

UPMC
POLICY AND PROCEDURE MANUAL

POLICY: HS-RE0724-MD *
INDEX TITLE: Revenue

SUBJECT: Patient Billing and Collection
DATE: September 27, 2025

I. POLICY

This Patient Billing and Collection Policy is consistent with UPMC's mission and in compliance with the Federal Affordable Care Act. All patients who have received emergency or medically necessary care shall be provided the opportunity to apply for free or reduced cost care in conformance with the federal Patient Protection and Affordable Care Act and its implementing regulations. UPMC will not discriminate on the basis of race, color, national origin, citizenship, alienage, religion, creed, gender, sexual preference, age, or disability in providing its services.

This policy, along with the related Financial Assistance Policy, establishes UPMC's procedures regarding collection of patient accounts. The purpose of the policy is to reasonably balance the need for financial stewardship with needs of individual patients who are unable or unwilling to pay their accounts.

In order for UPMC to responsibly manage its resources and provide the appropriate level of assistance to the greatest number of persons in need, patients are expected to contribute to the cost of their care based on the requirements of their insurance, or in the case of those uninsured/underinsured, based on their individual ability to pay.

Links to policies referenced within this policy can be found in Section VIII.

II. PURPOSE

The Patient Billing and Collection Policy provides general guidelines for patient billing and collecting payment for services. The purpose is to assure reasonable collection of accounts from all appropriate sources and to recognize at the earliest point possible when an individual requires assistance and/or that an account may qualify for Medical Assistance or free care, discounted care, or as bad debt. The policy is intended to achieve UPMC compliance with applicable State and Federal requirements including those of the Fair Debt Collection Practices Act.

III. SCOPE

This policy applies to the United States based UPMC hospitals and hospital-based ASC's as noted below, and UPMC providers.

[Check all that apply]

<input type="checkbox"/> UPMC Children’s Hospital of Pittsburgh	<input type="checkbox"/> UPMC Pinnacle Hospitals
<input type="checkbox"/> UPMC Magee-Womens Hospital	<input type="checkbox"/> Harrisburg Campus
<input type="checkbox"/> UPMC Altoona	<input type="checkbox"/> West Shore Campus
<input type="checkbox"/> UPMC Bedford	<input type="checkbox"/> Community Osteopathic Campus
<input type="checkbox"/> UPMC Chautauqua	<input type="checkbox"/> UPMC Carlisle
<input type="checkbox"/> UPMC East	<input type="checkbox"/> UPMC Memorial
<input type="checkbox"/> UPMC Hamot	<input type="checkbox"/> UPMC Lititz
<input type="checkbox"/> UPMC Horizon	<input type="checkbox"/> UPMC Hanover
<input type="checkbox"/> Shenango Campus	<input type="checkbox"/> UPMC Muncy
<input type="checkbox"/> Greenville Campus	<input type="checkbox"/> UPMC Wellsboro
<input type="checkbox"/> UPMC Jameson	<input type="checkbox"/> UPMC Williamsport
<input type="checkbox"/> UPMC Kane	<input type="checkbox"/> Williamsport Campus
<input type="checkbox"/> UPMC McKeesport	<input type="checkbox"/> Divine Providence Campus
<input type="checkbox"/> UPMC Mercy	<input type="checkbox"/> UPMC Cole
<input type="checkbox"/> UPMC Northwest	<input type="checkbox"/> UPMC Somerset
<input type="checkbox"/> UPMC Passavant	<input checked="" type="checkbox"/> UPMC Western Maryland
<input type="checkbox"/> Main Campus	<input type="checkbox"/> UPMC Washington
<input type="checkbox"/> Cranberry	<input type="checkbox"/> UPMC Greene
<input type="checkbox"/> UPMC Presbyterian Shadyside	
<input type="checkbox"/> Presbyterian Campus	
<input type="checkbox"/> Shadyside Campus	
<input type="checkbox"/> UPMC Western Psychiatric Hospital	
<input type="checkbox"/> UPMC St. Margaret	

