



POLICY AND PROCEDURE	
SUBJECT/TITLE:	Patient Write Off Policy
APPLICABILITY:	Administration and Nursing Staff
CONTACT PERSON & DIVISION:	Fiscal Officer, Administration
ORIGINAL DATE ADOPTED:	01/28/2019
LATEST EFFECTIVE DATE:	01/28/2019
REVIEW FREQUENCY:	Every 5 years
BOARD APPROVAL DATE:	n/a
REFERENCE NUMBER:	700-003-P

A. PURPOSE

The intent of this document is to detail the procedure to write off a patient balance(s).

B. POLICY

It is the policy of Canton City Public Health to actively pursue collection of past-due accounts receivables, regularly review the status of past-due accounts and write-off amounts determined to be uncollectible. A write-off of uncollectible accounts receivable from the Canton City Public Health accounting records does not constitute forgiveness of the debt.

C. BACKGROUND

N/A

D. GLOSSARY OF TERMS

Contractual adjustment: The amount written off as part of the contractual agreement with insurance companies.

Director of Nursing: For purposes of this policy, the Director of Nursing designates the Nursing Office Manager as the designee for writing off patient accounts.

InSync: InSync Healthcare Solutions, Inc. is the electronic medical records software system used by Canton City Public Health.

Medicare sequestration: Mandatory reduction in Medicare provider payments as a result of The Budget Control Act of 2011.

Nursing Clerk: Public Health Clerk responsible for nursing clinics.

Uncollectible account: Patient has been invoiced at least six (6) times and no arrangements have been made regarding payments or a payment schedule.

Vital Statistics Clerk: Public Health Clerk identified by the Fiscal Officer to post patient and insurance payments.

E. PROCEDURES & STANDARD OPERATING GUIDELINES

1. Designation of an account as uncollectible

A patient account will be considered uncollectible after the appropriate collection procedures have been followed. The following are examples in which a patient account may be partially or fully written off.

 - a) Inability to pay (verbal only, no patient verification required).
 - b) Contact(s) to an active tuberculin (TB) investigation.
 - c) Medicare sequestration



- d) Approved Sliding Fee Discount – see Canton City Public Health policy 200-001-P_Sliding Fee Discount Program Policy
 - e) Insurance contractual adjustment.
 - f) Special circumstances (such as a benefit to employment) in which services may be written off when deemed appropriate by the Director of Nursing.
 - g) Uncollectible accounts.
2. Threshold for writing off patient account balances.
- a) Balances of \$125.00 or less can be written off without prior approval from the Board of Health by mutual agreement of the Director of Nursing and Fiscal Officer per resolution 2017-23 of the Canton City Public Health.
 - b) Balances over \$125.00 require the Board of Health approval during a regularly scheduled meeting.
3. When to take to the City’s legal department
- a) Any patient account may be taken to the City’s legal department, per the discretion of the Fiscal Officer and Director of Nursing.
 - b) The Fiscal Officer will send a letter and a copy of the patient invoice to the legal department.
 - c) The Fiscal Officer will document the letter was sent to legal in the InSync patient “financial notes” section.
 - d) The legal department will write a letter to the patient and copy the Canton City Public Health on their letter.
 - e) A copy of the letter from legal will be attached to the patient’s most recent invoice and uploaded in InSync by the Fiscal Officer.
 - f) If payment is not made within 90 days, the patient account may be written off.
 - g) It is at the discretion of the City’s legal department to take the case to court.
4. Preparation of request for write-off of accounts receivable that **do not** have to be approved by the Board of Health (requests that are \$125.00 or less).
- a) Inability to pay:
 - i) Detailed Payment Report and/or Superbill is given to Nursing Office Manager from Nursing Clerk.
 - ii) Nursing Office Manager completes the write-off using a reason of “Inability to Pay”.
 - iii) Nursing Office Manager generates two copies of the InSync Write-off Report. One copy is filed in Nursing and one copy is sent to the Fiscal Officer.
 - iv) Fiscal Officer reviews the write-off, signs off on the InSync Write-off Report and files the report.
 - v) Should the Fiscal Officer have any questions or concerns about the write-off, the Fiscal Officer will contact the Nursing Office Manager and/or the Director of Nursing.
 - b) Contact(s) to an active tuberculin (TB) investigation:
 - i) Detailed Payment Report indicating “contact to an active TB investigation” is given to Nursing Office Manager from Nursing Clerk.
 - ii) Nursing Office Manager completes the write-off using a reason of “Contact to TB Investigation”.
 - iii) Nursing Office Manager generates two copies of the InSync Write-off Report. One copy is filed in Nursing and one copy is sent to the Fiscal Officer.
 - iv) Fiscal Officer reviews the write-off, signs off on the InSync Write-off Report and files the report.



