

UC Riverside, School of Medicine Policies and Procedures**Policy Title:** Guarantor Balances & Bad Debt**Policy Number:** 950-05-001

Responsible Officer:	Executive Director, UCR Health
Responsible Office:	University of California, Riverside School of Medicine
Origination Date:	04/2015
Date of Revision:	03/2021
Review Date:	03/2023
Scope:	This policy applies to UCR Health. UCR Health billing providers outside of the UCR Physicians Billing Office are not covered by this policy.

I. Policy Summary

- A.** To promote and ensure compliance with governmental and private payor regulations on Guarantor/co-payments/coinsurance payment and deductible collection practices.
- B.** To improve the efficiency and effectiveness of UCR Health billing and collection processes.
- C.** To maximize revenue by conducting timely, consistent and effective collection efforts via partnership with third party professional collection agencies.
- D.** To deliver a better patient experience by providing services in a courteous, respectful and professional manner and by working with patients and their representatives to develop reasonable budget and payment plans.

II. Policy Text

- A.** It is the policy of UCR Health to collect Guarantor balances in accordance with governmental and private payor guidelines (e.g. CMS Part B Provider Reimbursement Manual, Fair Debt Collections Practices Act (FDCPA)).
- B.** Single or consolidated debts owed by Guarantors for medical care delivered by UCR Health providers are pursued according to uniform criteria across all billing areas to ensure consistency, efficiency, timeliness and effective follow-up efforts to maximize collections.
- C.** Guarantor balances are not discounted or waived by UCR Health unless one of the following conditions applies:
 - 1. Patient's indigence has been established in accordance with the UCR Health **Financial Hardship policy** and in conjunction with affiliated hospital policies.
 - 2. The cost of billing for coinsurance payments and deductibles exceeds or is disproportionate to the amount to be collected as defined in the UCR Health **Small Balance Adjustments policy**.
 - 3. The patient is deceased and outstanding balances are adjusted in accordance with the UCR Health policy.
 - 4. The Guarantor's bankruptcy is verified and the balances are adjusted in accordance with the UCR Health **Bankruptcy Adjustments policy**.
 - 5. UCR Health or third-party vendor may enter into a settlement agreement with a patient whose balance remains unpaid after reasonable collection efforts, in accordance with UCR Health policy.
- D.** After second statement and all reasonable collections efforts are exhausted by UCR Health billing vendor, and if none of the discount and/or waiver conditions apply (per paragraph "C" above), uncollected Guarantor balances (bad debt) are assigned to a third-party collection agency for further collection efforts.

E. UCR Health does not report Guarantor "bad debt" to major credit bureaus.

APPLICABILITY:

This policy applies only to UCR Health customers. UCR Health provider entities billing for healthcare services outside UCR Physicians Billing Office are not covered by this policy.

This policy applies to all patients and their representatives who seek medical care from UCR Health.

MONITORING/ACCOUNTABILITY:

Each UCR Health billing- must conduct frequent, regularly scheduled quality reviews to ensure adherence to this policy. Immediate corrective actions must be taken as necessary. These may include:

- a. Training and re-training of staff
- b. Disciplinary actions
- c. Escalating non-compliance to UCR Director, Clinical Compliance and Privacy.

EXCLUSIONS:

This policy does not apply to International Health Program patients.


III. Revision History

Original: April 2015

Revised: February 2021

Reviewed: March 2023 – Compliance reviewed this policy and confirmed there are no revisions necessary.


APPROVALS:

DocuSigned by:

BC5CF44DC0494EA

 PAUL HACKMAN, J.D., L.L.M.
 CHIEF COMPLIANCE AND PRIVACY OFFICER,
 SCHOOL OF MEDICINE

3/13/2023 | 2:28 PM PDT

 DATE

DocuSigned by:

870C12B416E94CB

 DEBORAH DEAS, M.D., M.P.H.
 VICE CHANCELLOR, HEALTH SCIENCES
 DEAN, SCHOOL OF MEDICINE

3/13/2023 | 5:33 PM PDT

 DATE