Note: The following documentation was developed with the help of Stockamp and Associates during the 2002 TOP TIERS Project. The policy and procedures below is used by MGBS staff who are attempting to secure payment from patients on current or past due balances. This has nothing to do with front-end discounting.

The following guideline pertains to securing payment by the Self Pay Representatives for patient balances. The role of the Self Pay Representative is to set the expectation that the patient is responsible for resolving their outstanding balance and if necessary, introduce various options available for settling their balance.

**Priority 1:** The first priority is to settle the account balance with the patient. A settlement is considered a payment in full.

- The first settlement offering is 100% of the outstanding patient balance.

**Priority 2:** Assuming that appropriate due diligence was applied and attempts to secure full payment were unsuccessful, the Self Pay Representative can authorize discounts for prompt payment. If the patient is unable to settle the account due to extraordinary circumstance, the Self Pay Representative should follow the discount guideline listed below:

- **Discount Guidelines for outstanding balances:**
  - Balances $0 - $100 = 5% maximum discount
  - Balances $100 - $500 = 10% maximum discount
  - Balances $500 - $1,000 = 15% maximum discount
  - Balances $1,000 - $10,000 = 20% maximum discount
  - Greater than $10,000 = See Unit Manager

- **Timeline Guidelines for settled balances:**
  - **Less than $500 Balances:** Payment must be received at MGBS within 10 days of payment arrangement.
  - **Greater than $500 Balances:** Payment must be received at MGBS within 30 days of payment arrangement.

- Discount will not be taken until payment of agreed amount is received in full.

- **Under circumstances where the discount or arrangement timeline may need to exceed the established guidelines, Manager or Director approval is required.**

- Document the agreed upon payment settlement in PCS Comments and ensure that:
  - Any other open accounts that clearly show patient liability are included in the settlement agreement
  - Visa, American Express, Discover, Mastercard may be offered as a method of payment (see Credit Card Guideline below)
  - The following discounts may be offered on co-pay and deductible amounts due from the patients:
    - Balances $0 - $100 = 5% maximum discount
    - Balances $100 - $500 = 10% maximum discount
    - Balances $500 - $1,000 = 15% maximum discount
    - Balances $1,000 - $10,000 = 20% maximum discount
MGBS Self Pay Payment Arrangement Policy

- Greater than $10,000 = See Unit Manager

Priority 3: If a payment settlement is not reached by the Self Pay Representative, negotiate payment arrangements with the patient/guarantor for the full account balance. In the event a settlement is secured, change the fsc of the account to Budget Plan.

- Secure a deposit as a show of good faith for payment.
  - For balances up to $500, secure a 10% deposit
  - For balances greater than $500, secure a 20% deposit
  - Visa, American Express, Discover, Mastercard should be offered as a method of payment for the patient

- Establish a 1-12 month payment arrangement with a monthly payment based on arrangement terms.
  - **Arrangement Timelines (based on remaining balance after deposit):**
    - Balances $0 - $100: 1-2 months
    - Balances $100 - $500: 1-4 months
    - Balances $500 - $1,000: 2-6 months
    - Balances $1,000 - $10,000: 2-10 months
    - Greater than $10,000: 2-12 months
  - Manager approval is required for any arrangement exceeding 12 months (Special Handling) or if the account balance is greater than $10,000.

  - **Under circumstances where the discount or arrangement timeline may need to exceed the established guidelines, Manager or Director approval is required.**

- Communicate to the patient that if they are unable to honor the terms of the payment arrangement, their account may be sent to a collections agency.

- Document the payment arrangement terms in PCS Comments including the income information as it relates to the payment arrangement timeframes and monthly amounts.

Priority 4: A discount may be offered to the patient if they are willing to pay by credit card and settle the balance on the same day

- If payment is made on the same day, a discount of 20% can be given as a prompt payment discount.

Note: If at any point the patient defaults on a payment arrangement, the account may be sent to collections.