



Self Pay Billing and Collection Policy (HI)

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Approvals

- Committee Approval: Finance Core Team approved on 3/18/2025
 - Committee Approval: AH System Board approved on 4/24/2025
 - Committee Approval: Nonclinical Policy Review Team - Revenue Cycle approved on 3/14/2025
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Revision Insight

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Revision Note:

This is the Hawaii Specific Billing and Collection Policy. Approved by RevCycle Policy Committee. Authored by Athene Law, outside counse.



- ☒ Systemwide Standard Policy
☐ Systemwide Model Policy

Standard Policy No. 14737
Department: Revenue Cycle

STANDARD POLICY: SELF PAY BILLING AND COLLECTION POLICY (HI)

POLICY SUMMARY/INTENT:

Adventist Health facilities are built on a team of dedicated health care professionals - physicians, nurses, technicians, management, trustees, volunteers, and many other devoted health care workers. Together, these individuals serve to protect the health of their communities. Their ability to serve requires a special relationship built on trust and compassion. Through mutual trust and goodwill, Adventist Health and patients will be able to meet their responsibilities. This policy is designed to strengthen that relationship and make sure patients receive services regardless of their ability to pay.

This policy describes Adventist Health's Self-Pay Billing and Collection policy. This policy describes how Adventist Health shall advance patient debt to collection agencies and other external agencies.

The intent of this policy is to comply with applicable federal, state and local laws and regulations.

DEFINITIONS

1. **Charity Care** - Free or Discounted Care provided when the patient is not expected to pay a bill or is expected to pay only a small amount of the patient's payment obligation for items and services provided by Adventist Health. Charity Care is based on financial need.
2. **Collection Agencies** - collection agencies, Debt Buyers (as defined below), or other assignees of debt that are not a subsidiary or affiliate of Adventist Health.
3. **Debt Buyer** - A person or entity that is regularly engaged in the business of purchasing charged-off consumer debt for collection purposes, whether it collects the debt itself, hires a third party for collection or hires an attorney-at-law for collection litigation.
4. **Discounted Care** - A reduction from the payment obligations for items and services that is given for cash, prompt, or advanced payment, or to certain categories of patients, e.g., self-pay patients.
5. **Extraordinary Collection Action (ECA)** - Actions taken by Adventist Health against an individual related to obtaining payment of a bill for care that involves selling a patient's debt to another company for collection purposes, deferring or denying Medically Necessary care, garnishing a patient's wages, placing a lien on patient's real property, or other actions that require a legal or judicial process.
6. **Emergency Medical Care** - Refers to Emergency Services and Care, as defined in the Adventist Health Emergency Medical Treatment and Labor Act policy (EMTALA) #AD-06-019-S.
7. **Essential Living Expenses (ELE)** - The following expenses are considered Essential Living Expenses: rent or house payment and maintenance, food, household supplies, laundry and

cleaning, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, repairs and installment payments, and other extraordinary expenses.

8. **Family Members** –

- a. Family Members, of persons 18 years of age and older, include spouse, domestic partner, and dependent children under 21 years of age, or any age if disabled, whether living at home or not, and
- b. Family Members of persons under 18 years of age, or for a dependent child 18 to 20 years of age, include parent, caretaker relatives, and other children under 21 years of age, or any age if disabled, of the parent or caretaker relative.

9. **FAP** – The Adventist Health Financial Assistance Policy.

10. **Federal Income Tax Return** - The Internal Revenue Service (IRS) form/s used to report taxable income. The IRS form must be a copy of the signed and dated forms sent to the IRS.

11. **Federal Poverty Level (FPL)** - The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under its statutory authority.

12. **Financial Assistance** - Charity Care and Discounted Care as set forth in Adventist Health's FAP.

13. **Good Faith Estimate** - an estimate of a patient's bill for health care items and services provided to self-pay and uninsured patients before those items or services are provided.

14. **High Medical Costs** - Defined as any of the following

- a. Annual Out-of-Pocket Costs, incurred by the individual at Adventist Health facility, that exceeds the lesser of ten percent (10%) of the patient's Household Income or Household Income in the prior 12 months.
- b. Annual Out-of-Pocket Costs that are more than ten percent (10%) of the patient's Household Income, if the patient provides documentation of their medical expenses paid by the patient, or the patient's Family Members, in the prior 12 months.