Provider-based Ambulatory Surgery Centers

- ☐ UPMC Altoona Surgery Center
- ☐ UPMC Children’s Hospital of Pittsburgh North
- ☐ UPMC St. Margaret Harmar Surgery Center
- ☐ UPMC South Surgery Center
- ☐ UPMC Center for Reproductive Endocrinology and Infertility
- ☐ UPMC Digestive Health and Endoscopy Center
- ☐ UPMC Surgery Center – Carlisle
- ☐ UPMC Surgery Center Lewisburg
- ☐ UPMC Pinnacle Procedure Center
- ☐ UPMC West Mifflin Ambulatory Surgery Center
- ☐ UPMC Community Surgery Center
- ☐ UPMC Leader Surgery Center
- ☐ Susquehanna Valley Surgery Center

Free-Standing Ambulatory Surgery Facilities:

- ☐ UPMC Hamot Surgery Center (**JV**)
- ☐ UPMC Specialty Care York Endoscopy

IV. ACCOUNT RESOLUTION

- A. The UPMC Financial Assistance Policy provides assistance to eligible patients who are uninsured, underinsured, ineligible for governmental healthcare benefit programs, and for whom it would be a hardship to pay fully for the cost of their care. It is UPMC's policy to pursue collection of patient balances from those patients who have the ability to pay for these services. The UPMC Patient Billing & Collection Policy will be applied consistently to all patients regardless of insurance status. Collection procedures will comply with applicable laws and with UPMC's mission and values. Consistent with this policy and the UPMC Financial Assistance Process, Policy HS-RE0722-MD, UPMC will clearly communicate with patients regarding financial assistance needs and payment expectations as early in the appointment and billing process as possible.
- B. UPMC policy prohibits requiring payment for emergency medical conditions prior to the patient having received services or undertaking collection activities that could interfere with provision of emergency medical care. (Refer to UPMC Policy HS-LE0007, Emergency Medical Treatment and Active Labor Act (EMTALA)).
- C. UPMC's Code of Conduct policy governs the actions of individuals employed by or associated with UPMC and its affiliates. The Code's written guidelines, which are based on UPMC's mission, vision, values, and ethics, outline how people must conduct themselves when providing any service on behalf of UPMC.
- D. All financial information obtained from patients will be kept confidential. Refer to UPMC Policies HS-HR0736, Confidential Information and HS-AD0811, Consent for Treatment and Use and Disclosure of Information for Treatment/Payment/Health Care Operations.

V. BILLING AND COLLECTION PRACTICES

- A. **Establishing Patient Financial Responsibility**
 - 1. UPMC will make reasonable efforts to identify third-party payers to assist patients in resolving their bills. UPMC will also take the following actions:
 - a. Validate that the patient owes the unpaid bills.
 - b. Collect all amounts permitted from third-party payers.
 - c. Work with patients toward resolution of outstanding insurance claim payment issues.
 - d. Inform patients of, and provide them with reasonable assistance in applying for financial assistance offered by UPMC.
 - e. Invoice patients for the amount of the cost of services for which they have a financial responsibility after the steps outlined above have been taken.

B. Collecting Patient Information

1. It is the patient's responsibility to provide UPMC with accurate information regarding health insurance (including primary and secondary carriers), address, and applicable financial resources to determine whether the patient is eligible for coverage through private insurance or through available public assistance programs. The patient is expected to assign benefits due from any insurance carriers.
2. UPMC Registration staff will obtain demographic and financial/insurance information, including specifics as to the types of insurance coverage available, prior to or at the time services are rendered.
3. Patients may be requested to provide identification such as driver's license, telephone numbers including cell phones, email addresses, etc. to ensure accuracy of demographics and will also be asked to provide proof of insurance coverage by presenting a valid insurance card.
4. UPMC will make reasonable efforts to verify patient supplied information when services are scheduled or at the time the patient receives services.
5. If the patient or guarantor is unable to provide the billing and collection information needed, including demographic and insurance information, UPMC will attempt to obtain the information for the individual.
6. UPMC will make reasonable and diligent efforts to investigate whether a third party resource may be responsible for payment for the services provided.
7. Where UPMC's reasonable and diligent efforts result in a payment on the health care claim billed, the payment will be applied to the outstanding account.
8. UPMC reserves the right to utilize outside agencies to help pursue payment for services.
9. In recognition that some patients express their financial concerns directly to their physicians, nurse or other treatment providers, UPMC trains staff responsible for admissions, billing, and providing direct patient treatment, about the existence of UPMC's Financial Assistance program and how a patient may obtain more information on it. UPMC will also distribute, as part of its admission/check-in packet, its Plain Language Summary to all patients for inpatient, same day surgery and emergency services.

