

**TYRONE HOSPITAL**

**EXTRAORDINARY COLLECTION ACTIONS POLICY**

**I. POLICY**

Tyrone Hospital (“Hospital”) shall not engage in extraordinary collection actions (ECAs) against an individual to obtain payment for care before the Hospital has made reasonable efforts to determine whether the individual is eligible for assistance under the Financial Assistance and Emergency Medical Care Policy (“FAP”).

**II. COLLECTIONS ACTIONS**

- (a) The following actions taken by the Hospital are ECAs:
- (i) selling an individual’s debt to another party (other than debt sales described in IIb(i) below);
  - (ii) reporting adverse information to consumer credit reporting agencies or credit bureaus;
  - (iii) deferring or denying, or requiring a payment before providing, medically necessary care because of nonpayment of one or more bills for previously provided care covered under the FAP;
  - (iv) actions that require a legal or judicial process, including but not limited to: (A) placing a lien on property (other than a lien on the proceeds of a judgment, settlement, or compromise as a result of personal injuries for which the Hospital provided care); (B) foreclosing on real property; (C) attaching or seizing a bank account or any other personal property; (D) commencing a civil action; (E) causing an arrest; (F) causing an individual to be subject to a writ of body attachment; and (G) garnishing wages.

Also, the Hospital will have engaged in an ECA against the individual if it obtains payment from any other individual who has accepted or is required to accept responsibility for the individual’s bill, or if a purchaser of the debt, any debt collection agency or other party to which the Hospital has referred the individual’s debt, has engaged in an ECA.

- (b) The following actions taken by the Hospital are not ECAs:
- (i) The Hospital’s sale of a debt if, prior to the sale, the Hospital has entered into a written agreement with the purchaser pursuant to which:

- (A) the purchaser is prohibited from engaging in any ECAs;
  - (B) the purchaser is prohibited from charging interest on the debt in excess of the rate specified by law at the time the debt is sold;
  - (C) the debt is returnable to or recallable by the Hospital upon a determination by the Hospital or the purchaser that the individual is FAP-eligible; and
  - (D) if the individual is determined to be FAP-eligible and the debt is not returned to or recalled by the Hospital, the purchaser is required to ensure that the individual does not pay, and has no obligation to pay, the purchaser and Hospital together more than he or she is personally responsible for paying as a FAP-eligible individual.
- (ii) The filing of a claim in any bankruptcy proceeding.

### **III. REASONABLE EFFORTS**

#### **(a) General**

The Hospital will make reasonable efforts to determine whether an individual is FAP-eligible for care prior to initiating an ECA. This determination may be made in one of two ways: presumptively based on third-party information, or a prior FAP-eligibility determination; or based on notification and the processing of an FAP application.

#### **(i) Presumptive FAP-Eligibility**

If the determination is made presumptively, and the individual is FAP-eligible for less than the most generous financial assistance available, the Hospital will notify the individual of the way to apply for more generous assistance, and give the individual a reasonable period of time to apply for such assistance before initiating an ECA to obtain the discounted amount owed by the individual.

#### **(ii) Notification and Processing an FAP Application**

If the determination is made based on notification and the processing of an application, the Hospital will notify the individual about the FAP. The Hospital will not initiate an ECA for at least 120 days from the date the Hospital provided the first post-discharge billing statement.

If an individual has submitted an incomplete application during the application period, the Hospital will notify the individual about how to complete the application and give the individual a reasonable opportunity to do so.

If an individual has submitted a complete application during the application period, the Hospital will determine whether the individual is FAP-eligible for the care.

(iii) Notification

(A) General

The Hospital will notify an individual about its FAP by providing written or oral notice. If written notice, the notice will state that financial assistance is available, will identify the ECAs the Hospital intends to initiate, will include a deadline after which ECAs may be initiated (which will be no earlier than 30 days after the date notice is provided), and enclose a plain language summary of the FAP. If oral notice is provided, the Hospital will notify the individual about the FAP and how to obtain assistance with the applications process. The Hospital may provide any written notice or communication electronically to any individual who indicates he or she prefers to receive the written notice or communication electronically.

