

	POLICY LEVEL <input checked="" type="checkbox"/> Garnet Health <input type="checkbox"/> Garnet Health Medical Center <input type="checkbox"/> Garnet Health Medical Center - Catskills <input type="checkbox"/> Garnet Health Doctors <input type="checkbox"/> Garnet Health Urgent Care	Page 1 of 2
APPLIES TO: <input checked="" type="checkbox"/> System <input type="checkbox"/> Organization <input type="checkbox"/> Department (specify) <input type="text" value="Credit & Collection"/>	CATEGORY: <input type="text" value="Credit & Collections"/>	DOCUMENT CONTROL NUMBER: <input type="text" value="300002"/>

Title: Collection Agency Referral

Attachments:
A.

Purpose:
 After all efforts to obtain payment and/or payment arrangements have been exhausted as set in the "Billing & Collection" policy, and guarantor still fails to pay outstanding balance, account is then referred to an outside collection agency.

Policy:

A. Accounts that remain unpaid & not in the organizations charity application process, after a collection effort of a minimum of 120 days and/or have not remitted payment within 45 days as outlined in the " Patient Balance Collection " policy will be referred to an outside collection agency and are subject to Extraordinary Actions (ECAs). The accounts will be divided and assigned to the agencies by an alpha split. See Exhibit A for Agency Listing.

B. Pre-Bad Debt list will generate at month end and reviewed prior to agency referral for those patients that have active Medicaid which are not listed on their accounts.

C. After primary bad debt agency has worked the account for 180 days with no success, accounts are returned to facility as uncollectible. The agencies will flag Medicare uncollectible accounts for review for bad debt cost report.

D. Any patient payments received after write off, as uncollectible, are deemed as recoveries and will be noted on the yearly spreadsheet for the cost report.

E. All agency recommendations for litigation are reviewed for accuracy. No litigation is pursued on any account prior to agency referral. Any change to an account is noted to the agency.

F. Agencies will report all balances over \$100 to a major credit bureau. At such time when the account is returned as uncollectible to Garnet Health, the account will be removed from the major credit bureaus. Medical Group accounts balances of \$50 and over are reported to the credit bureaus.

G. ECAs include:

- a. Garnish Wages
- b. Place Liens on Property

c. Pursue Legal Action

H. A reconciliation will be performed monthly of the open hospital A/R to the open A/R accounts of the collection agencies.

I. Each month the collection agencies will remit with detail lists of paid accounts and uncollectible accounts for closing.

Exhibit A: Agency Listing

Garnet Health Medical Center & Garnet Doctors

Primary Bad Debt Agencies

A-L – Transcontinental

M-Z – M.L. Zager, P.C.

Secondary Bad Debt Agency

All Accounts - Merchants Association Collection Division (MACD)

Garnet Health Medical Center – Catskills & Garnet Doctors

Primary Bad Debt Agencies

A-L – M.L. Zager, P.C.

M-Z – Collection Bureau of Hudson Valley (CBHV)

Secondary Bad Debt Agency

All Accounts - Merchants Association Collection Division (MACD)

Standard(s):

Reference(s):

Billing & Collection Policy

Author/Title:

William Scheuermann, Vice President, Revenue Strategy & Managed Care

Approver/Title:

James Grigg/CFO

Concurrences

Credit & Collection Department	Garnet Health Administrator
Compliance Office	Patient Financial Services

Document Control

Status Key:	A = New	B = Reviewed +	C = Revised + #	D = Archived
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Status	#	Description of Change	Date	Author/Title
C	0	Input into new format	7/2020	