Billing and Collections

The following are the basic billing and collection policies of Armstrong Ambulance:

- 1. Armstrong Ambulance accepts assignment from all third party payers.
- 2. Armstrong Ambulance will make every effort to bill and collect payment from patients' insurance companies directly.
- 3. Armstrong Ambulance does not utilize threatening letters, billing tactics, or telephone collection methods to collect payment for services rendered.
- 4. The primary focus of all billing messages and telephone contacts will be to secure patient insurance information.
- 5. Armstrong Ambulance utilizes an outside collection agency only when all efforts fail in contacting a patient for insurance information or to arrange for payment.
- 6. Any outside collection agency utilized by Armstrong Ambulance will be held to the highest standard of accountability for its customer service and collection tactics. Armstrong Ambulance has a long-standing relationship with First Financial Resources, Inc. and Credit Bureau Associates and has never received complaints from any patient regarding their collection tactics.
- 7. Armstrong Ambulance will address all cases of financial hardship on an individual basis.
 - a. Any patient who contacts our billing office and states that they have a financial hardship will be offered a payment plan to meet their individual needs.
 - b. Any patient that states that they are unable to meet the terms of a payment plan for the full amount of the bill will be offered a reduction in the bill with the balance written off as a "financial hardship." A payment plan for the balance due will be arranged if necessary.

Billing and Collections Procedures**AD-001096**

- c. Any patient who contacts Armstrong Ambulance and states that they are unable to pay any amount of the bill may qualify to have their entire bill written off as a "financial hardship."

All such requests and determinations of financial hardship are considered on an individual case-by-case basis. Armstrong Ambulance may request documentation of the financial hardship in the form of hospital free care documentation, a letter from a third party such as a social worker, or a letter from the patient himself or herself stating that they have a financial hardship.

B. Credit Balances/Overpayments**1. Background**

Credit balances occur when reimbursement for services provided to a patient exceeds the charges billed. When we receive a duplicate payment from the Medicaid or Medicare program, receive payment from another payer after Medicaid or Medicare reimbursement has been received, or receive excess payment from a patient or other financially responsible party, an overpayment exists and should be paid back to the insurer or the patient as applicable.

Credit balances may also occur from errors in calculating contractual allowances, errors in calculating coinsurance and other accounting errors.

The law requires that we promptly identify any credit balances and, when applicable, make a refund payment to the Medicare or Medicaid programs as soon as possible. As an example of the significance of this responsibility on our part, Title 42 of the Code of Federal Regulations Part 489.20 (h) states that if a provider receives payment for the same services from Medicare and another payer that is primary to Medicare, the provider must "reimburse Medicare any overpaid amount within 60 days."

The purpose of this policy is to ensure that we reduce the time between the discovery of a credit balance and actual repayment to Medicare or other payor.

2. Procedures

- a. When an account goes into a "Refund" status (i.e., overpayments have been received, the payment received exceeds the charges or amount due, including the effect of mandatory assignment, when applicable) it appears in the designated Workflow.
- b. The Office Manager will review the monthly account statements, particularly the credit balances to verify the validity of the statements, reconciling the account statements with the individual remittance advice for each account.
- c. Adjustments to the accounts are promptly be made to the payor or patient, as applicable. When Medicare is the recipient of the overpayment, refunds shall be done in accordance with the procedure identified by the Carrier and utilizing the appropriate overpayment form.

C. Financial Hardship Determination Policy**1. Purpose**

To develop guidelines to objectively evaluate the financial ability of patients to make payments for their emergency and non-emergency medical services.

Billing and Collections Procedures

AD-001096

2. Overview

Armstrong Ambulance provides emergency services to patients without regard to their ability to pay. We recognize that a patient's illness can create large medical bills that inhibit the patient's ability to make payment. Our billing procedures allow for billing of all possible insurance carriers to maximize recovery from these sources. A follow-up is performed when necessary, which includes statements and phone calls to the patient to keep him or her informed as to the progress of payment for the emergency medical service rendered.

When a patient has Medicare, he or she is required to pay the deductible and co-payment. However, Medicare will allow the balance due by the patient to be written off if the patient is unable to pay due to financial or income restrictions. Indigent patients may be determined to be financially unable to pay their portions of the bill in advance. Hardship declaration is the exception, not the rule.

A patient with no insurance, or an unpaid balance after insurance options have been exhausted, can seek eligibility for discounts under this policy. If a patient does not meet eligibility requirements, and he refuses to render payment, he will be turned over to a collection agency.

3. Procedures

Before any discounts for services are granted, the first option is to attempt to arrange for the patient to make regular monthly payments in a dollar amount that is financially convenient and affordable. Should this attempt fail, the following guidelines will be used:

- Option 1 Ensure that insurance benefits have been maximized
- Option 2 Payment plan - offer again
- Option 3 Provide discount and payment plan (immediate payment is preferred)
- Option 4 Financial Hardship consideration - guidelines listed below
- Option 5 Collection Agency

If a patient claims financial hardship, the patient will be requested to complete, or provide the information required by Armstrong Ambulance's Financial Hardship Request form.

Only an authorized Armstrong Ambulance official may approve a financial hardship case. Under no circumstances may personnel disclose our hardship criteria to the patient. If the patient exceeds the income criteria, he or she will be billed in accordance with the directions of his insurance company, if any. Status can change at any time. Income status must be renewed every six (6) months when a patient claims financial hardship.


CONTACT / DEPARTMENT: Patient Accounts Manager

REFERENCES: Financial Hardship Request form

REVISION LEVEL: 02

REVISION DATE: SEPTEMBER 5, 2012

REVIEW SCHEDULE ANNUAL

APPROVED BY: 
Richard Raymond, CEO