

4C's Clinic Collection Policy

Philosophy

The Galveston 4C's Clinic provides medical and dental services to qualified patients. The Clinic's capacity to serve the poor and uninsured is in part dependent upon revenue received from patient collections. Thus, goals for improving patient collections include the following:

1. Use any increase in patient collection revenue to maintain, improve and increase access to 4C's healthcare services for Galveston county residents
2. Meet or exceed collection benchmarks set by the federal government for community health centers
3. Assure that healthcare fees are reasonable and justifiable and that 4C's patients are charged in accordance with discounts established through the financial screening process (via completion of an Application for Discounted Services)
4. Maintain the 4C's viability and enhance its ability to provide high quality services at maximum capacity
5. Defining and safeguarding patients who are unable to pay for healthcare serves based on outcome of a completed registration. Patients who are deemed unable to pay for all or part of their healthcare charges will not be refused services; however, payment will be pursued in accordance with the established discount rate.

4C's Patient Revenue Objectives (long-term)

1. An overall collection rate of at least 90% of net charges.
2. Private pay and/or Medicaid/Medicare collections will be at 100% of approved charges.
3. A self-pay (i.e., uninsured) collection rate that meets the state and national collection benchmarks established annually for FQHC's (benchmark is greater than 14%; averages range from 15 - 21% in 2005)
4. Collection of at least 50% of net patient fees in the office prior to patient check-out.
5. Issue timely billing statements within 30 days of date of visit.
6. Inform patients of total charges at end of healthcare visit by establishing a standardized fee (shorter term) or by implementing electronic medical records and a practice management system to have full charges available at completion of the visit.
7. Contract with local agencies and Medicaid HMO's that refer clients (some who are not established residents of Galveston county) to 4C's for medical or dental services
8. Maintain an average days in accounts receivable for all payer types of 90 days.
9. Write-off uncollectible accounts to bad debt annually at 365 days past due.

Application for Discounted Health Services

Patients must be completely registered before accessing clinic services. Part of registration includes completing an application for discounted health services in order to determine what percent of a discount will be applied to their bill. Pay codes and their explanation are as follows:

Zero Pay – Charges are fully discounted; however, patient is responsible for all copays.

20% to 80% Pay – Patient is responsible for 20% to 80% of billed charges (depending on the pay code assigned) in addition to all copays.

100% Pay – Patient is responsible for full charges and all copays.

Patients with Outstanding Balances & Use of Collection Agency

Patients with an outstanding balance at the time of service are encouraged to remit payment at that time. If payment is not remitted at time of service, patients will be billed.

Patients with balances of 30 days and older will be sent a statement requesting immediate payment. Any disputes concerning billings will be reviewed as necessary. If at the end of 120 days, the account remains outstanding without even a partial payment, the account (with the exception of County Indigent and Homeless) could be turned over to a collection agency for further collection efforts.

It will be the responsibility of the staff to develop fair and reasonable guidelines for those accounts referred to collections to assure that patients who are homeless or financially screened as unable to pay are not turned over to a collection agency. Also, patients who contact the billing office and agree to a payment plan will not be turned over to collections unless the patient demonstrates repetitive disregard for their payment plan.

Inability to Pay

In accordance with federal guidelines, a Galveston County resident will not be refused services based on ability to pay. A person's ability to pay is determined by the financial screening process which determines the pay code. Patients may appeal these determinations to the Billing manager who will review the circumstance with the executive officers for a final determination.

Reporting to Governing Board

The following reports will be prepared quarterly and distributed to the 4C's Finance Committee and the Governing Board for their review:

1. 4C's Visit, Billing and Collection Analysis Report - showing YTD charges, collections, accounts receivable, and current collection rate.
 2. Adjustment and Bad Debt Write-off Report - listing total write-offs during the reporting period.
 3. Collection Report by Cashier – listing the amount of money collected and the number of encounters generated in the Clinics by cashier.
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