


Physicians' Billing Office		
SECTION:	GUARANTOR ACCOUNTS RECEIVABLE	POLICY NUMBER: G101
POLICY TITLE:	AGREED SETTLEMENTS	PAGE: 1 of 2
APPROVALS: FPG B&F Committee: 12/14/2009	PBO: 12/14/2009	ISSUED: 09/01/2009 EFFECTIVE: 06/30/2010
SUPERSEDES: N/A		

PURPOSE:


1. To promote and ensure **compliance** with Governmental regulations regarding Guarantor balance adjustments for patients who are beneficiaries of federally funded healthcare programs.
2. To improve the **efficiency** of PBO billing and collections processes by establishing standard, uniform criteria for negotiating and handling agreed settlements across all FPG departments and PBO units.
3. To deliver a better **patient experience** by working with the patients and their representatives to offer settlement arrangements within standard and consistent protocols as outlined in this policy.

POLICY:

- A. After all reasonable collection efforts are exhausted and Guarantor balances are ready to be assigned to a collection agency, FPG PBO may offer a settlement option for patients to settle their accounts. Patients with delinquent balances are eligible for a discount only if their balances are paid in full. These settlements are not advertised and are considered on a case-by-case basis. The terms of such settlements are based upon specific criteria:
 1. PBO unit manager must approve options for discounted settlements. Patients are not offered a settlement option until the account has met the criteria for collection agency assignment.
 2. The following schedule determines the discount offered:
 - i. 10 percent on balances between \$25 and \$299;
 - ii. 20 percent on balances between \$300 and \$499;
 - iv. 30 percent on balances over \$500
 3. Accounts with balances of less than \$25 are not eligible for the settlement option (see PBO "Small Balance Adjustments" policy).
- B. When a settlement is agreed upon, the patient is instructed to submit the payment within 7 business days. Should the patient default on the agreement, the outstanding balances must be assigned to a collection agency.
- C. Settlement agreements must be documented in FPG Practice Management System.

POLICY CROSS REFERENCES:

1. PBO - Guarantor Balances (Policy number G106)
2. PBO - Small Balance Adjustments (Policy number G110)

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SUPERSEDES: N/A		

APPLICABILITY:

This policy applies only to FPG PBO customers. UCLA FPG provider entities billing for healthcare services outside PBO are not covered by this policy.

This policy applies to all patients and their representatives who seek medical care from UCLA FPG.

REVISION HISTORY:

Original Policy issued: TBD

Revisions: None

REFERENCES:

- Medicare Claims Processing Manual (January 2009)
- Medicare Provider Reimbursement Manual, Part 1, Chapter 3
- Part B Answer Book (October 2008)®
- Fair Debt Collection Practices Act (FDCPA)
- MGMA Policies and Procedures