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POA Financial Policy

21st January 2019

OVERVIEW

Phillips Orthopedic Associates strives to offer quality care to all of our patients. POA believes that it is important to inform patients of financial policies and procedures, and of any necessary authorization requirements that may ultimately affect their care.

Financial Terms and Responsibilities

It is the goal of POA's policies to provide patients with financial information related to their services. Please note: While POA seeks to inform to the best of its ability, it is the responsibility of the patient to understand their own insurance benefits.

Insurance terms to understand

Assignment of Benefits:

An arrangement by which the patient request their health benefit payment be made directly to a designated person or facility, such as a physician or hospital.

Effective Date:

The date the insurance policy begins covering the medical benefits for the policyholder.

Pre-Authorization:

Preauthorization refers to a process wherein the health insurance company pre-approves a covered person to receive a particular medical service or prescription drug. To preauthorize a service, the health insurance company may require that the provider submit a preauthorization request explaining the medical need.

Copay:

An amount defined by your insurance policy which is paid by the insured person each time services are rendered in the office. If a plan requires copay for an office visit, payment is due before the start of each visit.

Deductible:

The amount a policyholder has to pay out-of-pocket before the insurance company will cover the remaining costs.

Coinsurance:

A co-sharing agreement between the insured and the insurer under a health insurance policy which provides that the insured will cover a set percentage of the covered cost after the deductible has been paid.

Non-Covered Service:

A service not covered under the limits of the patient's health-insurance contract. The cost of a service deemed non-covered we become the patient's responsibility.

Denial of claim:

The refusal of an insurance company or carrier to honor a request by individual (or his or her provider) to pay for health care services obtained from a health care professional.

Explanation of Benefits (EOB):

The insurance company's written explanation regarding a claim, showing what they paid and what the client must pay.

Common Services at POA

Office Visit:

Office visits include separate, billable encounters that result from evaluation and management services provided to the patient and include: (1) Concurrent care or transfer of care visits, (2) Consultant visits, or (3) Prolonged Physician Service without Direct (Face-To-Face) Patient Contact (tele-health). A consultant visit occurs when an Eligible Physician (EP) or other eligible

professional is asked to render an expert opinion/service for a specific condition or problem by a referring provider (Texas Medical Association, 2019).

Durable Medical Equipment (DME):

Should your specialist determine that you need a brace, boot, sling, sleeve, or other medical device to assist with your care, POA will bill your insurance company at that time. Should you have any financial responsibility, once the insurance has processed the claim, POA will send you a statement for any remaining balance owed to be paid at that time.

Surgery:

Your specialist may determine that surgery is required to assist with your medical care. Insurance benefits are reviewed by the authorization department and an authorization is obtained if the policy required one for this service.

Post-Op:

Once you have had your surgery or surgical procedure, you will be schedule for a post-op visit. Typically, your plan will not require a copay for office visits during the post op period.

PLEASE NOTE: your physician may determine it is medically to order other services at the time of your post op visit such as scans, injections, or DME. Your plan may determine that a copay is due after the claim has been submitted.

Hospital Charges:

Our physicians may have visits with our patients during their inpatient stay at the hospital or rehabilitation center . Patients may receive a bill from our office regarding those services.

Financial Policy

Phillips Orthopedic Associates is contracted with some insurance plans, but not all. If we have a contract with a patient's insurance, POA will file a claim with that insurance company. It is the responsibility of the patient to update Phillips Orthopedic Associates on any changes in insurance coverage since their last visit. While insurance coverage is another form of payment, ultimately it is patient responsibility to pay for all services rendered. We will collect any known or estimated copayments, co-insurance or deductibles at the time of service. The responsible party will be billed for services rendered in full, should the insurance deny coverage due to non-covered benefits, limited coverage, waiting periods, material or alternate benefit downgrade or eligibility. We do our best in gathering this information for patients but insurance companies determine the

final benefits and eligibility once a claim for services is received. The final benefits of claims processed through insurance will be outlined in an EOB (explanation of Benefits) and it is the responsibility of the patient to pay any amouonts indicated on the EOB as patient liability amounts. Patients can expect to receive a bill from POA regarding these amounts.

If a patient is not using insurance, it is their responsibility to pay for all charges in full according to the Self-Pay pricing available in the office and self Pay Policy outlined below.

