



**Participating Organizations:** Sinai Hospital, Northwest Hospital, Carroll Hospital, Levindale Hebrew Geriatric Center and Hospital, Grace Medical Center

**Policy Category:** Finance

**Subject:** Billing and Collections

**Department Responsible for Review:** Revenue Cycle Division

**Policy Owner:** Senior Vice President and Chief Revenue Officer

**Effective Date:** November 19, 2020

**Expiration Date:** November 19, 2022

## I. POLICY

- A. Purpose. The purpose of this Policy is to (a) clearly define billing and collection efforts taken by LifeBridge Health to obtain payment for outstanding amounts owed by patients who are ineligible for Financial Assistance after appropriate screening and after which applicable discounts are posted accordingly, including but not limited to, Amounts Generally Billed (AGB), which are calculated according to the State of Maryland Health Service Cost Review Commission (HSCRC); (b) establish acceptable payment options available to patients to make payment for outstanding balance(s) owed where by such actions prevent further collection activity; and (c) establish guidelines and general timing thresholds of billing and collection efforts including Extraordinary Collection Actions (ECA) when appropriate.
- B. Scope. This policy applies to LifeBridge Health State of Maryland regulated hospital affiliates specifically Carroll Hospital, Grace Medical Center, Levindale Hebrew Geriatric Center and Hospital, Northwest Hospital and Sinai Hospital (collectively known for this policy as "LifeBridge Health")
- C. Policy. It is the policy of LifeBridge Health (LBH) and its tax-exempt subsidiaries and affiliates (collectively, "LifeBridge Health") to provide medically necessary health care services to all patient's without regard to the patient's ability of pay, at each applicable LifeBridge Health location (as defined below). Within limitations as established by federal and state regulations, LifeBridge Health expects payment for services for amounts not otherwise covered by third party insurance or from patients eligible for Financial Assistance. As such, LifeBridge Health takes several steps through patient communication, billing statements and other actions to obtain payment for services as outlined in this Policy. LifeBridge Health also provides, without discrimination, care for Emergency Medical Conditions (as defined below) to individuals without regard to such individual's ability to pay, as more specifically set forth in LifeBridge Health separate Emergency Medical Treatment & Labor Act (EMTALA) Policy, a copy of which can be obtained free of charge from any one of the sources or locations listed in Section III. F. of this Policy.
- D. Adoption of Policy. The Board of Directors of LifeBridge Health and each of its applicable tax-exempt affiliates that provides medically necessary Hospital services, has adopted the following policies and procedures for Billing and Collections.
- E. Frequency of Review. This policy is to be reviewed and approved every two years.

## II. DEFINITIONS

For purposes of this Policy, the terms below shall be defined as follows:

- A. **“AGB”** means the amounts generally billed by the applicable LifeBridge Health location for emergency and other Medically Necessary care to individuals who have insurance covering that care, in accordance with the State of Maryland HSCRC as recognized by the CMS Waiver.
- B. **“ECA”** means any extraordinary collection action taken by LifeBridge Health to enforce payment or make demand for all or any part of debt, or an agent of LifeBridge Health, including and without limitation to, reporting of debt to a credit bureau through a third party debt collector or agency, judgement of debt for garnishment of wages or bank accounts, or other legal or judicial actions. Under no circumstances shall ECA action occur earlier than 120 days from the first post discharge billing statement.
- C. **“Financial Assistance”** means any financial assistance in the form of free or discounted care granted to an eligible individual pursuant to the LifeBridge Health Financial Assistance Policy. Qualified individuals are eligible for Financial Assistance up to 240 days after the first post discharge billing statement regardless of account collection status.
- D. **“Hospital”** means a facility (whether operated directly or through a joint venture arrangement) that is required by the State of Maryland to be licensed, registered, or similarly recognized as a hospital. “Hospital” means collectively, more than one Hospital Facility. As it relates to this Policy, applicable locations include:
  - Carroll Hospital
  - Grace Medical Center
  - Levindale Hebrew Geriatric Center and Hospital
  - Northwest Hospital
  - Sinai Hospital
- E. **“Hospital Cost Review Commission (HSCRC)”** means an independent agency of the State of Maryland with broad regulatory authority to establish rates to promote cost containment, access to care, financial stability and accountability; including guidelines that govern hospital financial assistance.
- F. **“Policy”** means this “Billing and Collection Policy” of LifeBridge Health, as amended from time to time.
- G. **“Uninsured”** means a patient of a LifeBridge Health Hospital who has no level of insurance, third party assistance, medical savings account, or claims against one or more third parties

covered by insurance, to pay or assist with such individual’s payment obligations for the provision of health services.