15. **Household Income** - Cumulative income of all Family Members. This income includes the following:

- a. Gross wages, salaries, tips, etc.
- b. Unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income
- c. Interest, dividends, royalties, income from rental properties, estates and trusts, alimony, child support, assistance from outside the household, and other miscellaneous sources

16. **Medically Necessary** - A service is "medically necessary" or a "medical necessity" when it is reasonable and necessary to either (a) protect life, to prevent significant illness or significant disability, (b) to alleviate severe pain, or (c) to prevent, diagnose or treat an illness, injury, condition or disease, the symptoms of an illness, injury, condition or disease, and (d) meets accepted standards of medicine.

17. **No Surprises Act**- The No Surprises Act is a Federal regulation that prohibits out-of-network providers from balance billing patients for services received in certain circumstances. Additionally, it requires out-of-network providers to give out-of-network patients a notification regarding their rights regarding balance billing and requires that out-of-network providers give Good Faith Estimates to out-of-network patients for services they seek.
 18. **Out-of-Pocket Costs** - any expenses for medical care that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medicaid cost sharing.
 19. **Patient Financial Services (PFS)** - The Adventist Health department responsible for billing, collecting, and processing payments.
 20. **Extended Payment Plan** - A series of payments made over a period of time to pay the patient's payment obligation for items and services provided by Adventist Health.
 21. **Self-Pay Patient** - A patient who does not have third-party coverage from a health insurer, health care service plan, Medicare, or Medicaid, and whose injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the emergency physician. Self-pay patients may include charity care patients.
 22. **Third-Party Coverage** - A policy of insurance or other prepaid coverage purchased for protection against certain events, such as health, automobile and general liability insurance, etc.
 23. **Uninsured Patient** - Patients who do not have insurance to cover the services received.
 24. **Underinsured Patient** - A patient who does not have enough insurance or prepaid coverage to cover the services received.
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POLICY:

A. No Surprise Billing

1. Good Faith Estimate: Under the law, health care facilities and providers must provide Self-Pay and Uninsured Patients with a Good Faith Estimate for health care items and services before those items or services are provided. This includes related costs like medical tests, prescription drugs, equipment, and hospital fees. Patients may also receive a Good Faith Estimate upon request.
 - a. For services scheduled at least 10 business days in advance, the Good Faith Estimate must be provided no later than 3 business days after scheduling.
 - b. For services scheduled at least 3 business days in advance, the Good Faith Estimate must be provided no later than 1 business day after scheduling.
 - c. If the patient receives a bill that is \$400 more than the Good Faith Estimate received from that facility or provider, they may dispute the bill.
2. Notice and Consent: When a patient has a choice of providers and chooses to receive services from an out-of-network facility or provider, facilities and providers must provide notice of out-of-network billing and consent to be balance billed ("Notice and Consent"). Out-of-network patients must be presented with and sign a Notice and Consent to continue treatment at an Adventist Health facility.

- a. If the service is scheduled at least 72 hours in advance, the Notice and Consent must be provided at least 72 hours before the services are rendered.
 - b. If the service is scheduled within 72 hours of the service being provided, the Notice and Consent must be provided on the day of the service being rendered.
 - c. If the service is scheduled for the same day, the Notice and Consent must be provided within 3 hours of the service being rendered.
3. For questions or more information about Rights to a Good Faith Estimate, visit www.cms.gov/nosurprises/consumers, email FederalPPDRQuestions@cms.hhs.gov, or call 1-800-985-3059.

B. Billing Procedure

1. **Billing Third-Party Payers:** For all patients with health insurance, Adventist Health will bill the third-party payer information as provided or verified by the patient on a timely basis.
2. **Billing Insured Patients for Patient Responsibility:** For all patients with health insurance, Adventist Health shall collect the patient's responsibility amount as computed by the Explanation of Benefits (EOB) and as directed by the third-party payer.
3. **Billing Uninsured Patients:** For uninsured patients, Adventist Health shall bill the patient.
4. **Third-Party Reimbursement:** If the patient receives a legal settlement, judgment, or award under a liable third-party action that includes payment for health care services or medical care related to the injury, the patient or guarantor must reimburse Adventist Health for the related health care services rendered up to the amount reasonably awarded for that purpose.
5. **Requesting Itemized Statement:** All patients may request an itemized statement for their account at any time.