- v) Should the Fiscal Officer have any questions or concerns about the write-off, the Fiscal Officer will contact the Nursing Office Manager and/or the Director of Nursing.
- c) Medicare sequestration:
 - i) The Medicare sequestration amount is listed on the Explanation of Benefits (EOB) received from an insurance company.
 - ii) The Vital Statistics Clerk posts the Medicare sequestration write-off using the reason of “2% Medicare Sequestration”.
 - iii) The Vital Statistics Clerk generates two copies of the InSync Write-Off Report. One copy is filed in Nursing and one copy is sent to the Fiscal Officer.
- d) Approved Sliding Fee Discount:
 - i) Nursing Clerk collects proof of income, proof of address, and Sliding Fee Discount Application, and uploads to the InSync patient record.
 - ii) Nursing Clerk calculates annual income and discount percentage.
 - iii) Superbill is given to Nursing Office Manager to verify approved discount percentage by reviewing Superbill, Sliding Fee Discount Application, proof of income and proof of address.
 - iv) Nursing Office Manager puts the discount percentage in InSync patient “financial notes”.
 - v) Nursing Office Manager completes the write-off using a reason of “Sliding Fee Discount Adjustment”.
 - vi) Nursing Office Manager generates two copies of the InSync Write-off Report. One copy is filed in Nursing and one copy is sent to the Fiscal Officer.
 - vii) Fiscal Officer reviews the write-off, signs off on the InSync Write-off Report and files the report.
 - viii) Should the Fiscal Officer have any questions or concerns about the write-off, the Fiscal Officer will contact the Nursing Office Manager and/or the Director of Nursing.
- e) Contractual Adjustment:
 - i) The contractual adjustment amount (also called contractual difference, disallowed amount, provider discount, etc.) is listed on the Explanation of Benefits (EOB) received from an insurance company.
 - ii) The Vital Statistics Clerk posts the contractual adjustment when posting the payment.
 - iii) The Vital Statistics Clerk generates the Detailed Payment Report from InSync, staples the report to the insurance payment and sends it to Nursing to file.
 - iv) No InSync Write-Off Report is generated.
- f) Special Exceptions, Special Circumstances and Uncollectable Accounts:
 - i) The Fiscal Officer and the Nursing Office Manager will work together to initiate a write-off by completing 700-003-003-F_Patient Write Off Approval Form (hereto referred to the Write-Off Form).
 - ii) When the Nursing Office Manager facilitates the Write-Off Form, the following occurs:
 - 1) All the information will be completed on the Write-Off Form along with the Nursing Office Manager’s signature.
 - 2) The Nursing Office Manager will document the initiation of the Write-Off from in InSync patient “financial notes”.
 - 3) The form will be sent to the Fiscal Officer for a signature.
 - 4) The Fiscal Officer will sign the form and send a copy of the completed signed form back to the Nursing Officer Manager.



- 5) The Nursing Office Manager will document the write-off approval in InSync and upload the form.
 - iii) When the Fiscal Officer facilitates the Write-Off Form, the following occurs:
 - 1) All the information will be completed on the Write-Off Form along with the Fiscal Officer's signature.
 - 2) The Fiscal Officer will document the initiation of the Write-Off from in InSync patient "financial notes."
 - 3) The form will be sent to the Nursing Officer Manager for a signature.
 - 4) The Nursing Officer Manager will sign the form, makes a copy for the Nursing files and send the original Write-Off Form back to the Fiscal Officer.
 - 5) The Nursing Office Manager will document the write-off approval in InSync and upload the form.
 - iv) The Nursing Office Manager writes off patient balance using the latest approval date on the Write-Off Form.
 - v) The Nursing Office Manager generates two copies of the InSync Write-off Report. One copy is filed in Nursing and one copy is sent to the Fiscal Officer to file with the patient invoice.
 - vi) The packet of patient information will include 1) all patient invoices, 2) the Write-off Report from InSync, 3) the completed Write-Off Form, 4) the letter Canton City Public Health wrote to the legal department (if applicable) and 5) the letter from the legal department (if applicable).
 - vii) The Fiscal Officer will go into the accounts receivables worksheet (located in L:\VITAL\Christi\Receivables) and mark off in bold, red that this patient balance was written off.
 - viii) The packet of information will then be filed by the Fiscal Officer.
5. Preparation of request for write-off of accounts receivable that **have to be approved** by the Board of Health (requests that are over \$125.00).
- a) Follow the same steps as in section E.4.f, except prior to the patient account being written off, the Board of Health must approve the request.
 - b) The Fiscal Officer will place the request on the Board of Health agenda for the next scheduled meeting.
 - c) The write off will be discussed in an executive session of the Board meeting and voted on in regular meeting (only using the patient's medical record number and not their name) with questions directed to the Nursing Officer Manager and/or Director of Nursing.
 - d) Once approved, the acting President of the Board of Health will sign and date the 700-003-003-F_Patient Write Off Approval Form for approval.

F. CITATIONS & REFERENCES

Board of Health Resolution 2017-23: Authorizing the Write Offs of Patient Invoices

200-001-03-A_Sliding Fee Discount Application

200-001-04-A_Sliding Fee Discount Application (Spanish)

G. CONTRIBUTORS

The following staff contributed to the authorship of this document:

1. Christi Allen, Fiscal Officer



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Canton City Health District

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2. Kelli Trenger, Nursing Office Manager

H. APPENDICIES & ATTACHMENTS

n/a

I. REFERENCE FORMS

700-003-001-F_Patient Write-Off Approval Form

J. REVISION & REVIEW HISTORY

Revision Date	Review Date	Author	Notes

K. APPROVAL

This document has been approved in accordance with the "800_001_P Standards for Writing and Approving PPSOGFs" procedure as of the effective date listed above.



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FINAL

800-001-03-F PPSOGF APPROVAL FORM

DATE INITIATED:	01/28/2019
DATE FINAL:	01/28/2019

LIST OF PPSOGES TO APPROVE

Reference #	Revision Date	Author	Person(s)/Group(s) to Approve
700-003-P_Patient Write Off Policy	01/28/2019	Christi Allen	Fiscal Officer
700-003-001-F_Patient Write Off Approval Form	01/28/2019	Christi Allen	Fiscal Officer

Add or delete rows as needed

SIGNATURES

The below signatures indicate the above list of policies and procedures have been approved and are effective as of the date of this final approval form.

Add or delete signatures as needed. Always include Health Commissioner for reference # 800 series.

Christi Allen

Christi Allen
Fiscal Officer

1/28/2019

Date