

I. SETTING

Medical Center

II. PURPOSE

The purpose of the Policy is to comply with and provide information regarding the billing and collection of patient debt, pursuant to the California Health and Safety Code, the Federal Patient Protection and Affordable Care Act, and the policies and practices of UC Davis Health (UCDH).

III. DEFINITIONS

- A. Extraordinary Collection Action (ECA) - A list of collection activities, as defined by the IRS and Treasury, that healthcare organizations may only take against an individual to obtain payment for care after reasonable efforts have been made to determine whether the individual is eligible for financial assistance.
1. Placing a lien on an individual's property.
 2. Foreclosing on real property.
 3. Attaching or seizing an individual's bank account or other personal property.
 4. Commencing a civil action against an individual or writ of body attachment for civil contempt.
 5. Causing an individual's arrest.
 6. Garnishing wages.
 7. Reporting adverse information to a credit agency.
 8. Deferring or denying medical necessary care because of nonpayment of a bill for previously provided care under UCDH Administrative Policy [1891](#), Charity Care Screening (Financial Assistance).
 9. Requiring a payment before providing medical necessary care because of outstanding bills for previously provided care.
- B. Financial Assistance - Program designed to help meet the needs of low income, uninsured and the under-insured patients in our community who express financial hardships with paying the out-of-pocket expenses for medically necessary services provided by UC Davis Health.

UCDH's Financial Assistance Policy and Application can be obtained from the UC Davis

Health [website](#), in our Emergency Department, Financial Clearance Department, any UC Davis Health location where patient registration occurs, or by contacting our Patient Billing Customer Service Office at (916) 734-9200 or (800) 551-9411.

- C. Guarantor - For the purposes of this Policy, the individual who is financially responsible for payment of an account balance. The guarantor may or may not be the patient.

IV. POLICY

UC Davis Health will provide clear and consistent guidelines for conducting billing and collection functions accurately and in a timely manner that promotes compliance with the law. UC Davis Health will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options, as well as follow up with patients regarding outstanding accounts before engaging in collection actions to obtain payment.

V. PROCEDURES

UC Davis Health may assign an account to a contracted collection agency if reasonable efforts were made to mail at least 4 guarantor statements after the date of discharge from the outpatient or inpatient care, with the final statement indicating the account may be placed with a collection agency. The assignment of accounts to a debt collector will not exceed the limits that fall within the No Surprises Act.

- A. Accounts with returned mail are eligible for collection assignment after all good faith attempts have been made to locate an alternate address.
- B. If a patient currently has accounts with unresolved bad debt balances, UCDH reserves the right to send other open accounts with patient balances to collections earlier.
- C. UCDH will make diligent efforts to inform patients of their financial responsibilities and available financial assistance options.
- D. Collection actions will be suspended if a completed Financial Assistance Application with all required supporting documentation is received.
- E. If the Guarantor disagrees with the balance, they may request their account balance be researched and verified prior to account assignment to a collection agency.
- F. UCDH may recall an account from a collection agency at its discretion and/or according to state or federal laws or regulations. UCDH may choose to work the accounts to resolution with the Guarantor or a third party as needed or place the accounts with another collection agency.
- G. UCDH does not engage in any Extraordinary Collection Action (ECA) as defined Section III.A. of this policy.

VI. RELATED POLICIES

[1891](#) – Charity Care Screening (Financial Assistance Policy)

VII. REVIEWED BY

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