C. Financial Assistance Information and Application

1. Adventist Health will again provide a summary of its Financial Assistance Policy to all patients provided services at an Adventist Health hospital facility. All billed patients will have the opportunity to contact Adventist Health regarding Financial Assistance for their accounts. Financial Assistance may include Charity Care, Discounted Care, or other applicable programs.
2. Adventist Health's Financial Assistance Policy and application are available free of charge by visiting any hospital registration area or by phone to (844) 827-5047. An explanation of Adventist Health's Financial Assistance program, Adventist Health's Rural Health Clinic Discounts program, and the related application forms are available at [Adventist Health Help Paying Your Bill](#). Adventist Health shall ensure that this Policy is translated into each language spoken by the lesser of 1,000 people or five percent of the population that resides in each hospital's service area and is made accessible by interpretation or alternative formats to ensure access for limited English proficient and disabled individuals.
3. Adventist Health and the collection agencies, Debt Buyers, or other assignees not a subsidiary or affiliate of Adventist Health (the "Collection Agencies") shall not pursue

collections from a patient who is attempting to qualify for Financial Assistance under Adventist Health's Financial Assistance Policy and is attempting in good faith to settle an outstanding bill by negotiating an Extended Payment Plan or by making regular partial payments of a reasonable amount.

4. If Adventist Health determines the patient qualifies for Charity Care or Discounted Care, Adventist Health will only use the patient's income information for determining eligibility and debt due. Adventist Health will not use this information for collection activities.
5. If the patient has already paid more than the amount due after the financial assistance determination, Adventist Health shall refund the amount actually paid to Adventist Health in excess of the amount due. However, Adventist Health may choose not to reimburse the patient if Adventist Health determines the patient would have qualified for Financial Assistance at the time the patient was first billed and it has been five years or more since the last payment to the hospital or Collection Agency.
6. Adventist Health facilities will stop collection efforts while a patient, or guarantor, is in the process of applying for government programs like Medicaid/Medicaid. This includes any time necessary to appeal an eligibility decision. When the facility confirms the individual is not eligible for coverage that they applied for, or failed to cooperate with providing information, then collection efforts can continue. Failure to meet eligibility requirements, or failure to cooperate, must be well documented.

D. Extended Payment Plans

1. Adventist Health and its Collection Agencies shall offer uninsured patients and insured patients with High Medical Costs the option to enter into an agreement to pay their patient responsibility portion and any other amounts due over time ("Extended Payment Plan").
2. Terms of Extended Payment Plans: Adventist Health will also offer Extended Payment Plans for those patients who indicate an inability to pay a patient responsibility amount in a single installment. The Extended Payment Plan shall be negotiated between Adventist Health Patient Financial Services and the patient and may take into consideration the patient's Household Income, Essential Living Expenses, and the availability of a health savings account help by the patient or patient's Family Members. All Extended Payment Plans shall be interest-free.
3. Declaring an Extended Payment Plan Inoperative: Adventist Health may declare an Extended Payment Plan no longer operative after the patient fails to make all consecutive payments during a 90-day period. Before declaring the Extended Payment Plan inoperative, Adventist Health or its Collection Agencies will make a reasonable attempt to contact the patient by the last known telephone number and provide notice in writing with the last known address to notify the patient that the Extended Payment Plan may become inoperative and provide an opportunity to renegotiate. Adventist Health or the Collection Agency acting on Adventist Health's behalf will attempt to renegotiate the Extended Payment Plan if requested by the patient. After an Extended Payment Plan is declared inoperative and over 120 days have passed since the initial billing of the patient, Adventist Health or its Collection Agencies may commence Extraordinary Collection Actions (as defined below).

