PRESBYTERIAN

TITLE: Patient Billing and Collections	**REFERENCE NUMBER:** PFS.PDS.115
CURRENT EFFECTIVE DATE: 12/03/2025	**PAGE 1 of 8**

SCOPE:

This Patient Billing and Collections Policy applies to all Presbyterian Healthcare Services (Presbyterian) hospital facilities, including inpatient, outpatient, home health care services and ambulatory care clinics and Ambulance services.

PURPOSE:

The purpose of this policy is to define collection activities so that Presbyterian billing and collection practices are effective, reasonable and consistent, in accordance with all applicable regulatory requirements. Presbyterian will not engage in any extraordinary collection actions (as defined herein) against an individual to obtain payment for care before reasonable efforts have been made to determine whether the individual is eligible for assistance for the care under our Financial Assistance Policy.

POLICY:

Presbyterian will use reasonable and consistent methods to collect patient balances. Contracted collection agencies will also follow the requirements of this policy. Presbyterian and its contracted collection agencies will not discriminate between Medicare and non-Medicare accounts, either in their collection efforts or in their determination of collectability.

Except in the case of an emergency, it is the policy of Presbyterian to collect payment at the time of service based on the patient's insurance coverage and/or the patient's eligibility for financial assistance.

PROCEDURE:

A. Point of Service Collections

Note: The following section does not apply to emergency services, Ambulance services or Medical Screening Exams (MSEs) which are always provided regardless of the patient's ability to pay.

Presbyterian will make a reasonable effort to provide patients with an estimated out-of-pocket cost for the care provided by Presbyterian after verifying their insurance benefits and eligibility for financial assistance. A written estimate will be provided upon request. Patients will be advised that services that are not provided by Presbyterian (even if in a Presbyterian facility) will not be included in this estimate.

It is the responsibility of the patient to pay any deductible, copayment or coinsurance amount specified by their insurance plan at the time of service. For patients covered under high-deductible health plans, if an estimate cannot be provided at the time of service then a deposit will be required. Deposit and payment amounts may vary depending on qualification

for financial assistance.

Any services not covered or authorized by the patient's insurance plan will be the responsibility of the patient.

Patients covered by insurance that does not include Presbyterian in its provider network, or does not include out-of-network benefits for services provided by Presbyterian, will be considered self-pay; these patients will be responsible for payment in full at the time of service unless satisfactory arrangements, including financial assistance, are approved in advance.

Patients who are unable to make the expected payment at the point of service will be asked to meet with a Presbyterian Financial Advocate and make appropriate payment or have their services rescheduled for a later date. Financial assistance and/or payment options are available for patients who qualify. See Payment Plans below.

B. *Self-Pay Discounts*

Note: The following section does not apply to Ambulance services. In accordance with the New Mexico State-wide ambulance tariff, approved by the NM Public Regulation Commission (PRC).

Uninsured patients are eligible to receive a discount of 30% for all services, except for lab services provided by Presbyterian, which are eligible for a 50% discount from billed charges. These discounts will be automatically applied prior to the initial billing statement and will be reviewed on an annual basis to ensure appropriateness.

Uninsured patients that have been navigated from a Presbyterian Emergency Department to a Presbyterian Clinic will receive one urgent care visit at no charge within 72 hours of the original emergency department visit. All follow up care will follow the policy as it applies to non-emergent care.

Clinics that participate in the National Health Service Corps (NHSC) program may charge a flat fee to uninsured patients per clinic policy.

C. Payment Plans

Presbyterian offers our patients the opportunity to pay balances due in monthly installments

- Balances eligible for payment plans:
    - Balances greater than or equal to $100.00
    - Non-covered service
    - Self-pay balances for uninsured patients

- Balances not eligible for payment plans:
  - Balances less than $100.00
  - Balances that have been previously referred to bad debt
  - Balances that have been previously authorized for a payment plan on which the patient defaulted

Payment plan terms must adhere to the following guidelines:

Account Balance	Maximum Terms of Payment Plan
$100 - $500	4 monthly payments
$501 - $1,000	6 monthly payments
$1001 – $2,500	12 monthly payments
$2,501 – $5,000	18 monthly payments
$5,001 – $10,000	24 monthly payments
>$10,001	> 36 months (minimum $150 / month)

Request for payment terms that fall outside of these guidelines must be approved by the Director of Patient Accounting or his/her designee.

