

**VALLEY COUNTY HEALTH SYSTEM  
ORD, NEBRASKA**

CATEGORY: BUSINESS OFFICE  
EFFECTIVE DATE: 12/00  
LATEST REVISION: 4-13, 1-15

POLICY NUMBER: BO-11  
REPLACES:  
RESPONSIBLE PARTY: PFS Manager

**TOPIC: COLLECTIONS – SELF-PAY BALANCES**

- I. PURPOSE:  
To provide guidelines for collecting self-pay patient balances in a timely and equitable manner.
- II. POLICY:  
It is the policy of Valley County Health System (VCHS) to pursue the collection of self-pay balances in accordance with the following procedures.
- III. PROCEDURE:
- A. Non-Covered and Self-Pay balances are expected to be paid in full within 28 days of billing.
  - B. Prompt-Pay Discount- A reduction in balance due from patient will be offered if full payment is made within a month from date of service. Patient Financial Services has the discretion to offer discounts as deemed appropriate.
  - C. Methods of settling the self-pay balance include:
    - a. Payment in full- we accept cash, check, debit card, MasterCard, Visa or Discover
    - b. Payment plan- monthly payments to have the balance paid off within 24 months and/or minimum payment of \$50 per month. The payment plan will be adjusted as additional charges are incurred.
    - c. Bank Loan Option- Accounts with balances over \$1,000.00 will be offered a low interest loan through First National Bank (FNB) of Ord with a maximum term of 5 years. VCHS will utilize pre-printed loan forms provided by FNB. First National Bank will pay the balance due to VCHS and the guarantor will make the agreed upon payments to FNB.
    - d. Charity Care/Financial Assistance-(See Charity Care/Financial Assistance Policy)
  - D. If the Guarantor defaults on any of the above agreements at any given time, the account may be turned over to a collection agency or take any or all of the following extraordinary collection actions ("ECAs") in the event of non-payment of outstanding bills:
    - Reporting to credit bureaus
    - Legal Suit
    - Selling the account to a third party
    - Garnishment of wages
  - E. Once all efforts have been exhausted, the account is written off to Bad Debt, Accounts Receivable reduces by the amount written off, and the account remains flagged as Bad Debt. Bad Debt from Medicare patients will be accounted for separately on the general ledger for cost reporting purposes.

PATIENT FINANCIAL SERVICES MANAGER <i>Stephanie Copp</i>	Date <b>1-6-15</b>
DIRECTOR OF FINANCIAL SERVICES <i>Ashley Woodward</i>	Date <b>1-6-15</b>