



Physicians' Billing Office		
SECTION:	GUARANTOR ACCOUNTS RECEIVABLE	POLICY NUMBER: G106.3
POLICY TITLE:	GUARANTOR BALANCES	PAGE: 1 of 3
APPROVALS: FPG B&F Committee: 11/23/2009	PBO: 11/23/2009	ISSUED: 09/01/2009 REVISED: 02/17/2010 08/10/2010 EFFECTIVE: 06/30/2010
SUPERSEDES: Policy G106.1, G106.2		

PURPOSE:

1. To promote and ensure **compliance** with governmental and private payor regulations on Guarantor coinsurance payment and deductible collection practices.
2. To improve the **efficiency** and **effectiveness** of PBO billing and collection processes.
3. To maximize **revenue** by conducting timely, consistent and effective collection efforts in PBO and via partnership with third party professional collection agencies.
4. To deliver a better **patient experience** by providing services in a courteous, respectful and professional manner and by working with patients and their representatives to develop reasonable budget and payment plans.

POLICY:

- A. It is the policy of FPG PBO to collect Guarantor balances in accordance with governmental and private payor guidelines (e.g., CMS Part B Provider Reimbursement Manual, Fair Debt Collection Practices Act (FDCPA)).
- B. Single or consolidated debts owed by Guarantors for medical care delivered by FPG providers are pursued according to uniform criteria across all PBO units to ensure consistency, efficiency, timeliness and effective follow up efforts to maximize collections.
- C. Guarantor balances are not discounted or waived by FPG PBO unless one of the following conditions applies:
 - 1) Patient's indigence has been established in accordance with the PBO "**Financial Hardship**" policy.
 - 2) The cost of billing for coinsurance payments and deductibles exceeds or is disproportionate to the amount to be collected as defined in the "**Small Balance Adjustments**" policy.
 - 3) The patient is deceased and outstanding balances are adjusted in accordance with the PBO "**Deceased Patient Balance Adjustments**" policy.
 - 4) The Guarantor's bankruptcy is verified and the balances are adjusted in accordance with the PBO "**Bankruptcy Adjustments**" policy.
 - 5) PBO collectors may enter into a settlement agreement with a patient whose balance remains unpaid after reasonable collection efforts, in accordance with the PBO "**Agreed Settlements**" policy.

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6) Rare, non-routine waivers are approved on a case-by-case basis in accordance with the PBO "**Special Administrative Adjustments**" policy.

D. After all reasonable collection efforts are exhausted by PBO, and if none of the discount and/or waiver conditions apply (per paragraph "C" above), uncollected Guarantor balances (bad debt) are assigned to a third party collection agency for further collection efforts.

E. FPG PBO does not report Guarantor "bad debt" to major credit bureaus.

POLICY CROSS REFERENCES:

1. PBO - Financial Hardship (Policy number G105)
2. PBO - Professional Courtesy Discounts and Waivers (Policy number G108)
3. PBO - Budget and Payment Plan (Policy number G103)
4. PBO - Special Administrative Adjustments (Policy number G111)
5. PBO - Small Balance Adjustments (Policy number G110)
6. PBO - Deceased Patient Balance Adjustments (Policy number G104)
7. PBO - Bankruptcy Adjustments (Policy number G102)
8. PBO - Agreed Settlement (Policy number G101)


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.

EXCLUSIONS:

- A. This policy does not apply to International Health Program patients.
- B. PBO may choose to waive beneficiary cost-sharing amounts attributable to retro-active increases in CMS payment rates resulting from the Operation of New Federal Statutes or Regulations as indicated in Department of Health and Human Services (DHHS) Office of Inspector General (OIG) policy (this exclusion applies to claims for Medicare beneficiaries only) .*

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COGNIZANT OFFICE:

For interpretations of this policy, resolution of problems and special situations, contact:

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POLICY AUTHORITY:

UCLA Faculty Practice Group

REVISION HISTORY:

Original Policy issued: 09/01/2009

Revisions: 02/17/2010 (POLICY G106.2 replaces POLICY G106.1)
 08/10/2010 (POLICY G106.3 replaces POLICY G106.2)

REFERENCES:

- Medicare Claims Processing Manual (January 2009)
- Medicare Provider Reimbursement Manual, Part 1, Chapter 3
- Fair Debt Collection Practices Act (FDCPA)