


Name of Policy:	Financial Clearance: Elective Services	
Policy Number:	3364-146-03	
Department:	Revenue Cycle	
Approving Officer:	Chief Financial Officer	
Responsible Agent:	Director, Patient Access	
Scope:	Patient Access	
		Effective Date: 01/01/2021
		Initial Effective Date: 01/01/2021
<input checked="" type="checkbox"/> New policy proposal		<input type="checkbox"/> Minor/technical revision of existing policy
<input type="checkbox"/> Major revision of existing policy		<input type="checkbox"/> Reaffirmation of existing policy

(A) Policy Statement

As a non-profit organization, University of Toledo Medical Center (“UTMC”) offers financial assistance on a case-by-case basis to all patients receiving medical treatment in accordance with its financial assistance policies. Before a patient is eligible for financial assistance from UTMC under its charitable care policy, UTMC requires that (1) a patient be approved for financial assistance by the Revenue Cycle Department and (2) the medical treatment at issue is deemed medically necessary by the patient’s treating physician. This policy addresses the circumstances under which UTMC may delay or deny provision of elective services to patients.

(B) Purpose of Policy

Provide a standard procedure for determining whether a delay or denial of elective medical services is appropriate for patients not approved for financial assistance by the Revenue Cycle Department or whose desired medical treatment is not medically necessary.

(C) Definitions

1. **Out of Network (OON):** provider that is not contracted with an insurance company for reimbursement at a negotiated rate
2. **Out of Pocket (OOP):** amount the patient must pay for health care services
3. **Deposit:** the greater of 10% of OOP or \$25
4. **Pre-Pay Discount:** available to all patients that schedule elective procedures.¹
 - a. 15% off patient liability
 - b. Patient qualifies for discount if estimate is paid in full prior to service
5. **Prior Balance:** patient liability owed from previous statement
 - a. **Prior Balance Sliding Scale:** patient prior liability required prior to service

Prior Balance Age	0-90 days	91-180 days	181-365 days	Over 365 days
% Required	25%	50%	75%	100%

6. **Ambulatory Clinical Services:** medical care provided on an outpatient basis within a physician clinic
7. **Elective Services:** non-medically necessary services scheduled in advance because no medical emergency is involved
8. **Emergency Medical & Labor Act (EMTALA):** 42 U.S.C. § 1395dd, ensuring public access to emergency services regardless of ability to pay
9. **Emergent Services:** medically necessary services for individuals experiencing an “emergency medical condition” as such term is defined by EMTALA at 42 U.S.C. § 1395dd(e)

¹ Discount related to the amount of collection costs avoided by having patient pay in advance.

(D) Policy

1. Generally.
 - a. Emergent services will never be denied or deferred to any patient.
 - b. Elective Services may be delayed or denied only with the written approval of the UTMC Chief Medical Officer (or their designee), where medical necessity is considered.
 - c. Patient Access staff will follow standard operating procedures to financially clear all patients and services.
2. Hospital Inpatient and Outpatient.
 - a. Scheduled hospital services require:
 - i. Estimated OOP deposit prior to treatment
 1. If estimate is paid in full, the pre-pay discount is applied
 - ii. Prior balance payment based on sliding scale
 - b. Financial assistance
 - i. Staff will refer uninsured and underinsured patients to the Patient Access Department for determination of financial assistance approval under UTMC's patient financial assistance policies.
 - ii. If the patient is not approved for financial assistance or has not met the deposit payment obligation, the patient's account will be reported to ordering physician and Patient Access manager.
3. Ambulatory Clinical Services.
 - a. Scheduled uninsured patients require a fee collected prior to services being rendered.
 - b. Scheduled insured patients require co-payment prior to services being rendered.
 - c. If the patient is unable to pay the required fees or co-payment, the patient's account will be reported to the ordering physician and Patient Access manager.
 - d. Pre-payment discounts do not apply to co-pays
4. Delay of Elective Services. Services may be delayed:
 - a. While pending a financial assistance determination as described in Sections D(2) and (3) above; and/or
 - b. When the Patient Access Department has not received formal insurance prior authorization or appropriate financial clearance as outlined in departmental standard operating procedures
5. Denial of Elective Services. The following criteria will be used to determine when Elective Services may be denied if not medically necessary:
 - a. During the financial clearance process, UTMC establishes that the patient has:
 - i. No OON benefits or non-covered service:
 1. Staff shall supply patient with a quote for OON benefits when applicable and available.
 - a. If the patient decides to have services, they must complete an Advance Patient Notice of Noncoverage form and pay a deposit prior to treatment.
 2. Staff will refer patients with no OON benefits to in-network facility/providers for services.
 - ii. No insurance coverage.
 - iii. Patient does not qualify for financial assistance.
 - iv. Patient is unable to make deposit on future services or payment on prior balance.
6. Reporting Denials. All services delayed or denied in accordance with this policy shall be reported to the Patient Access Director, Revenue Cycle Director, Ordering Physician, Chief Medical Officer and Chief Financial Officer within the same business day via email.
 - a. Patient Access will communicate the delay/deny to the service department and patient.

7. Record Maintenance. Patient Access will maintain record of all delayed or denied services.
 Record to include:
- a. MRN
 - b. Ordering Physician
 - c. Date of service
 - d. Service
 - e. Reason for denial or delay
 - f. Communication of denial or delay as defined in Section D(7)
 - g. CMO approval of denial or delay and consideration of medical necessity as described in Section D(1)(b).

Approved by:		Review/Revision Date:
<u>/s/</u> Troy Holmes, CPA Chief Financial Officer - UTMC	<u>01/15/2021</u> Date	
<u>/s/</u> Rick Swaine Chief Executive Officer - UTMC	<u>01/20/2021</u> Date	
		Next Review Date: 01/01/2023

Policies Superseded by This Policy:

It is the responsibility of the reader to verify with the responsible agent that this is the most current version of the policy.