C. Patient Responsibilities

1. The patient has the responsibility to obtain proper physicians referral(s) or other authorizations and may be responsible for unpaid claims resulting from failure to obtain authorization from the insurance provider. (Refer to UPMC Policy HS-RE0706, Referral/Authorization)
2. The individual is required to inform either his/her current health insurer (if applicable) or the agency that determined the patient's eligibility status in a public health insurance program of any changes in family income or insurance status.
3. In the event of a denial of benefits from the insurance carrier or other responsible party, the patient is expected to assist UPMC in any appeal as necessary.
4. Patients are required to notify any public health insurance program of any lawsuit or insurance claim that will or could cover the cost of the services provided by UPMC.
5. UPMC expects patients to adhere to UPMC policies and guidelines in paying their outstanding balances in a timely manner.

D. Patient Billing Information / Process

1. UPMC is responsible for the prompt processing and aggregation of charges for services provided to patients in order to provide for the timely collection of charges and to maintain the financial solvency of UPMC.
2. UPMC bills the insurance carrier (payer) for most services. Co-pays and any other patient responsibility amounts are due at the time of service. The individual will be responsible for paying any charges for services not covered by insurance, which may include the entire amount charged.
3. Except as provided in § IV.B, payment may be required in advance or at the time of service, particularly for non-covered services or out-of-network, copayments, and other deductibles, or selected services such as cosmetic procedures as defined in UPMC Policy HS-RE0723, Financial Clearance for Elective Scheduled Services. UPMC may waive an advance payment requirement for patients with out-of-network insurance coverage, if securing an in-network plan is not permitted by governing regulations, or if converting to an in-network plan would, in the judgement of UPMC, impose substantial financial hardship on a patient.

4. Patient Billing Statements

- a. UPMC sends patient bills in accordance with the regulations of the Centers for Medicare and Medicaid Services (CMS) and insurance industry regulations. Insurance carriers may have different requirements based on the insurer's contract with UPMC. Billing shall be consistent with the terms of this contract.
 - b. Patients may receive separate bills for services rendered at UPMC such as hospital services, physician services, or an external service, such as an ambulance.
 - c. The hospital bill reflects the room rate, medication, medical supplies, and services including those provided by a hospital based clinic. The hospital bill, sometimes referred to as the facility bill, covers the cost of operating the facility and other overhead costs.
 - d. The Physician's bill is for professional services or procedures performed by the physician.
 - e. Patient statements. Letters or data mailers will be sent to patients approximately every 30 days. Patients/guarantors will receive four (4) or more statements within 120 days of the date on which the patient's financial responsibility has been determined.
 - f. If the patient/guarantor has not made a payment within 120 days of the first billing date, or if the terms of an approved payment plan are not being met, the account shall be eligible for placement with a collection agency or may be assessed for Financial Assistance.
5. If a statement is returned to UPMCW from the US Post Office with an incorrect address, the account will be researched to find a correct address. If a correct address is not found, the account shall be placed with a collection agency prior to the 120 days of first billing date, to assist in further collection efforts. Customer Service Departments are available to provide information or answer questions about patient billing. The contact information is provided on the patient statements, and is also listed on the UPMC website and published in several patient information sources.
6. UPMC shall comply with applicable requirements with respect to non-billing for specific services or readmissions that UPMC determines to have resulted from a Serious Reportable Events (SRE). SREs that do not occur at UPMC do not preclude UPMC from billing for related services. UPMC further maintains all patient-related information in accordance with applicable federal and state privacy, security, and ID theft laws.

7. UPMC's billing statements, payment plan statements and dunning letters contain a conspicuous written notice informing patients about the availability of financial assistance which includes:

- 1) The notice of financial assistance,
- 2) How to apply for financial assistance,
- 3) How to obtain the information regarding the program
- 4) UPMC's phone number and website address
- 5) Information regarding translations services

E. Resolving Patient Balances

Once the patient's financial responsibility has been established, UPMC will provide the patient with information on options available to address the patient balances.

