

**UNIVERSITY OF KANSAS
WATKINS HEALTH SERVICES
BUSINESS OFFICE**

NUMBER: <p style="text-align: center;">BO-203</p>	ISSUE DATE: <p style="text-align: center;">02/25/2004</p>
TITLE: <p style="text-align: center;">Account Billing, Payment and Collection</p>	REVISED: <p style="text-align: center;">07/20/2016; 10/05/2018</p>
TITLE OF OWNER: <p style="text-align: center;">Business Operations Manager</p>	APPROVED: <p style="text-align: center;">Director</p>

PURPOSE:

To provide a process for the timely billing, payment and collection of patient accounts.

POLICY:

The patient is ultimately responsible for the timely payment of all outstanding charges to their account, regardless of whether those charges have been submitted to an insurance company.

PROCEDURE:

1. Charges submitted to an insurance carrier will be processed per Insurance Billing policy (BO-101). Patients have 30 days from date of service to provide Business Office (B.O.) with complete insurance information. If insurance is provided within the 30 day window, the B.O. will file to insurance as a courtesy.
2. Patients are sent a monthly invoice per Invoice Printing policy (BO-100), which itemizes unpaid patient balance for services and charges rendered.
 - Patients will receive monthly statement for three consecutive months.
 - Patients unable to pay the full account balance within 90 days may request a payment agreement at the B.O.
 - Monthly payment agreements can be arranged for not less than 10% of the patient balance or \$20.00, whichever is more.
 - Payment Agreement form (BO-203-1) is to be completed with the amount agreed to pay and the date the payment will be received.
 - If the initial payment agreement is not kept, another payment agreement should not be made except under extenuating circumstances.
3. Providers are to notify the B.O. in the event they have a “fragile” patient (e.g. extreme mental health conditions) that they believe should receive special consideration in the event of an overdue account which may be sent to the Student Account Services (SAS) office for collection.
4. All accounts will be reviewed to ensure the patient has been billed up to 3 billing cycles, that no payments have been received and to ensure that no payment agreement exists between WHS and the patient. Any accounts failing to meet this criteria will be forwarded to SAS for collections. This will cause a financial

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hold to be placed on the student account, restricting them from enrolling or receiving transcripts until the balance is paid in full.

5. SAS collections process for Students:

- Once the student has been billed for 4 months and there is no new activity (charges or payments) and the student is not currently enrolled or pre-enrolled for a future semester, the account is eligible to be sent to an outside collection agency.
- If the account remains unpaid and no payment agreement has been reached with the agency, the account will remain with the collection agency for up to a year and then is returned to KU to be re-assigned to another agency. If a payment agreement has been reached, it remains with the agency until the balance has been satisfied.
- SAS sends charges to the state after the balance has gone unpaid with an outside collection agency for two months. Unpaid accounts remain at both the outside collection agency and the state setoff for five years.
- After five years the account is written off and becomes a debt payable to the State of Kansas.

6. SAS collection process for Faculty and Staff:

- Once the employee has been billed for 4 months and there is no new activity (charges or payments) the account is sent to SAS Office to process. The SAS Office confirms active employment with KU and assigns a student ID to the employee. The employee is sent a letter requesting payment. If no payment is made, the SAS Office will garnish the employee's wages so that the balance is satisfied.

REFERENCES:

BO-101 Insurance Billing policy
BO-100 Statement Printing policy
BO-203-1 Payment Agreement

This document is on file with the KU Policy Library.