D. *Communication of the Presbyterian Financial Assistance Program*

Presbyterian offers financial assistance for patients who meet the qualifications set forth in the Presbyterian Financial Assistance Policy (FAP) (PFS.PDS.116). Patients may obtain a copy of the FAP, FAP application, and a plain language summary of the FAP through the following ways:

- Online at www.phs.org
- By contacting a customer service representative at 505-923-6600
- By contacting a financial counselor at a Presbyterian clinic or facility
- By mail, free of charge, upon request to a customer service representative or a financial counselor.

Patients may submit completed FAP applications during a 240-day Application Period (as defined herein). Presbyterian will not engage in any extraordinary collection action (ECA) against the patient or guarantor without making reasonable efforts to determine the patient's eligibility under the FAP policy. Specifically:

- Presbyterian will notify individuals about its FAP before initiating any ECAs to obtain payment for care and will refrain from initiating any ECA for at least 120 days from the first post-discharge or post-visit billing statement for the care.

- If Presbyterian intends to pursue ECAs, the following will occur at least 30 days before first initiating one or more ECAs:
    - Presbyterian will notify the patient in writing that financial assistance is available for eligible individuals and will identify the ECAs that may be initiated to obtain payment. This written notice will include a deadline after which such ECAs may be initiated that is no earlier than 30 days after the date that the notice is provided;
    - The above notice will include a plain language summary of the FAP;
    - Presbyterian will make a reasonable effort to notify the patient verbally about the FAP and how the individual may obtain assistance with the application process.
- If Presbyterian combines a patient's outstanding bills for multiple episodes of care before initiating one or more ECAs, it will refrain from initiating the ECAs until 120 days after it provided the first post-discharge billing statement for the most recent episode of care.

E. *Pre-Collection Billing Statement Process*

Uninsured patients will be sent a billing statement within 30 days after the date of service and approximately every 30 days throughout the Application Period.

Insured patients will receive a statement only if there is a balance due after their insurance has paid the claim.

Patients will be sent a billing statement promptly, and will receive billing statements approximately every 30 days throughout the Application Period.

Note: Presbyterian utilizes a pre-collection letter series administered by a third party for hospital patient balances. The patient will receive three written notices of the balance due. If the balance remains unpaid at the conclusion of the letter series, the account will be returned to Presbyterian, at which time it may be referred to a collection agency.

F. Extraordinary Collection Actions

It is the policy of Presbyterian not to engage in ECAs against an individual to obtain payment for care before making reasonable efforts to determine whether the individual is eligible for assistance under its FAP. ECAs include reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.

G. Processing FAP Applications

If an individual submits an *incomplete* FAP application during the Application Period, Presbyterian will:

- Suspend any ECAs; and
- Provide the individual with a written notice that describes the additional information and/or documentation required under the FAP or FAP application form that must be submitted to complete the application. This notice will include the Presbyterian contact information set forth in this policy.

If an individual submits a *complete* FAP application during the Application Period, Presbyterian will:

- Suspend any ECA previously initiated;
- Make an eligibility determination as to whether the individual is FAP-eligible for the care and notify the individual in writing of the eligibility determination (including, if applicable, the assistance for which the individual is eligible) and the basis for this determination.
- If the individual is determined to be FAP-eligible for the care, Presbyterian will:
    - Provide the individual with a written notification that indicates the amount the individual owes for the care under the FAP, how that amount was determined and how the individual can get information regarding the AGB for the care.
    - Refund to the individual any amount he or she paid for the care that exceeds the amount he or she is determined to be personally responsible for paying under the FAP, unless such excess amount is less than $5 (or such other amount published in the Internal Revenue Bulletin).
    - Take all reasonably available measures to reverse any ECA (with the exception of a sale of debt) taken against the individual to obtain payment for the care.

