Printed copies are for reference only. Please refer to the electronic copy for the latest version.

|  |  |
| --- | --- |
| https://harlancountyhealth.com/wp-content/uploads/2019/07/Harlan-County-Logo-2.png | **Payment Plan Guidelines** |
| **Policies and Procedures** |
| **Department:**  Registration, Finance |
| **Created:**  | **Approved On:** July 18, 2022 | **Next Review:** { Next Periodic Review Date } |

**PURPOSE:**

To describe the process for establishing payment plans.

**APPLICABILITY:**

* Harlan County Health System
* Harlan County Health System – Alma Clinic
* Harlan County Health System – Oxford Clinic

**DEFINITIONS:**

* N/A

**POLICY:**

Patients demonstrating financial need should be prescreened for financial assistance. For patients who do not qualify for financial assistance, it is HCHS’s policy to allow for a reasonable period of time for payment on all accounts.

**PROCEDURE:**

If it is identified a patient would benefit from a payment plan, this option is to be made available to them; however, the account should be settled in accordance with the following time frame guidelines:

|  |  |  |
| --- | --- | --- |
|  BALANCE |  PMT  | Months |
|  <$250 |  $25.00 |  0-10 |
|  $251 - $500 |  $40.00 |  6-13 |
|  $501 - $1499 |  $55.00 |  9-18 |
| $1,501 - $2,000 |  $80.00 | 18-25 |
| $2,001 - $3,500 | $100.00 | 20-35 |
| $3,501 - $5,000 | $150.00 | 23-33 |
|  >$5,001 | $200.00 |  25+ |

**REQUIREMENTS:**

1. All payment plans should be at least $25 per month with a duration that does not exceed 36 months. If the patient requests payments less than $25 or a longer payment plan than 36 months, the proposed payment plan must be approved by the CFO or Controller.
2. Setting up a payment plan on an insurance account that has an expected patient liability, however, currently does not have a self-pay balance:
	1. The facility or clinic can collect the first payment and notate the account within the patient's electronic medical record {EMR) with any additional information communicated with the

patient.

b. Per policy, the patient still needs to make their first payment of up to 50% of the minimum deposit prior to setting up the pre-service payment plan for the remaining out-of-pocket amount due. Collection deposits are still required to avoid service deferral or cancellation.

c. It is recommended that a pre-service payment plan is set up using auto-pay on their credit card so payments continue to be deducted during the time we are waiting for insurance to process on their side since the patients will not get a statement if this is their first visit or don't have any other outstanding balances

d. If a formal payment plan is not established at the time of service:

 Once the patient receives a billing statement in the mail, he/she will need to call the number listed on the statement to set up a payment plan on the remaining balance.

1. Combining payment plans is not possible if a patient has an established payment arrangement at different early out and bad debt agencies.
2. If a patient misses two consecutive payments while on a payment plan, HCHS will consider the account in default and continue with other collection practices.