F. Disputing Bills

Patients will be informed of the process by which they may question or dispute bills. The name of the office, its address, and a toll-free phone number to which disputes should be directed will be listed on all patient bills and collection notices sent by UPMC. UPMC will respond in writing or by phone to inquiries made by patients to this number within 5 business days after notice of the dispute is received. Should the dispute require further investigation, all collection actions will cease until a final decision has been rendered on the matter.

G. Actions Taken in Event of Non-Payment

1. Delinquent Accounts – A patient's account may become delinquent if payment is not made by the due date noted on the patient statement. If payment is not made for more than two billing cycles or if a partial payment is made, the account may become delinquent.
2. Communication
 - a. Steps will be taken to communicate with patients with delinquent accounts encouraging them to comply with payment plans in order to prevent referrals to outside collection agencies. UPMC will provide information on financial assistance and payment options to patients informing them of the outstanding balance due.
 - b. UPMC may use the following methods in order to collect payment from patients with delinquent accounts: statements and letters requesting payment; phone calls; recorded messages; and written notices.

- c. During any stage of the revenue cycle process, if the patient requests or applies for UPMC's Financial Assistance, all collection efforts will be suspended while the application is being considered and the patient is notified regarding the determination of eligibility.

H. Payment Plans

1. Income-based payment plans are offered to all patients regardless of insurance status, citizenship status, immigration status and eligibility for reduced cost care. Plans are limited to 5% of a patient's federal or state adjusted gross monthly income (the lesser of). Prepayment is allowed. There are no penalties for early payment. Financial counselors can be reached by phone at (240) 964-8435, Option 2 for an application.
2. If a payment or installment plan is established for a patient account, an explanation of the terms and conditions of the installment plan will be provided to the patient by mail, electronically, or verbally on a recorded line. The terms and conditions will include the total amount financed, a schedule of payments, a due date, and the total payments which will give the exact dollar figure as to how much was paid when the arrangement is paid off in full by the patient on time.
3. A patient may cancel the payment plan agreement at any time by means of a verbal or written communication with or without cause.

VI. FINANCIAL ASSISTANCE

- A. As a tax exempt, not-for-profit hospital, UPMC Western Maryland, is committed to providing medically necessary care to those patients in need regardless race, sex, age, color, national origin, creed, marital status, sexual orientation, gender identity, disability or ability to pay.
- B. The Financial Counseling Team will be responsible for reviewing the Financial Assistance applications, reviewing the appropriate documentation and determining eligibility based on UPMCWM policy guidelines.
- C.. Uninsured patients or those unable to pay in full for services rendered shall contact UPMCWM's Financial Counseling Team. The counselor will assist the patient and/or family in determining if he/she qualifies for financial assistance. Cooperation is a necessary and integral part of the determination process.
- D. The Health Services Cost Review Commission establishes a process for a patient or a patient's authorized representative to file with the Commission a complaint against a hospital for an alleged violation of 19-214.1 or 19-214.2 of this subtitle. The e-mail address for the Health Services Cost Review Commission patient complaints (hscrc.patient-complaints@maryland.gov). Additionally, complaints

can be made jointly with the Health Education and Advocacy Unit of the Maryland Attorney General's Office: 200 St. Paul Place, Baltimore, MD 21202 (www.marylandattorneygeneral.gov)

VII. COLLECTION PRINCIPLES

A. Bad Debt Resolution

No account will be subject to bad debt collection actions within 4 billing statement cycle of issuing the initial bill and without first making reasonable efforts to determine whether that patient is eligible for financial assistance, unless excluded below. UPMC will not initiate collection actions against a patient if the patient has provided documentation showing that he or she has applied for health care coverage under Medicaid, or another publicly sponsored health care program.

B. Collection

1. Collection actions may be taken by UPMC when pursuing payment from patients with accounts in the following categories:
 - a. Delinquent accounts as defined in Section V, G, 1, a in this policy.
 - b. Accounts ineligible for financial assistance.
 - c. Accounts granted discounts under financial assistance but where the patient is no longer cooperating in good faith to pay the remaining balance.
 - d. Accounts where patients have made no arrangements to resolve their outstanding balance.
 - e. Accounts where patients did not provide accurate contact information so are deemed to be uncooperative and therefore excluded from the 3 billing statement cycle timeframe.

