



150 10th St NW, Suite 2, Milaca, MN 56353  
P: 320-983-2335 | F: 651-342-8029  
[www.lighthousecfs.com](http://www.lighthousecfs.com)

## COLLECTION OF MEDICAL DEBT

LCFS is committed to compassionate and fair financial practices while ensuring that all individuals receive the care they need.

**POLICY:** LCFS is committed to transparency in the collection of medical debt and accessing services regardless of medical debt.

**PROCEDURE(s):** Procedures are broken down by subsection below.

### Collection of Medical Debt

To ensure public access, this policy will be:

- Prominently displayed on the LCFS website.
- Provided upon request in digital or printed format to any individual who requests it.

**Procedures for Collection of Medical Debt:** LCFS follows fair and compassionate practices when communicating and collecting medical debt.

#### • Communication with Patients

- LCFS will communicate clearly and consistently with patients about any medical debt.
- Communication includes:
  - Sending detailed billing statements with clear explanations of charges.
  - Providing timely notifications of outstanding balances.
  - Offering information about available payment options, financial assistance programs, and how to seek support for financial hardship.

#### Referral to Collections

- LCFS will make reasonable efforts to work directly with patients before referring any unpaid medical debt to a collection agency.
- Patients will receive a written notice at least 30 days before their debt is sent to a collection agency. This notice will include:
  - The total amount due.
  - Information on how to establish a payment plan or apply for financial assistance.

#### Resolution of Debt

- Medical debt will be resolved in the following circumstances:
  - **Uncollectible Debt:** If all reasonable efforts to collect have been exhausted or the patient qualifies for financial hardship assistance.
  - **Satisfied Debt:** When the balance is paid in full, or the patient has completed an agreed-upon payment plan.
- Once medical debt is determined to be resolved (uncollectible or satisfied), all collection efforts will cease.

### 6.2.2 Access to Services Regardless of Outstanding Debt

**Commitment to Providing Necessary Services:** LCFS is committed to ensuring that patients receive medically necessary care regardless of their financial situation.

- No patient or their family members will be denied medically necessary treatment or services due to current or past unpaid medical debt owed to LCFS.
- This policy applies to all individuals seeking care, even if services could be obtained elsewhere.

**Payment Plans for Outstanding Medical Debt:** Patients with outstanding medical debt (over \$200) will be asked to establish a payment plan to address unpaid balances. LCFS will:

#### • Offer Reasonable Payment Options

- Payment plans will be tailored to the patient's financial circumstances and ability to pay.
- Patients will be given the opportunity to share information regarding income, expenses, or financial hardship to determine affordability.

#### • Provide Clear Communication

- LCFS will notify patients of their responsibility to communicate changes in their ability to make payments.
- If a patient is unable to meet an agreed-upon payment, LCFS will work with the patient to adjust the plan to an amount the patient can reasonably afford.

#### • Flexible and Fair Approach

- Patients who are unable to make full or partial payments will not be denied access to necessary care. LCFS will accept any amount the patient can reasonably pay until the debt is resolved.

**Legal Reference:** MN Statute 62J.805 - 62J.807