- H. **“Underinsured”** means a patient of a LifeBridge Health hospital who has some level of insurance, third party assistance, medical savings account, or claims against one or more third parties covered by insurance, to pay or assist with such individual’s payment obligations for provision of Eligible Services, but who nevertheless remains obligated to pay out-of-pocket expenses for the provision of Eligible Services that exceed such individual’s financial abilities.

III. GUIDELINES

- A. **Billing.** Account balances owed by patients after third party insurance payment for amounts related to deductible, coinsurance, copay, non-covered or otherwise allowable for patient billing by insurance including Uninsured patients ineligible for financial assistance, are billed uniformly regardless of insurance coverage type, i.e., Medicare or Commercial. Each billing statement contains information including but not limited to Payment Options, plain language summary information on Financial Assistance, telephone number for Customer Service of (800)788-6995 to obtain copies of the Financial Assistance Policy free of charge or to ask questions. The website [www.lifebridgehealth.org](http://www.lifebridgehealth.org) also made available to obtain additional information or ask questions. A plain language summary of Financial Assistance shall be given to patients during admission or discharge. Notice of potential ECA is given only after all billing statement cycles are complete. The following table shows LifeBridge Health’s internal billing statement cycles before any account balance is subject to ECA which includes a minimum of 120 days from the initial billing statement.

Billing Statement Cycle	Days From Post Discharge Billing (Patient Liability)	Extraordinary Collection Action (ECA)?
1	1 day	No
2	30 days	No
3	60 days	No
4	90 days	Final Notice of possible ECA.
5	120 days	Referred to collection agency or processed as Presumptive Charity.

Patients may apply for Financial Assistance at any time during LifeBridge Health’s billing statement cycle. When this occurs, further billing statements are held and all activity to collect balances owed is likewise held until which time final disposition of Financial Assistance is determined, usually within thirty (30) days.

- B. **Collections.** Delinquent account balances owed by patients for amounts related to deductible, coinsurance, copay, non-covered or other allowable amounts, including Uninsured patients’ ineligible for financial assistance, are referred to one of two external collection agencies based

on the patient's last name. Each external collection agency is required to comply with this Policy and LifeBridge Health's Financial Assistance Policy and acting in such a manner consistent with all federal and state regulations. LifeBridge Health does not refer, sell or transfer ownership of any individual account balance to any third-party debt purchasing company nor allows for charging of interest against delinquent account balances. All patient payments including fulfillment of payment obligation are reported to consumer reporting agencies within 60 days when applicable.

Notwithstanding as stated, LifeBridge Health gives consent and authorization to external collection agencies to take the following ECA's only after a minimum of 120 days from the first billing statement:

1. Reporting of debt to credit bureaus after at least a thirty (30) day notice of ECA and at least 120 days from the initial billing statement.
  2. ECA's such as liens on property and garnishment of wages are permitted only after (1) written authorization is granted by LifeBridge Health, (2) verification that FAP plain language summary was provided and communicated upon discharge, (3) verification that all billing statements were provided and documented and (4) at least one notice of potential ECA was provided.
  3. ECA's to seize individual bank accounts, actions that may lead to individual arrest or writ of body attachment are strictly prohibited.
  4. Pursuant to the State of Maryland COMAR, known claimants with the Criminal Injuries Compensation Board (CICB) are not subject to collection debt activity or ECA's and such accounts shall be canceled and returned.
  5. As related to collection of account balances and any potential qualifying ECA's, each account balance is evaluated and managed separately.
- C. Complaints. Complaints regarding this Policy can be received by mail, email or phone. All complaints are to be reported to LifeBridge Health Compliance Department for monitoring and reporting. Customer Service will respond to each complaint, contact the individual who filed the complaint and notify the LifeBridge Health Compliance Department of the complaint's outcome.