(B) Multiple Episodes of Care

If there have been multiple episodes of care, and an individual's outstanding bills have been aggregated, the Hospital will not initiate any ECAs until 120 days after it provided the first post-discharge billing statement for the most recent episode of care included in the aggregation.

(C) Notification Before Deferring or Denying Care

If the case of an ECA that defers or denies, or requires a payment before providing, medically necessary care because of nonpayment of one or more bills, the Hospital may provide less than 30 days' notice prior to initiating the ECA, if it provides the individual with an application and written notice, and states the deadline after which the Hospital will no longer accept the application. The deadline will be no earlier than the later of 30 days after the date the written notice is provided, or 240 days after the date that the first post-discharge billing statement for the previous care was provided. If the individual meets the deadline, the Hospital will process the application on an expedited basis.

(iv) Incomplete FAP Applications

The Hospital will provide written notice to any individual who submits an incomplete application, which will describe the additional information required as well as contact information. The Hospital shall give the individual a reasonable opportunity to complete the application. Once an incomplete application is complete, it shall be processed as set forth in this policy.

(v) Complete FAP Applications

(A) General

Once a complete application is received, the Hospital will not initiate any ECAs until it makes a determination whether an individual is FAP-eligible. The Hospital will use not information that it has reason to believe is unreliable or incorrect or obtained from the individual under duress or through the use of coercive practices (which includes II(a)(iii)). The Hospital determination will be timely, and once made, it shall notify the individual, including, if applicable, the financial assistance for which the individual is eligible and the basis for the determination.

(B) Individual is FAP-Eligible

If the individual is FAP-eligible and owes a discounted amount, the Hospital will provide the individual with a billing statement that states the amount the individual owes, how that amount was determined and describes how the individual can get information regarding the Amounts Generally Billed for the care. The Hospital will also refund any amount an individual has paid for the care that exceeds the amount the individual owes. If the Hospital has initiated an ECA, it will take all reasonable measures to reverse the ECA taken against the individual (other than II(a)(i) and (iii)). Such measures will include, but are not limited to, vacating any judgment against the individual, lifting any levy or lien (other than II(a)(iv)(A)) on the individual's property, and removing from the individual's credit report any adverse information that was reported to a consumer reporting agency or credit bureau.

(vi) No FAP Application Submitted.

The Hospital may initiate an ECA against an individual if it has provided notice to the individual of the FAP and the ECA is initiated at least 120 days from the date the Hospital provides the first post-discharge billing statement.

(vii) Suspending ECAs while a FAP Application is Pending.

The Hospital will suspend any ECAs initiated, and will not initiate any new ECAs (other than II(a)(iii), if an individual submits an application during the application period. This suspension and non-initiation will not be lifted until the Hospital has determined whether the individual is FAP-eligible based on a complete application, or in the case of an incomplete application, the individual has failed to respond to requests for additional information and/or documentation within a reasonable period of time.

(viii) Waiver Does Not Constitute Reasonable Efforts.

Obtaining a signed waiver from an individual, such as a signed statement that the individual does not wish to apply for financial assistance under the FAP, or does not wish to receive the notification information regarding an incomplete application, will not itself constitute a determination that the individual is not FAP-eligible and will not satisfy the requirement to make reasonable efforts to determine whether the individual is FAP-eligible.

(ix) Agreements With Other Parties.

If the Hospital sells or refers an individual's debt to another party, the Hospital and the party will enter into a written agreement that provides for the following:

- A. If the individual submits an application after the referral or sale of the debt but before the end of the application period, the party will suspend ECAs until a determination is made whether the individual is FAP-eligible;
- B. If the individual submits an application after the referral or sale of the debt but before the end of the application period and is determined to be FAP-eligible, the party will ensure that the individual does not pay, and has no obligation to pay, the party and the Hospital together more than he or she is required to pay for the care as a FAP-eligible individual, and if applicable and if the party has the authority to do so, take all reasonably available measures to reverse any ECA.
- C. If the party refers or sells the debt to yet another party during the application period, the party will obtain a written agreement from that other party including all of the elements described in this section.

- (x) Clear and conspicuous placement.

The Hospital may print any written notice or communication, including any plain language summary of the FAP, on a billing statement or along with other descriptive or explanatory matter, so that the required information is conspicuously placed and of sufficient size to be clearly readable.