

Health Care Collection, Servicing and Debt Purchasing Practices

Statement of Principles and Guidelines

by

ACA International

*The Association of Credit and Collection Professionals
as adopted by the Board of Directors on Feb. 22, 2007*



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The Association of Credit
and Collection Professionals

Preamble

As members of ACA International, The Association of Credit and Collection Professionals (ACA), we provide a variety of services to assist in the payment, collection and sale of health care receivables. In doing so, we serve fellow members of the Association, our industry, members of the health care industry, patients of health care providers and the public at large.

The following guidelines outline how collection agencies and debt purchasers, specializing in the management and servicing of health care debt, can better serve their health care provider clients and each health care provider's community of patients, in a legal, ethical and professional manner. The following statements represent voluntary practices for members of ACA International and are designed to support fair collection and payment practices involving health care receivables.

Guidelines

Collection agencies and debt purchasers that assist in the collection and payment of health care receivables will observe all applicable laws, regulations and mandates pertaining to the processing, handling and sale of health care receivables. In doing so, members of ACA International who assent to these Guidelines should strive to:

PATIENT COMMUNICATIONS:

- Service all health care accounts using a process that is consistent with the expectations of their health care provider clients.
- Collect patient accounts in a fair, consistent manner that reflects the public's high expectations of health care providers and the collection agencies and debt purchasers who communicate with their patients.
- When responding to a patient's request for information about the bill, account or past due debt, do so in a manner designed to help the patient fully understand his or her payment obligation and in accordance with applicable law or regulation.

BUSINESS RELATIONSHIPS:

- Encourage that due diligence is performed by the health care provider, the servicer of the accounts or the debt buyer of the accounts in an effort to promote solid business relationships and a good reputation for all.
- Perform services or payment operations in connection with the collection, servicing or purchase of health care debt subject to a written agreement signed by the health care provider and the collection agency or debt purchaser.
- Perform services or payment operations upon receipt of information necessary to comply with all applicable laws, regulations, mandates and duties as prescribed by the ACA Code of Ethics and Professional Responsibility and Code of Operations.

- Clarify and disclose permissible collection recovery methods in the contingent fee service agreement or the debt sale agreement as applicable.
- Resell a health care receivable only with the express permission of the health care provider as provided in the debt sale agreement.
- Communicate regularly with the health care provider's designated representative having authority and oversight over the collection or sale of health care receivables.
- Establish communication and appropriate information sharing protocols with the health care provider during the term of the service agreement and for a reasonable period of time following termination of the service or debt sale agreement.

LEGAL AND COMPLIANCE:

- Abide by and conduct all services in accordance with the Fair Debt Collection Practices Act, the Health Insurance Portability and Accountability Act, the Fair Credit Reporting Act, charity care program requirements and health care and consumer protection laws and mandates, where applicable.
- Adhere to local and state licensing and bond requirements in the jurisdictions where such are required and provide license and bond documentation upon the request of the health care provider.
- Abide by the ACA Code of Ethics and Professional Responsibility and Code of Operations.

OPERATIONS:

- Maintain a quality assurance program designed, adopted or developed by the individual member to promote compliance with these Guiding Principles and all collection servicing, debt sale agreements and business associate contract requirements.
- Provide initial and ongoing training and supervision of employees to encourage performance of their duties in a professional and ethical manner.
- Establish a Code of Conduct, signed by all employees that supports these Guiding Principles and the needs of the health care community.
- Actively promote and encourage the highest level of integrity within the health care receivables management industry.

Health care providers must act as the stewards of health care services and exist to serve their communities. Their ability to act as stewards and seek payment for services is often dependent upon the quality and caliber of their business associates, including the collection agencies that service their accounts and the debt purchasers to which patient accounts are sold. While this Statement of Principles and Guidelines does not expand the compliance and legal requirements imposed on health care providers, collection agencies, or debt purchasers, it seeks to promote professional and ethical conduct by all parties involved in the management and collection of health care receivables.

Confirmation of Commitment

By signing below, on behalf of myself, _____ and _____, we agree to uphold the Health Care Collection, Servicing and Debt Purchasing Practices Statement of Principles and Guidelines promulgated by the Board of Directors of ACA International to the best of our ability.

Signed this _____ day of _____, by _____,
(Name of Authorized Company Representative)
_____ of _____.
(Title) (Name of ACA Member Company)