APPROVED BY: ADMINISTRATION
EFECTIVE DATE: January 1, 2014
REVISION DATE:
REVIEW DATE:

1.0 POLICY

Scope: Cashier, Refund clerk, Business Office Director, CFO

Forms and Documents: Request for refund clerk check form, adjustment form.

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i. To provide procedure working credit balances and refunding amount that has overpaid by insurance and/or patients.

ii. Responsibility: The Business Office Director and Chief Financial Officer will be responsible for implementing this policy.

iii. Policy: It is the policy of Howard Memorial Hospital that credit balances account totals should be no more than one (1) Net A/R day at the end of each month

IV. Procedure: Credit balances and/or overpayments are to be worked by the refund staff.

A. Refunds will be processed as follows:

1. Credit balances greater than $5.00 on any and all governmental accounts where the patient has overpaid will be refunded to the patient.

2. Credit balances greater than $5.00 on other self-pay overpayments will be refund to the patient.

B. Identifying Credit Balances:

Credit balances may be identified in the following ways:

1. The registrar may determine a credit balances due to the patient upon registration process.

2. A patient or insurance payor may submit a verbal or written request for refund of a credit balance.

C. Research Credit Balances for Refund Eligibly:

Once a credit balances has been identified, research the account to determine the cause of the credit balance and appropriate corrective action to be taken.

1. Review the account billing history to ensure that the insurance, if any was properly billed.

2. Determine if the payor is making additional payment due to the prior payment did not agree with expected reimbursement and whether the contractual needs to be corrected.

D. Refund request:
Credit balance refund request.

1. PFS will complete Patient Refund Request Form.

2. Copy of all appropriate backup documents (EOB, remit, check, etc.).

3. Business Office Director will review and sign and date form.

4. After completion Business Office Director will forward form to the CFO for proper signatures.