E. Collection Practices

1. In compliance with relevant state and federal laws, and in accordance with the provisions outlined in this Self-Pay Billing and Collections Policy, Adventist Health and its Collection Agencies may engage in collection activities including Extraordinary Collection Actions to collect outstanding patient balances. Adventist Health and its Collection Agencies shall not pursue collections from a patient who is attempting to qualify for Financial Assistance under Adventist Health's Financial Assistance Policy and is attempting in good faith to settle an outstanding bill.
2. Extraordinary Collection Actions ("ECAs") include the following:
 - a. Selling an individual's debt to another party except;
 - b. Reporting adverse information about an individual to consumer credit reporting agencies or credit bureaus
 - c. Deferring or denying, or requiring a payment before providing, Medically Necessary care (excluding emergency medical care) because of an individual's nonpayment of one or more bills for previously provided care covered under Adventist Health's Financial Assistance Policy;
 - d. Certain actions that require a legal or judicial process as specified by federal law, including some liens, foreclosures on real estate, attachments/seizures, commencing a civil action, causing an individual to be subject to a writ of attachment, and garnishing an individual's wages.
3. ECAs do not include any lien that a hospital is entitled to assert under state law on the proceeds of a judgment, settlement or compromise owed to an individual (or his or her representative) as a result of personal injuries for which a hospital provided care.
4. Initiating ECAs: After at least 120 days have passed since the initial billing statement was provided to the patient and either Adventist Health has found the patient ineligible for Financial Assistance or the patient has not responded to any attempt to bill or offer Financial Assistance, Adventist Health may place the patient's bill with a Collection Agency to pursue ECAs to collect outstanding balances at the discretion of the facility Financial Officer or his/her/their designee. If Adventist Health aggregates an individual's outstanding bills for multiple episodes of care before initiating ECAs to obtain payment for those bills, it will refrain from initiating the ECAs until 120 days after it provided the initial post-discharge billing statement for the most recent episode of care included in the aggregation. If the patient has a pending appeal for coverage of the claim(s) and has made a reasonable effort to communicate with Adventist Health about the progress of the appeal, Adventist Health will wait until a determination of that appeal is made to place the patient's unpaid bill with the Collection Agency. Adventist will not initiate or continue ECAs for a patient who is attempting to qualify for Financial Assistance under Adventist Health's Financial Assistance Policy and is attempting in good faith to settle an outstanding bill.
5. Required Notices: Before initiating ECAs to obtain payment, Adventist Health shall send the patient notice with a notice the following information:
 - a. The date(s) of service of the bill that is being assigned to collections or sold;
 - b. The name of the entity the bill is being assigned or sold to;

- c. A statement informing the patient how to obtain an itemized hospital bill from Adventist Health;
- d. The name and plan type of the health coverage for the patient on record with the hospital at the time of services or a statement that the hospital does not have that information;
- e. An application for Adventist Health's Financial Assistance;
- f. The date(s) the patient was originally sent a notice about applying for Financial Assistance, the date(s) the patient was sent a Financial Assistance application, and, if applicable, the date a decision on the application was made.

F. Collections Agencies

- 1. Adventist Health will conduct ECAs, as required, through an external collection agency. Collection Agencies that collect unpaid patient bills on Adventist Health's behalf will be required to meet the same debt collection standards and comply with this Adventist Health Self Pay Billing and Collection Policy.
- 2. Adventist Health will evaluate the performance of each Collection Agency at least on an annual basis, including patient reactions and complaints regarding Collection Agencies. Adventist Health will investigate and analyze complaints about the activities of Collection Agencies and promptly make and document any necessary corrections.
- 3. Additionally, Adventist Health should obtain written statements from the Collection Agency not less than annually attesting that they are following Adventist Health's policies and complying with all state and federal law

G. Documentation

- 1. Confidential Financial Assistance Application

H. Federal Poverty Level

- 1. See 14754-Financial Assistance Reference Table Appendix A

MANUAL(S):

ATTACHMENTS: (REFERENCED BY THIS DOCUMENT)

[Financial Assistance Application Form \(English\)](#)
[Financial Assistance Application Form \(Spanish\)](#)
[Financial Assistance Reference Table Appendix A-E](#)
[Adventist Health Help Paying Your Bill](#)
www.cms.gov/nosurprises/consumers

OTHER DOCUMENTS: (WHICH REFERENCE THIS DOCUMENT)

FEDERAL REGULATIONS:

ACCREDITATION:

CALIFORNIA:

No specific state requirements noted. Corporate policy applies as written.

HAWAII:

No specific state requirements noted. Corporate policy applies as written.

OREGON: No specific state requirements noted. Corporate policy applies as written.
WASHINGTON: No specific state requirements noted. Corporate policy applies as written.

REFERENCES:

ADVENTIST HEALTH SYSTEM/WEST POLICY OWNER: Amy K Miller - Director, Revenue Cycle Compliance
ENTITY POLICY OWNER: Not applicable
COLLABORATION: Cheryl A Brooksher - Director, Business Intelligence
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APPROVED BY:

ADVENTIST HEALTH SYSTEM/WEST: (03/14/2025) Nonclinical Policy Review Team - Revenue Cycle, (03/18/2025) Finance Core Team, (04/23/2025) AH System Board

ADVENTIST HEALTH SYSTEM/WEST INDIVIDUAL:

ENTITY: Not applicable

ENTITY INDIVIDUAL: Not applicable

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