


Name of Policy: <u>Bad Debt Write Off</u> Policy Number: 3364-142-18 Approving Officer: Chief Financial Officer Responsible Agent: Director, Patient Financial Services Scope:	 Initial Effective date: August 1, 2017 Effective date: December 2, 2024
<input type="checkbox"/> New policy proposal	<input checked="" type="checkbox"/> Minor/technical revision of existing policy
<input type="checkbox"/> Major revision of existing policy	<input type="checkbox"/> Reaffirmation of existing policy

Policy statement

The Patient Financial Services Office will comply with the following guidelines when recommending and/or adjusting accounts off to Bad Debt. Maintaining compliance with the guidelines will be the responsibility of Patient Financial Services Office personnel referring the account.

Purpose of policy

To establish consistent guidelines with respect to the collection of services rendered by The University of Toledo Medical Center.

Procedure

The following conditions must be met in order to recommend and/or adjust an account off to Bad Debt:

I. Collection Agency Bad Debt

- a. All insurance liability or third-party liability must be exhausted or reasonably worked prior to write-off. The time frame for writing off an account that has remaining insurance liability is per contract language, generally 75-120 days from first statement to the beneficiary.
- b. If the account is a self-pay account or the balance remaining is self-pay after insurance has paid, then the patient will receive a minimum of two statements or contacts from the Patient Financial Services Office or its agent, prior to write-off to bad debt.
- c. The patient must receive two contacts from The University of Toledo Medical Center Patient Financial Services Office or its agent regarding their bill. This can be in the form of statements, letters or phone calls.
- d. Per Ohio Revised Code 131.02, outstanding balances owed to the State of Ohio will be referred to the State of Ohio Attorney General’s Office, Division of Collection Enforcement. These accounts are adjusted by electronic transmission from our host system to the collection agency.
- e. Accounts worked by our internal follow-up/collectors may be referred at the collector’s discretion. The designated Patient Financial Services office personnel will place these in bad debt.

