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Owner Colleen Croghan:
System Director
of Revenue Cycle
Area Patient Financial
Services
References Big Sky, Clinic,
Deaconess
+ 1 more

Bozeman Health Billing and Collection

APPLICABLE TO:

All Bozeman Health Locations

PURPOSE:

To define and outline the discounts and financial assistance that may be available to patients, and the actions that the hospital may take in the event of nonpayment of patient balances.

DEFINITIONS:

Eligibility Period- the period where the hospital must accept and process an application for financial assistance pursuant to the Bozeman Health Financial Assistance policy. Copies of the Financial Assistance policy and the Financial Assistance application are available at <https://bozemanhealth.org/services/patient-financial-services/financial-assistance>. The eligibility period begins on the date that the health care services are provided and ends on the 240th day after the hospital provides the first post-discharge billing statement for the care provided.

Billing Statement- A notice mailed or delivered to the patient requesting payment for services. The notice can be the first post-discharge billing statement for the care provided, any routine monthly billing statement thereafter or the final letter.

Extraordinary Collection Action (ECA): Any action against the patient related to obtaining payment of a patient balance, where such action requires a legal or judicial process. By way of example, ECAs include most types of liens, foreclosure on real estate, attachment or seizure of bank accounts or personal property, commencing a civil action, causing arrest or a writ of body attachment, or garnishment of wages or other income. The term ECA also includes the reporting of a patient debt to a credit bureau or

agency. However, ECAs do not include liens corrected by the hospital on the proceeds of a personal injury judgment, settlement or compromise nor the filing of a claim in a bankruptcy proceeding.

Customer Service Representative: Personnel in the hospital's Patient Financial Services office who educate patients regarding the hospital's financial policies, including but not limited to the Financial Assistance policy and the terms of this self-pay billing and collection policy.

Notification Period: The time period during which the hospital must notify the patient about the availability of financial assistance. The notification period begins on the first date care is provided to the patient and ends on the 120th day after the hospital the first post-discharge billing statement for the care.

Patient: For the purposes of this policy, references to "patient" means either the patient or his or her guarantor, i.e. the person having financial responsibility for the account balance.

Patient Balance: Any balance on an account that is not paid by insurance, governmental payer, or other third party payment source.

Plain Language Summary: The plain language summary is available on Bozeman Health's website.

Final Letter: A billing statement that is mailed or delivered to the patient by the hospital at least 30 days prior to the commencement of one or more ECAs against the patient, indicating the hospital's intent to initiate one or more ECAs to obtain payment of the balance due.

Prompt-Pay Discount: A 20% discount is given to self-pay patients who pay their account balance in full within the first billing statement cycle (30 days). This discount is automatically applied to the balance and if not paid prior to the 2nd billing statement being generated, the discount is removed. This discount cannot be stacked with the self-pay discount or financial assistance discount.

Self-Pay Discount: A 20% discount is given to patients who have no insurance coverage or other third-party payment source, as provided in the Patient Account Discount policy. This discount is not available to cases where the patient obtains free care pursuant to the Bozeman Health Financial Assistance policy. If a patient is approved for Financial Assistance less than 100%, the self-pay discount will be removed.

POLICY:

Bozeman Health is a not-for-profit tax-exempt entity with a charitable mission of improving community health and quality of life.

In the collection of health care services rendered, all patients are treated fairly and reasonably and given sufficient opportunity to apply for financial assistance (see Bozeman Health's Financial Assistance Policy) or make other payment arrangements.

This policy describes certain discounts that may be available to patients in respect to self-pay balances. This policy also sets forth:

- Actions that the hospital may undertake in the event of nonpayment of any patient balances for hospital services

- Measures that the hospital will undertake to ensure that reasonable efforts are made to determine whether a patient is eligible for financial assistance under the Bozeman Health Financial Assistance Policy, prior to commencing any ECAs (extraordinary collection actions).

PROCEDURE:

Billing Statements and Payments

- A. **Billing Statements:** The hospital will cause all billing statements to include:
 - i. A summary of the health care services provided by the hospital;
 - ii. A summary of the charges for such services
 - iii. The amount required to be paid by the patient
- B. **Self-pay Discount:** All patients who have no insurance coverage or other third-party payment source will be automatically granted the self-pay discount. The self-pay discount will be reversed if the patient is later determined to qualify for financial assistance under the Bozeman Health Financial Assistance Policy.
- C. **Payment Plans:** The hospital will accommodate patients through the establishment of payment plans for patient balances due. Patient must establish a payment plan with the facility within the following guidelines:
 - i. Bozeman Health requires payment plans to be paid off within 12 months
 - ii. If a patient needs a longer term to pay, representatives will reach out to leadership for approval

ECAs (Extraordinary Collection Actions)

- A. Subject to compliance with the provisions of this policy, the hospital may take any and all legal actions, including ECAs, to obtain payment for health care services provided.
- B. The hospital will not engage in any ECAs, either directly or by an debt collection agency or other representative, before reasonable efforts are made to determine whether the patient is eligible for assistance under the Bozeman Health Financial Assistance Policy.
- C. The Bozeman Health CFO or their designee retains final authority to determine whether the hospital has taken reasonable efforts to determine whether an individual is eligible for financial assistance and may therefore engage in ECAs against the individual. To that end:
 - i. The hospital will not engage in any ECAs during the **Notification Period**
 - ii. The hospital will publicize the availability of financial assistances through methods specified in the Bozeman Health Financial Assistance Policy including through accessing the website at: <https://bozemanhealth.org/services/patient-financial-services/financial-assistance>.
 - iii. The hospital will ensure that the Financial Assistance Policy, Financial Assistance Application and Plan-Language Summary are made available in both English and any other language that is the primary language of the lesser of:
 - a. 1,000 individuals or

