

## **Financial Debt Collection Policy for Regional Health Center**

### **Under the Minnesota Debt Fairness Act**

**Effective Date:** 10/01/2024

#### **Purpose**

To establish guidelines for the responsible issuance and management of debt within Regional Health Center, promoting transparency, equity, and accountability in financial practices while enhancing patient care and community health.

#### **Scope**

This policy applies to all debt-related activities conducted by Regional Health Center.

#### **1. Debt Issuance Principles**

- **Transparency:** All debt issuance processes will be communicated clearly to patients detailing the purpose of the debt through a statement sent out at the beginning of each calendar month to the email or mailing address provided by the patient to Regional Health Center.

#### **2. Reporting and Accountability**

- Medical debt will not be reported to credit bureaus. We will, however, report medical debt to a collections agency if payment is not collected by Regional Health Center after three consecutive months of statements being sent out for an outstanding balance by a patient. The patient will receive these three-monthly statements and a phone call by Regional Health Center as a reminder of an outstanding balance prior to their medical debt being submitted to a collections agency.

#### **3. Future Services**

- We will not withhold medically necessary care from a patient due to a patient's unpaid medical bills. If a patient has an outstanding bill, we do require the patient to enter a reasonable payment plan prior to receiving the medically necessary care.

#### **4. Billing or Coding Questions/Disputes**

- If a patient notifies Regional Health Center that they believe there is a billing error, Regional Health Center will review the bill and correct any found errors. During the review time, Regional Health Center will not bill the patient for the disputed charges. Within 30 days after the review is complete, Regional Health Center will notify the patient that the review is complete, what errors were corrected *or* why the bill is correct, and include any applicable coding guidelines, references to health records, and other relevant information.

This policy serves as a framework for managing debt responsibly while ensuring the healthcare facility remains committed to patient care.