

Reference Number: PO 060-251 Original Date: 07/22/2010

**Policy: Bad Debt** 

This policy applies to Public Hospital District No. 1 of Klickitat County

## **POLICY**:

It is the policy of Klickitat Valley Health to ensure that debts owed by patients for medical care delivered by Klickitat Valley Health are collected in a timely manner. Payment for such debts will be pursued according to uniform criteria and procedures applicable to all Klickitat Valley Health patients who have not qualified for charity care, and to ensure that Medicare will provide cost reimbursement to Klickitat Valley Health for that portion of any uncollectible bad debt attributable to Medicare beneficiaries.

Bad debts are amounts considered to be uncollectible from accounts that were created or acquired in providing healthcare services or other recognized agreements. Accounts that are deemed uncollectable after reasonable collection efforts have been exhausted (per collections procedures) will be referred to a collection agency. Per RCW 19.16.500, collection fees will be added to the patient's account balance.

Bad debt shall be reviewed and approved by the Business Office Director and CFO on a monthly basis. Bad debt shall be reviewed and approved by the Board of Commissioners at least annually.

Any exceptions to this policy require the approval of the Board of Commissioners.



POLICIES FACE SHEET PO060-251

Date: 07/22/2010

Submitted by: Leslie Hiebert, CFO Department: Finance

Policy Name	BAD DEBT
Policy Replaces (the policy number of previous versions of the policy or procedure, if there are previous versions)	
Authorization (For policies: the date of Board approval and effective date. For procedures: then name, signature, and title of person authorizing the procedure, the date of authorization, and the effective date)	John Quinn, Board of Commissioners President  X Jim Daniel, Board of Commissioners Secretary
Reviewed by (means the name of the person or persons who have reviewed the policy or procedure or revision and are recommending approval)	Policy & Procedure Committee Finance Committee Shelly Seward
Review date(s) (dates that the policy or procedure was reviewed by the appropriate authority without any revisions to the policy or procedure)	
Relevant policies (the policy number of any additional policies that address the "why" question for this policy or procedure, if known)	
Relevant procedures (the procedure number(s) of the procedure(s) that address additional or related "how" questions of implementation of this policy or procedure, if known)	
Key words (the 1-5 key words that may be used to assist with searching for relevant policies or procedures)	