

UC Riverside, School of Medicine Policies and Procedures**Policy Title:** Agreed Settlements**Policy Number:** 950-05-005

Responsible Officer:	Executive Director, UCR Health
Responsible Office:	University of California, Riverside School of Medicine
Origination Date:	04/2015
Date of Revision:	04/2021
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 regulations regarding guarantor balance adjustments for patients who are beneficiaries of federally funded healthcare programs.
- B.** To improve the efficiency of the billing and collections processes by establishing standardized criteria for negotiating and handling agreed settlements across all UCR Health practices.
- C.** To deliver a better patient experience by working with the patients and their representatives to offer settlement arrangements within standard and consistent protocols as outlined in this policy.

II. Definitions**III. Policy Text**

- A.** After all reasonable collection efforts are exhausted and guarantor balances are ready to be assigned to a collection agency, UCR Health may offer a settlement option for patients to settle their accounts. Patients with delinquent balances are eligible for a discount only if their balances are paid in full. These settlements are not advertised and are considered on a case-by-case basis. The terms of such settlements are based upon specific criteria:
 - 1. Billing vendor client manager must initiate and the Executive Director of UCR Health approves options for discounted settlements. Patients are not offered a settlement option until the account has met the criteria for collection agency assignment.
 - 2. The following schedule determines the discount offered:
 - a. Ten (10) percent on balances between \$25 and \$299
 - b. Twenty (20) percent on balances between \$300 and \$499
 - c. Thirty (30) percent on balances over \$500
 - 3. Accounts with balances of less than \$25 are not eligible for the settlement option (See Small Balance Adjustments policy).
 - 4. Director, Clinical Compliance and Privacy has final approval on all agreed settlements.

- B.** When a settlement is agreed upon, the patient is instructed to submit the payment within 7 business days. Should the patient default on the agreement, the non-discounted original outstanding balances must be assigned to a collection agency.

IV. Responsibilities

A. 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.

B. MONITORING/ACCOUNTABILITY:

Each UCR Health billing vendor and UCR units/departments and cash undistributed must conduct frequent, regularly scheduled quality reviews to ensure adherence with this policy. Immediate corrective actions must be taken as necessary. These may include:

1. Training and re-training of staff
2. Disciplinary actions
3. Reporting non-compliance to UCR, Director Clinical Compliance and Privacy.

V. Procedures

VI. Forms/Instructions

VII. Related Information

VIII. Revision History

Original April 2015

New April 2021

Approvals:

COMPLIANCE COMMITTEE (04/28/2021)

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

DATE

DEBORAH DEAS, M.D., M.P.H
VICE CHANCELLOR, HEALTH SCIENCES
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