In the event no FAP application has been submitted during the Application Period, Presbyterian may initiate ECAs to obtain payment for the care once it has notified the individual about the FAP as described in section D of this policy.

H. *Returned Mail*

Statements returned with no forwarding address will be documented in the patient account. Accounts with returned mail will be flagged and statements suppressed for the duration of the Application Period.

Patients with returned mail will receive no additional written communications from Presbyterian unless they initiate actions to update their demographic information.

Patient Financial Services will attempt to contact patients using available phone numbers in the billing record. Contact attempts will be documented in the patient account. In the event Presbyterian is unable to establish contact with the patient, the balance may be referred to an external collection agency as provided herein.

I. *Billing Dispute / Resolution*

Collection activity will be suspended when a patient disputes the balance. Presbyterian will review, document and research the account for prompt resolution. Any corrections will be made immediately, accounts will be returned from collections, and adverse reporting removed as appropriate. Collection activities will resume on outstanding balances that are determined to be valid in accordance with the Fair Debt and Collection Practices Act**.**

Patients may dispute their balance by calling 505-923-6400 or toll free at 1-800-251-9292, or by written communication to:

Presbyterian Patient Accounting
Attn: Director, Patient Accounting
PO Box 26268
Albuquerque, NM 87125-6268

J. *Overpayment / Credit Balance Resolution*

Presbyterian will refund overpayments in the event Presbyterian receives patient payments in excess of the patient balance due. (PFS.PDS.117)

In the event a patient believes his or her account has been overpaid, he or she may contact Presbyterian for review and determination by calling 505-923-6400 or toll free at 1-800-251-9292.

K. Miscellaneous Provisions

- **Anti-Abuse Rule** – Presbyterian will not base its determination that an individual is not FAP-eligible on information that Presbyterian has reason to believe is unreliable or incorrect or on information obtained from the individual under duress or through the use of coercive practices.

- **Determining Medicaid Eligibility** – Presbyterian will not fail to have made reasonable efforts to determine whether an individual is FAP-eligible for care if, upon receiving a complete FAP application from an individual who Presbyterian believes may qualify for Medicaid, Presbyterian postpones determining whether the individual is FAP-eligible for the care until after the individual's Medicaid application has been submitted and a determination as to the individual's Medicaid eligibility has been made.

- **Final Authority for Determining FAP Eligibility** – Final authority for determining that Presbyterian has made reasonable efforts to determine whether an individual is FAP-eligible and may therefore engage in ECAs against the individual rests with the Director of Patient Accounting or his designee.

DEFINITIONS:	

AGB: Amounts generally billed for emergency or other medically necessary care to individuals who have insurance coverage or amounts otherwise determined in accordance with regulations that define methodologies for determining AGB.

Application Period: The period during which Presbyterian must accept and process an application for financial assistance under its FAP. The Application Period begins on the date the care is provided and ends on the later of the 240th day after the date of the first post-discharge billing statement for the care or at least 30 days after Presbyterian provides the individual with a written notice that sets a deadline after which ECAs may be initiated.

Collection Agency: An outside, non-hospital agency engaging in extraordinary collection actions.

Extraordinary Collection Action (ECA): includes any action taken by Presbyterian against an individual related to obtaining payment of a bill for care covered under Presbyterian's FAP that requires a legal or judicial process or involves selling an individual's debt to another party or reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.

FAP: Presbyterian's Financial Assistance Policy.

FAP-Eligible Individual: An individual eligible for financial assistance under Presbyterian's FAP (without regard to whether the individual has applied for assistance under the FAP).

REFERENCES:	

Financial Assistance Policy and Procedures (PFS.PHS.116)
Credit Balance Management (PFS.PHS.117)
Fair Debt and Collection Practices Act
Internal Revenue Code Section 501(r)

Department or Committee which Owns Policy: Patient Accounting

Department Leader or Committee Chair: Laura Calkins, VP-Revenue Cycle Management

Policy Author / Subject Matter Expert: Jerald Archibeque, Director, Patient Accounting

See Workflow History in PEL for Policy Approval Information

Next Review Date: 02/15/2027	Replaces Policy(ies) Named and Dated: Patient Billing and Collections dated 10/19/2023