



COLLECTIONS POLICY

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Applies To: Billing and Collections; Management	Compliance or Internal: Internal
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Associated Documents: GFM002 03 Collections Checklist	

Overview

The purpose of this document is to outline the process of collections as they relate to Gagon Family Medicine. To be clear, patients retain the ultimate responsibility for paying for health care services they receive. Our office bills a patient’s insurance as a courtesy to the patient. It is important to note a physician may not make any report to a credit bureau, use the services of a collection agency or use methods other than routine billing or notification until the criteria below have been met. A copy of all supporting documentation when a party is sent to collections is to be kept locally for reference.

Gagon Family Medicine Collection Process – Patient to Collection Agency

Patient balances greater than \$50 left unpaid for 90 days will be sent to a collection agency for collection. Patients who have been sent to collections will be considered cash patients until the collection balance is paid. Cash patients must pay our fees in full on the date of the visit before they can be seen. In addition, patients who have been sent to collections will not be able to schedule future appointments unless a payment of at least \$50 has been made to the collection agency in the month the patient wants to be seen.

Patients will receive four statements in the first 90 days after Gagon Family Medicine is notified by the insurance company of the patients’ financial responsibility.

1. The first statement for services is generated within one day of the insurance payment. Payment from the insurance company is generally received within 45 days or less from the date services were provided.
2. A second statement is mailed 30 days after the first statement if no payment is received. The patient chart is also updated with a “flasher” indicating this patient is past due.
3. A third statement is mailed when no payment is received after an additional 30 days from the second statement (60 days from receiving insurance company payment). This step also includes a phone call to the patient to assist in resolution of payment.
4. A fourth statement is sent along with text notification required by Utah law Code Sec. 3/A-26-301.5(4) another 30 days later (90 days from receiving notice from the insurance company of the patients’ responsibility). This step also includes a phone call to the patient to assist in resolution of payment.
5. If payment is not received within 45 days or 60 days of the fourth statement, the patient balance is turned over to a collection agency for collection.



Gagon Family Medicine Collection Process – Patient to In House Collections

Patient balances less than \$50 will follow the same process as balances sent to collections. However, instead of being turned over to a collection agency for collection, the account will be marked as “in-house” collections and collection efforts will be handled by Gagon Family Medicine staff.

Collection Criteria – Legal

The State of Utah recently adopted the Health Care Debt Collection Amendment which requires a health care provider may not make any report to a credit bureau or use the services of a collection agency unless the health provider first sends a notice stating:

1. The amount owed.
2. The date on which this amount must be paid. That date must be at least 45 days after the date of the notice, or at least 60 days after the date of the notice if the person is over 65 or a Medicare beneficiary.
3. That if the amount owed is not timely paid, the health care provider may make a report to the credit bureau or use the services of a collection agency.
4. Notice must be sent by certified mail, return receipt requested, priority mail or text message.

Conclusion

The collection process must meet both legal and business requirements. This effort is focused on capturing revenue for services provided and doing so in a professional, standard manner. This does not single out any patient(s) failing to pay, but rather creates a consistent process in handling the collection process. It is critical to our financial position to execute this daily in order to position the practice to receive timely and fair payment for services.