In choosing to be seen by the Provider at Phillips Orthopedic Associates patient's consent and authorize examination and treatment until revoked in writing. Patients authorize the release of medical information necessary to process insurance billing claims.

Additional Office Fees:

- Disability Forms Fees $15 (FMLA).

Patient Collections: Any account balances that are not paid by 120 days from date of service may be forwarded to a collection agency. Any and all phone numbers provided to our office, be it residential, employment or wireless, are authorized methods of communications by our office or by a collection agency in regards to any outstanding collection balances.

Self Pay Service Prices and Payment Plans

I. Purpose:

This Policy and Procedure is established to provide transparency for Self Pay patients in regards to service rates and fees, patient's rights, and collection practices. Outlined are operational guidelines for Phillips Orthopedic Associates (POA) to accurately provide "Self Pay" rates for uninsured patients or insured patients seeking liability estimates for care provided at POA. This policy will also outline Self Pay Patients "rights" and identify if and when services may be restricted and how a patient's financial responsibility will be managed.

II. Principles:

POA seeks to provide a reasonable and competitive rate for services provided to patients who do not have insurance coverage or choose not to utilize insurance for the services being provided. These rates offered will reflect a fair market price which should offset the cost for providing service and further the mission to expand and provide the best possible care to the community. POA seeks to provide fair and consistent care and collection practices for all patients who seek care.

III. Scope:

Patients or guarantors who are insured and do not provide adequate information required to bill Insurance Payers for services provided or knowingly receive care outside the coverage of their Insurance Payer will be directly billed utilizing the Self Pay rates.

POLICY

A. Policy Statement

Standard Self Pay rates are derived utilizing averages which reflect the current realized reimbursement for insured services. These averages utilize Medicare and Major Commercial/ Managed care contracted rates active with POA for the time of service. Averages do not include Government payers (e.g. Medicaid) which reimburse below the cost to provide care. Rates will be evaluated each Fiscal Year and adjusted as necessary to reflect current average reimbursement levels.

Outpatient Services

Service	Rate	Rate Basis
Outpatient Services	60% of CPT Schedule	Private pay rate is based on average total reimbursement per case for Medicare. The CPT schedule is adjusted up or down to achieve an aggregate schedule equal to 200% of the Medicare and managed care combined average per case reimbursement rate. The Self Pay CPT schedule is 40% off those rates.

B. <u>Procedure</u>

POA's front desk staff is responsible for collecting the full balance of the self pay visit at the time of service. The front desk receptionist will review the providers indicated procedure codes on the patients superbill. Then front desk will then match the codes provided to the associated price indicated on the Self Pay fee schedule.

Collection Procedure via Billing Statement

An initial bill will be sent to the responsible party for the patients personal financial obligations.

- POA will issue subsequent billings through Athena every 30 days and for a minimum of 120 days after the initial bill before referring to an external collection agency.

- The statement or billing notices may be accompanied by telephone calls, collection letters, personal contact notices, and any other notification method that constitutes a genuine and reasonable effort to contact the party responsible for the obligation.

- The Practice will document alternative efforts to locate the party responsible for the obligation or the correct address on buildings returned by the postal office as “incorrect address” or “undeliverable,” that is otherwise considered a “bad address”

Reasonable Collection Efforts

The practice may contract with an outside collection agency to assist in the collect of certain accounts, including patient responsible amounts not resolved after issuance of hospital bills or final notices.

C. Payment Plans

Payment plans are available to patients with large balance who are unable to pay their balance in full. As a general rule, the front desk should try to collect in full. If patients are unable to provide full payments, POA payment plan policies are as followed:

Balances under $300.00

No payment plan. Patient will be billed in full.

Balances from $300.00-$500.00

50% down-payment

Two installments of 25% for the remaining balance over the following two months.

Balances from $500.00-$1,000.00

40% down-payment

Three installments of 20% for the remaining balance over the following three months

Balances over $1,000.00

25% down-payment

Three installments of 25% for the remaining balance over the following three months

All other plans will need prior approval by both the provider and administrative staff.

Trustedpartner.cachefly.net. (2013). [online] Available at: https://trustedpartner.cachefly.net/docs/library/BethesdaMemorialHospital2011/Content/PDFs/Bethesda%20Health-Self%20Pay%20Policy.pdf [Accessed 14 Feb. 2014].