- b. 5% of the population within the hospital's primary and secondary service areas

D. The Notification Period:

- i. The hospital will provide each patient with at least three billing statements (once the patient submits a Financial Assistance Application no further billing statements need to be sent)
- ii. Each billing statement includes a previous statement regarding the availability of financial assistance, including:
 - a. A phone number for information about the Financial Assistance Policy and the application process; and
 - b. Additional information about financial assistance can be found at <https://bozemanhealth.org/services/patient-financial-services/financial-assistance>.
- iii. If any patient contacts the hospital for information regarding possible financial assistance, the hospital will provide such patient, at no cost, with a copy of the Financial Assistance Policy, Financial Assistance Application and the Plain-Language Summary. In addition, the hospital will ensure that the patient is referred to a customer service representative for further explanation and assistance as needed

E. In the event that the hospital intends to undertake one or more of the ECAs, the hospital will mail or deliver to the patient:

- i. The final letter at least 30 days prior to commencement of the ECAs. The final letter will include all of the following:
 - a. A statement that the hospital intends to initiate one or more ECAs (identifying the special ECAs to be undertaken) to obtain payment of the balance due
 - b. A date (which must be at least 30 days following the date of the final letter) by which payment must be made in order to avoid the specified ECAs
 - c. A conspicuous statement that the financial assistance is available pursuant to the Bozeman Health Financial Assistance Policy. A copy of the Plain Language Summary is included within the final letter

F. Under no circumstances may a final letter be mailed or delivered to a patient earlier than 30 days prior to the end of the Notification Period. During the 30-day period following mailing or delivery of the final letter, the hospital may continue to make reasonable efforts to orally notify the patient about the availability of financial assistance.

G. If an intended ECA will cover charges for multiple encounters of care, the timeliness associated with the Notification Period (120 days) and the application period (240 days) will be measured with respect to the most recent episode of care at issue (specifically, from the date of the first post-discharge billing statement for that care).

H. After the Notification Period has expired, the hospital may commence one or more ECAs as

follows:

- i. If the patient has not applied for financial assistance under the Bozeman Health Financial Assistance Policy by the last day of the Notification Period, the hospital may initiate an ECA, but only after the final letter has been provided and a period of at least 30 days has elapsed thereafter
 - ii. If the patient has applied for financial assistance but a determination has been made that the patient does not qualify under the Bozeman Health Financial Assistance Policy, the hospital may initiate one or more ECAs
- I. If a patient submits an incomplete Financial Assistance application prior to the expiration of the Application Period, then ECAs may not be initiated until the following process has been completed:
 - i. The hospital provides the patient with a written notice that describes the additional information of documentation required in order to complete the financial assistance application
 - ii. The hospital provides the patient with at least 30 days' prior written notice of the ECAs that the hospital may initiate against the patient if the Financial Assistance application is not completed or payment is not made by a specific date; provided, however, that the deadline for completion or payment may not be set prior to the end of the Application Period
 - iii. If the patient then completes the Financial Assistance Application and the hospital determines definitively that the patient is ineligible for any financial assistance, the hospital will give the patient an opportunity to establish a payment plan before initiating any ECAs;
- J. IF the patient fails to complete the Financial Assistance Application by the specified date provided in the written notice, the hospital may initiate one or more ECAs
- K. If the Financial Assistance Application (whether complete or incomplete) is submitted by a patient at any time during the Application Period, the hospital will suspend any ECAs underway for so long as the patient's Financial Assistance Application is pending.

Collection Agencies

- A. The hospital may authorize external collection agencies functioning on its behalf to undertake ECAs consistent with the provisions set forth above and applicable law. However, any ECA proposed to be undertaken by an external collection agency will require prior approval from the hospital.
- B. The account balances of the patients who are able, but unwilling, to pay for hospital services are considered noncollectable bad debts; such accounts will be referred to outside agencies for collection. The account balances of patients who qualify for financial assistance under the Bozeman Health Financial Assistance policy, but who fail to pay the remaining (discounted) balance when due, are considered noncollectable bad debts for the amount of such balances; such accounts will be referred to outside agencies for collection.

Policy Availability

- A. The hospital will provide copies of this Billing and Collection policy without charge to the public.
- B. This policy generally will be posted, publicized and otherwise available in the same manner as the Bozeman Health Financial Assistance Policy.
- C. Bozeman Health will ensure that this Billing and Collection policy is made available in both English and any other language that is the primary language of the lesser of:
 - i. 1,000 individuals, or
 - ii. 5 % of the population with the hospital's primary and secondary service areas

RELATED DOCUMENTS:

- Financial Assistance Policy
- Patient Account Discounts

"Bozeman Health System Board has adopted the following policy, procedure, guideline, plan, or protocol for Bozeman Health Deaconess Regional Medical Center and Bozeman Health Big Sky Medical Center, LLC. "

Approval Signatures

Step Description	Approver	Date
Policy Management Committee	Crystal Skinner: System Director of Quality, Patient Safety, & Pati	04/2026
Policy Management Committee	Katelyn Collins: System Director of Nursing & Clinical Operations	04/2026
System Director	Colleen Croghan: System Director of Revenue Cycle	03/2026
Policy Owner	Colleen Croghan: System Director of Revenue Cycle	03/2026

References

Big Sky, Clinic, Deaconess, Retail Health