

CATHOLIC HEALTH SERVICES
Accounts Receivable (Private Pay)
Billing & Collection Policy

PURPOSE:

To ensure that all private pay patients are informed of their respective financial responsibility at the time of service. To ensure that bills are sent out in a timely manner and collection procedures are rigorously followed.

SCOPE:

- Patients and/or their families are to be notified by the Admissions Department and/or Business Office Manager of an approximate amount of their respective financial responsibility.
- Approximately one month after discharge the Central Business Office (CBO) is to send a statement via US Mail to the patient which indicates the balance due.
- If payment is not received, a monthly statement is sent to the patient after an account is thirty (30) days past due.
- If amounts are not received, then:
 - Monthly statements continue to be sent to the patient indicating the outstanding balance due.
 - In addition to the monthly statements, phone calls are made during this timeframe in an effort to collect the outstanding balance due.
- If no monies are collected after sending the third statement, at 120 days outstanding, one of the following actions is initiated:
 - The receivable is forwarded to a collection agency. At this time, the account is transferred from the accounts receivable aged trial balance to the general ledger account #1110-001 (A/R in Collections). In essence, the account is now considered “Bad Debt”.

- **Efforts by our extended business office are now terminated, at which time the account is “written off the books”.**
- **Facility Administrators and Revenue Cycle Manager are authorized to write off accounts up to \$5,000. The V.P. of Revenue Management is authorized up to \$25,000. The President/CEO is authorized up to \$100,000. All accounts above \$100,000 are to be authorized by the Board of Directors.**
- **Regarding all other accounts receivable (Medicare, Medicaid, Commercial/HMO) the decision to “write off” accounts is decided on an account-by-account basis. The main reasons for “write off” are:**
 - **Timely Filing of claims submission (which varies by Payer)**
 - **Lack of Authorization obtained at the time of service.**
 - **Coverage terminated prior to date of service.**
 - **Incorrect patient information input (i.e., DOB; Social Security Number; etc.).**

POLICY:

Catholic Health Services has a separate Financial Assistance Policy (FAP) which provides patients and their families the ability to apply for assistance with their outstanding balances. Patients and/or their family members can contact the CHS Central Business Office at (954) 484-1515 for assistance.

Catholic Health Services does not engage in any extraordinary collection actions to obtain payments prior to making every reasonable effort to notify patients about the existence of our FAP and to determine eligibility for Financial Assistance per the policy’s guidelines.

Each patient is notified regarding the FAP both verbally and in writing during the admission process. In addition, each patient is provided with a plain language summary of the FAP in their respective Admissions Handbook upon admission into the facility.

It shall be the Policy of the CBO to ensure all proper guidelines are adhered to regarding our efforts to collect on all outstanding accounts receivable. Only those accounts deemed as uncollectible and only after all appropriate efforts are exhausted will be “written off” the active accounts receivable.

All appropriate approvals (based upon the dollar threshold) will be obtained accordingly.

PROCEDURE:

Step 1. Monthly Statements sent to patient.

After delivery of service, monthly statements are forwarded to patients requesting payment of outstanding balance due. At 90 days past due, Patients are notified that if payment is not received within 30 days, the account will be referred to a Collection Agency.

Step 2. Collection calls.

Collection follow-up calls are conducted when an account reaches 30 days old which includes a conversation reminding the patient and/or family member, that if Financial Assistance is needed, how and where to apply per our Policy.

Step 3. If there is no collection activity, at 120 days:

- **Account is to be “written off” the active accounts receivable to G/L account #1110-001 (Accounts in Collections)**
- **The following approval thresholds are to be followed:**
 - **Administrators & Revenue Cycle Manager (\$5,000)**
 - **Vice President of Revenue Management (\$25,000)**
 - **President/CEO (\$100,000)**
 - **Board of Directors (> \$100,000)**

Updated: 11/1/25