2. Early Out Agencies

- a. Early Out agencies may be used by UPMC to assist in 1st party collection of patient balances.
- b. External parties are required to abide by UPMC Policies when representing or working on behalf of UPMC.
- c. A copy of the approved UPMC Patient Billing and Collection Policy will be given to all Early Out agency(s) working to collect from patients on UPMC accounts to assure compliance with the policy.

3. Collection Agencies

- a. Collection agencies may be used by UPMC to assist in collecting patient balances. In general, accounts will not be placed with a full service collection agency until internal collection efforts are exhausted.

- b. External parties are required to abide by UPMC Policies when representing or working on behalf of UPMC.
- c. A copy of the approved UPMC Patient Billing and Collection Policy will be given to all collection agency(s) working to collect from patients on UPMC accounts to assure compliance with the policy.

4. Collection Actions

- 1) Where appropriate, UPMCWM may use a bad debt collection agency to continue to try and collect on >120 day aged accounts. Patients with balances that have been referred to a collection agency must resolve unpaid balances, request a payment plan, dispute amounts owed or request financial assistance.
- 2) Prior to referring an account to a bad debt collection agency, UPMCWM shall provide written notice to the patient or responsible party at least thirty (30) days prior to the referral. Such written notice shall:
 - i. Inform the patient of the availability of financial assistance;
 - ii. Identify the collection actions that UPMCWM may initiate to obtain payment;
 - iii. State a deadline after which such collections actions may be initiated that is no earlier than 30 days after the date that the written notice is provided;
 - iv. Include a plain language summary of UPMCWM's financial assistance policy;
 - v. For patients whose financial assistance eligibility is undetermined, UPMC WM shall not refer accounts to a collection agency prior to the 120 days after post-discharge billing statement.

5. Third Party Collection Agencies

- a. The patient account may be referred to the third party collection agency for continued collection efforts.
- b. Typically, the account is referred if payment is not made by the third billing cycle or if a payment plan is not established.
- c. The collection agencies are required to comply with 501(r).

VII. WRITE-OFF REVIEW

- A. If a patient account reaches a pre-determined aging with no account payment activity, or where the terms of an approved payment plan are not being met, the account will be assessed for small balance, bad debt or charity write-off.

- B. Consistent with Maryland law regarding balance billing, accounts with a third party insurance balance that have no insurance payment from the insurer for sixty (60) days may have that balance be deemed self-pay. At that time, the patient may begin to receive statements in the same manner as a self-pay patient.
- C. Patient may request, or be requested by UPMCWM, to apply for Medical Assistance prior to being awarded Financial Assistance. This request may be made prior to service, at time of service or during the billing and collection cycle. The account(s) in question will not be forwarded to a collection agency during the Medical assistance application process.

VIII. REFUNDS

UPMC researches all patient overpayments to ensure that patient refunds are made when appropriately due. The processing of patient refunds will be completed once the research has concluded, and the overpayment is determined to be due back to the patient.

VIII. POLICIES REFERENCED WITHIN THIS POLICY

[HS-RE0722-MD Financial Assistance Process \(Maryland\)](#)

[HS-RE0723 Financial Clearance for Elective Scheduled Services](#)

[HS-LE0007 Emergency Medical Treatment and Active Labor Act \(EMTALA\)](#)

[HS-HD-PR-01 Patients' Notice and Bill of Rights and Responsibilities](#)

[HS-EC1603 Notice of Privacy Practices for Protected Health Information \(PHI\)
Pursuant to HIPAA](#)

[HS-HR0736 Confidential Information](#)

[HS-AD0811 Consent for Treatment and Use and Disclosure of Information for
Treatment/Payment/Health Care Operations](#)

[HS-RE0706 Referral/Authorization](#)

[HS-PT1204 Preventable Serious Adverse Events](#)

[HS-EC1900 Code of Conduct](#)

[HS-MM0300 Guidelines for Purchasing Materials, Goods and Services](#)

SIGNED: Jeffrey Porter
Vice President, Revenue Cycle

ORIGINAL: September 27, 2025

APPROVALS:

Policy Review Subcommittee: October 9, 2025 (effective September 27, 2025)
Executive Staff:

PRECEDE:

SPONSOR: Associate Director, Revenue Cycle

*** With respect to UPMC business units described in the Scope section, this policy is intended to replace individual business unit policies covering the same subject matter. In-Scope business unit policies covering the same subject matter should be pulled from all manuals.**