Patients or Guarantors may also file a complaint with Maryland Health Education and Advocacy Unit using the following contact information:

Office of the Attorney General  
Health Education and Advocacy Unit  
200 St. Paul Place, 16<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone: (410)528-1840  
Fax: (410)576-6571  
Email: [HEAU@oag.state.md.us](mailto:HEAU@oag.state.md.us)

- D. Financial Assistance. At any time during the Billing and Collections process or up to 240 days from the post discharge billing statement date without limitation above, individuals may apply for Financial Assistance at which time LifeBridge Health will suspend all collection activity, including any ECA's, until the application is approved or denied. If Financial Assistance is

approved, all ECA's are to be canceled or reversed and any prior payments made by the patient refunded. Individuals approved or denied for Financial Assistance, or have incomplete applications are notified by mail or email or contacted by Customer Service of the determination. All associated account activity will be documented and retained for review and audit for compliance to Policy. LifeBridge Health reserves the right to extend the time period beyond 240 days at its discretion on a case-by-case basis.

E. Payment Plans. LifeBridge Health as a means to offer payment options to resolve account balances, will extend monthly payment plans with equal payment installments up to sixty (60) months without interest or fees without regard to pre-approval, documentation or other forms of qualification. Monthly payment amounts cannot exceed 5% of the patient's or guarantor's federal or state monthly Adjusted Gross Income (AGI) as provided through a written or electronic voluntary attestation. In circumstances where monthly payment amounts exceed 5% of the patient's federal or state monthly Adjusted Gross Income (AGI), patients are directed to Customer Service for Extended Monthly Payment plan arrangements as referenced in this policy. Refusal to complete a written or electronic attestation or respond to requests for additional information will not disallow establishment of monthly payment plans. Patients without insurance or who qualify for reduced-cost care are not charged interest or fees for monthly payment plans regardless of the period length.

1. Extended Monthly Payment Plans. The scheduled monthly payment may not exceed 5% of patient's federal or state monthly Adjusted Gross Income (AGI) as reported on the most recent tax return, pay stub or written personal statement or attestation of disclosed income if other forms of income documentation is otherwise not applicable, as example, an unemployed individual. The monthly payment plan amount is calculated by taking 5% of the individual's or patient's monthly adjusted Gross Income divided by the account balanced owed.
2. Modification of Payment Plans. Modification to an established and mutually agreed upon monthly payment plan is allowed without penalty or additional fees provided the number of months required to satisfy amount due does not exceed sixty (60) months and by contacting Customer Service at (800)788-6995.
3. Prepayment. Patients may pay such mutually agreed monthly payment plan early either partially or in-full at any time without limitation, penalties, or fees.
4. Payment Plan Compliance. Monthly payment plans are considered current and in good standing when monthly payments are made consistently, or at least 11 scheduled monthly payments within a 12-month period. Patients who miss a scheduled monthly payment have one (1) year after the missed payment to make up the missed payment. Patients with more than one (1) missed scheduled monthly payment within a 12-month period or failed to make up missed payments within one (1) year are subject to collection activity including but limited to ECA's.

Payment options including information about payment plans are communicated by website, billing statements, and by contacting Customer Service at (800)788-6995. The governing law for payment plans is made pursuant and subject to Subtitle 10 of Title 12 of the Commercial Law Article of the Annotated Code of Maryland.

- F. Bankruptcy. Upon notice of Bankruptcy, LifeBridge Health shall stop all collection activity and ECA's, document account(s) and post the applicable adjustment code equal to the remaining balance.
- G. Price Estimation. LifeBridge Health provides price estimation of services, procedures and tests upon request free of charge. Price estimates are available by contacting LifeBridge Health Customer Service or visiting LifeBridge Health's website ([www.lifebridgehealth.org](http://www.lifebridgehealth.org)). According to federal and state price transparency requirements, LifeBridge Health makes available a machine readable electronic file of pricing updated routinely along with a patient self-service online inquiry option of shoppable pricing and associated insurance out-of-pocket costs if insurance is applicable.
- H. Sources of Additional Information. Copies of this Policy, Financial Assistance Policy, Financial Assistance Application, and the EMTALA Policy, may be obtained from or at any one or more of the following sources or locations:
1. Customer Service, Patient Access, Patient Registration or;
  2. Any LifeBridge Health Emergency Department and admission areas;
  3. By calling LifeBridge Health Customer Service at (800)788-6995; and
  4. LifeBridge Health's website at [www.lifebridgehealth.org](http://www.lifebridgehealth.org).