

# Serenity Behavioral Health & Wellness Collection Policy

**Origination Date:** October 2024

## **Scope:**

This policy applies to the collection of debt from individual patients by Serenity Behavioral Health & Wellness business offices involved in the direct collection of debt for medical items or services.

## **Purpose:**

The purpose of this policy is to establish guidelines for the collection of medical debt in accordance with an agreement with the Minnesota Attorney General's Office and other relevant state and federal laws. The policy aims to ensure patients are treated with dignity and respect while being held accountable for their financial obligations.

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## **Policy:**

Serenity Behavioral Health & Wellness (SBHW) will treat patients with respect, compassion, and courtesy when collecting medical debts. Abusive, harassing, or deceptive collection practices are prohibited, and this policy supersedes all prior policies regarding patient accounts receivable collections.

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## **Procedure:**

### **1. Patient Correspondence**

All debt collection communications will include:

- Local or toll-free numbers for billing inquiries.
- Mailing addresses for disputes or billing questions.
- Information on financial assistance availability.
- A notice regarding the Minnesota Attorney General's Office, providing contact details for unresolved concerns.

### **2. Communicating with Patients**

- During the pre-registration or admission process, SBHW will identify any third-party payers and explore financial assistance options for eligible patients.
- Employees with direct patient contact will receive annual training on the financial assistance programs available and the self-pay policy.

### **3. Responding to Patient Questions or Disputes**

- Phone messages from patients will be returned within one business day.
- Patient inquiries should be resolved within 30 days, or patients will be informed of the status and estimated resolution time by the 30th day.
- Collection activities will be suspended if a patient disputes a bill, requests documentation, or suggests a third party should pay. Collection can resume after 30 days if the debt is confirmed valid.

### **4. Pre-Collection Communication**

- SBHW staff will verify demographic and billing information to ensure the correct person is billed.
- If patients cannot pay in full, staff will offer payment options, including online payment arrangements starting at \$75 per month for 3–6 months, with longer plans approved on a case-by-case basis.

### **5. Referral to Collection Agency or Law Firm**

- If contacted after referral to a collection agency, SBHW staff will refer patients to the agency, providing any new information to pause collection efforts while it is investigated.
- Complaints regarding collection agency or law firm conduct will be documented and reported to SBHW management or legal departments.
- At no point will SBHW staff imply that the Minnesota Attorney General's Office approves or condones any collection activity.

### **6. Patient Complaints**

- Each business office will maintain a log of complaints, including concerns about conduct, payment options, or billing issues, and provide annual summaries to leadership for review.

### **7. Referral to a Collection Agency**

- Before referring debt, SBHW will verify patient responsibility and exhaust all third-party payer options.
- A manager will approve the referral of debts over \$5,000, and regular audits will ensure compliance with collection procedures.

### **8. Return of Uncollectible Accounts**

- Uncollectible accounts, such as those due to bankruptcy or deceased guarantors, will be returned by the collection agency for write-off.

### **9. Contracts with Collection Agencies and Law Firms**

- SBHW will enter contracts with collection agencies and law firms, ensuring they comply with the terms of agreements with the Minnesota Attorney General's Office.
- Revenue Cycle Management (RCM) will ensure collection partners are trained on financial assistance policies.

#### **10. Annual Reviews**

- Each business unit will review its compliance with this policy annually, with leadership considering the results during the renewal of agreements with collection agencies or law firms.

#### **11. Miscellaneous**

- Wage garnishments or bank levies require prior approval and verification of patient liability.
- Patients will not be held liable for medical debt due to billing errors involving third-party payers.
- SBHW will not report unpaid medical debt to credit reporting agencies.

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This policy is designed to promote responsible and ethical collection practices while ensuring that patients are treated fairly and with respect during the debt collection process.