

**KIDSPEACE POLICY**  
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<b>Title: Credit and Collection</b>	Chapter: Corporate
<b>Policy Number: CORP.816</b>	Subsection: Finance
Initiating Authority: Eileen Tkacik, Vice President of IT and Patient Accounting	Supersedes: FI.CORP.B.16
Origination Date: August 5, 2013	<b>Effective Date: August 5, 2013</b>
Approving Authority: James Horan, Chief Financial Officer	

**I. POLICY STATEMENT**

It is the policy of KidsPeace and the Patient Accounting department to meet the goals, established by senior management, which relate to revenue cycle, bad debts, receivable aging, and days outstanding.

**I. PURPOSE**

The purpose of this policy is to provide general guidelines to assure reasonable payment and collection of all accounts and services provided from all available sources. In addition, to recognize as soon as possible when an individual requires assistance and/or that an account may qualify for:

- Medical Assistance
- Charity care/uncompensated care
- Bad Debt.

**II. SCOPE**

KidsPeace Corporation and all of its subsidiary corporations.

**III. GENERAL**

N/A

**IV. POLICY**

**A. Organizational Responsibilities**

1. The Patient Accounting Department reports to the EVP and Chief Financial Officer.
2. Functions include the application of payments, establishing credit limits, and monitoring collection of receivables.

**B. Collections:**

1. KidsPeace has a fiduciary duty to seek reimbursement for all services it has provided from individuals who are able to pay, from third party insurers who cover the cost of care, and from other programs of assistance for which the client is eligible.
2. KidsPeace will comply with all applicable State and Federal requirements as well as those set forth in the Fair Debt Collections Practices Act.

**C. Outside Collection Agencies**

1. KidsPeace contracts with outside collection agencies to assist in the collection of certain Accounts, including client responsible amounts not resolved after issuance of bills or final notices.
2. KidsPeace may assign such debt as bad debt or charity care (otherwise deemed as Uncollectible) prior to 120 days if it is able to determine that the client was unable to pay following KidsPeace's own internal financial assistance program.
3. KidsPeace has specific authorizations or contracts with outside collection agencies and requires such agencies to abide by the KidsPeace's credit and collection policies for those debts that the agency is pursuing.
4. All outside collection agencies hired by KidsPeace will provide the client with an opportunity to file a grievance and will forward to KidsPeace the results of such client grievances.

**D. Revenue Cycle Management**

1. KidsPeace has implemented revenue cycle management procedures to prevent operating losses resulting from error, fraud, technological breakdowns or Payor defaults.
2. Procedures have been developed to improve prompt collection of accounts receivable and increase liquidity levels.
3. Procedures include the development of a Revenue Cycle Team.
4. The Revenue Cycle Team meets monthly and is comprised of representatives from each program, finance, legal, and patient accounting. The team is charged with reviewing charge capture workflows, charge reconciliation workflows, revenue integrity, coding, denial management, problem resolution, end user training, reimbursement education, and billing compliance education.