DAHL MEMORIAL CLINIC
Finance Policy

Subject: Billing and Collection Policy
Effective Date: May 27, 2004
Revised Date: September 23, 2021

PURPOSE:
To establish a uniform process for billing and collection of patient charges in order to provide consistent tracking of account receivables and ensure optimum reimbursement for services.

POLICY:

Patient Payment for Services
Payment is expected at the time of service for all patients unless emergency conditions preclude payment collection. Insured patients should pay the office visit copay specified on their insurance card plus, if eligible for the Sliding Fee Discount Program, the $20.00 Nominal fee. All uninsured patients should pay a minimum of $20.00. Additionally, all patients should bring current any overdue payments on an established Payment Plan. If a past balance is due which is not included in an established Payment Plan, then a new Payment Plan should be established which includes all past due balances and the first payment on the newly established plan should be made. All patients will be informed of the payment expectation during check-in which is the preferred time of payment. In the event that payment was not collected in advance, the patient will be referred to the front desk following the appointment to make payment arrangements at check-out. Although this is Dahl Memorial Clinic’s general payment policy, no patient will be denied services due to an inability to pay.

Insurance Billing
Dahl Memorial Clinic will bill patient’s insurance, including Medicare and Alaska Medicaid for which the patient provides a valid information card detailing the plan name, claim address, and patient policy information. Dahl Memorial Clinic will not bill out of state Medicaid and/or travel insurance. Patient insurance will be collected or verified at each visit and added to the patient’s chart in the EMR. It is the patient’s responsibility to notify DMC if their insurance information changes.

Fee Waivers and Reductions
If a patient demonstrates a catastrophic event in his or her life that renders the patient unable to pay a balance owed on account at the clinic, the executive director may elect to reduce or waive fees owed by the patient for a period of time. Catastrophic events consist of natural disaster, death, dismemberment, acts of terrorism or other extreme circumstances beyond the control of the patient. The details of the waiver or reduction will be determined on a case by case basis considering all relative factors and following precedent. The executive director will document all reductions or fee waivers in the patient’s chart and in the monthly finance report to the Board of Directors. Fee waivers and reductions should occur infrequently and be considered a last resort; however, patients may at any time request more accommodating payment arrangements on their balances owed. It is the goal of Dahl Memorial Clinic to work with patients who are willing to pay in order to collect the greatest possible amount and avoid sending any patient to collections.

BILLING PROCEDURE:
A. The DMC Billing team shall make every attempt to post charges and create insurance claims within 10 business days of services provided.
B. The EMR has built-in insurance claim alarms to ensure follow-up on outstanding claims. Claim alarms are assigned based on average payer remittance times. Overdue claims will be followed up by an AthenasHealth representative.

C. Claims that are denied for missing information, diagnosis codes, coordination of benefits, credentialing issues, etc will be placed in a hold status to be worked by ABW Medical in coordination with DMC billing staff.

D. Once all applicable insurance claims have been processed for payment, any remaining balance will be moved to patient responsibility automatically.

E. Three regular statements will be sent to guarantors on self-pay balances. The first will be sent the day after charges become patient responsibility and the next two are sent at 35 day intervals.

F. Patients will receive automated calls, emails, and text messages in between statement cycles directing the patient with increasing urgency to the patient portal to pay their bill.

COLLECTION PROCEDURE

A. If, after these three statements, there has been no payment made on the account and the self-pay balance is over $30, the balance will be adjusted off and the in-house collections process will begin. Clinic staff will send three (3) demand letters over a 90 day period to encourage patient payment. Athena, ABW and clinic staff will also attempt to contact the patient via phone, e-mail and portal messages.

B. The patient will receive a ninety (90) day past due notice, one hundred twenty (120) day past due notice and final notice due letter prior to being sent for Cornerstone Credit Services review. At any time during and up to the final notice letter, a patient may call and set up a payment plan with clinic staff. Once the final notice has been issued, payment is required in full or an automatic payment plan utilizing a credit card. If the patient has not responded to three (3) demand letters, or if the clinic received returned mail and is unable to update the address with the patient via phone or e-mail, then the overdue balance will be reviewed by Executive Director for transfer to Cornerstone Credit Services for further attempts at collection including credit bureau reporting.

C. The DMC billing team will review overdue patient balances less than $30 on a regular basis and recommend appropriate action to Executive Director.

D. Bad debt will be adjusted by any patient payment made in this phase.

E. All claim, billing, and collection actions will be noted in the patient’s EMR.

PAYMENT PLANS

A. Patients with outstanding self-pay balances that they are unable to pay at time of service will be offered a no interest payment plan. Payment plans allow patients to make payments on their outstanding balance over a period of time. Patients may choose payment periods up to 12 months in which to pay the balance. In all cases, DMC shall strive to obtain payment in the shortest period of time that the patient is capable of paying.

B. Patients can elect to make payments with auto-pay from a credit card or manually from monthly statements.

C. If the patient is unable to keep to the terms of the payment agreement, it is the patient’s responsibility to contact the Billing department to renegotiate payments. Billing staff can approve payments equal to 1/12 of the balance or greater. Any exceptions must be approved by the Executive Director.

D. Patients who miss a payment on the plan may be immediately assigned to Cornerstone Credit Services.

PATIENT OVERPAYMENTS

A. A refund worklist will be reviewed monthly of all patient credits over $10 that are more than 12 months old.
B. Patient credits are excluded from review if there are missing slips, outstanding charges, charges sent to collections or bad debt, or an upcoming appointment within 30 days.
C. All refunds must be approved by the Executive Director. Approved refunds will be made by check to the patient at the address of residence listed in the EMR.
D. A patient may request a refund of their credit balance at any time prior to the 12 months of no activity.

INSURANCE OVERPAYMENT
If there is an overpayment by the patient’s insurance on a claim, the overpayment will be reviewed and then adjusted off as Overpaid while awaiting a take-back from the insurance company. Once the take-back EOB is received, the adjustment will be reversed and the claim closed.

1. ATTACHMENTS: Payment Agreement Form

REVISION AND REVIEW:
Annual review and, if necessary, revision of this policy will be done every September by the Clinic Executive Director and the Finance Committee. Recommended revisions or notice of review shall be forwarded to the Board of Directors for approval. The completion of these tasks is ultimately the responsibility of the Board President.

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