



Team Name: Accounts Receivable	Reference Number: ORG.1312.PL.003
Team Lead: Regional Manager – Corporate Financial Services	Program Area: Finance
Approved by: VP Finance & Planning	Policy Section: Accounts Receivable
Issue Date: November 17, 2017	Subject: Collection Policy – Authorized Charges
Review Date:	
Revision Date:	

POLICY SUBJECT:

Collection Policy - Authorized Charges

PURPOSE:

To provide clear direction on the collection of authorized charges.

BOARD POLICY REFERENCE:

Executive Limitation 5 – Financial Condition & Activities

POLICY:

The organization will make the maximum effort to collect payment for all authorized charges.

DEFINITIONS:

Site Clerk – one responsible for the monthly billings and collections of authorized charges

Authorized Charges – also known as Panelled Charges or Awaiting Placement Charges

POA – Power of Attorney – person legally responsible for financial affairs

Finance – Financial Analyst, Accountant or Junior Accountant

PROCEDURE:

The following collection procedures will apply to accounts receivable for all authorized charges. Authorized charges are billed and due on the first business day of the month for the current month with the exception of the first month. The first month of authorized charges are billed and due at admission.

1. Authorized Charges are billed effective the date panelled. The date paneled is the date the client was paneled in hospital for personal care home placement or chronic care or date the client was paneled in the community.
2. Site Clerk will send invoice to client.
3. Site Clerk shall encourage Pre-Authorized Debits to be set up for all authorized charges.
4. A Non-Sufficient Funds (NSF) fee will be charged for all NSF cheques or Pre-Authorized Debits based on the current Schedule of Charges.
5. Credit Card payments are not accepted for authorized charges.
6. Where an account remains outstanding after the 15th day of the month, the Site Clerk will follow-up on the account. Documentation of the contact will be noted on the client's account.

7. Where an account remains outstanding after 30 days, the Site Clerk will make a second attempt to follow-up on the account. Documentation of the contact will be noted on the client's account.
 - a. If mismanagement of client funds is suspected, the Social Worker or designate will be advised and, when necessary, investigate further.
 - b. Contact with a Public Trustee may be necessary if mismanagement of funds is suspected.
8. Where an account remains outstanding after 45 days, the Site Clerk will advise the Social Worker and/or Client Service Manager or designate as well as Finance regarding the status and collection efforts to date.
9. The Social Worker and/or Client Service Manager or designate will contact the person responsible for payment to determine cause of delay. The team shall develop and implement an action plan for collection.
 - a. The action plan will be shared amongst the Site Clerk, Finance, Social Worker, Client Services Manager and, if applicable, the Director of Health Services.
 - b. Complete documentation of all interaction with the client and/or family is essential.
10. If no resolution and/or plan has been made after 4 months, the account will include Corporate Finance for consideration of involvement with a Collection Agency.
11. If the client is deceased and there is an outstanding balance:
 - a. Site Clerk attempts to obtain the contact information of the Executor/Lawyer's Office. Please note that Power of Attorney (POA) ceases upon death and that the Executor is not always the same person as the POA.
 - b. Upon notice of death, Site Clerk will contact the Accounts Receivable department in La Broquerie to verify if the client has other outstanding accounts within Southern Health-Santé Sud. All outstanding accounts will be forwarded together to the Executor/Lawyer's Office for payment.
 - c. If the deceased has no Estate or Executor, Site Clerk will send all invoices/statements within 30 days to the address on file C/O next of kin on file. Documentation of the contact will be noted on the client's account. If the family contacts the facility to make payment or payment arrangements, make the necessary arrangements.
 - d. If the next of kin makes no contact or further payments within 60 days, Site Clerk will send a second statement. Documentation of the contact will be noted on the client's account.
 - e. If the next of kin makes no contact or further payments within 90 days, a final notice will be sent to him/her indicating the account will be sent to a Collection Agency if payment or payment arrangements are not made within ten days. Documentation of this notice will be made on the client's account.
 - f. All accounts needing involvement of a Collection Agency will be reviewed by the Regional Manager – Corporate Financial Services or designate prior to being sent.
 - g. Documentation will be made on the client's account once the account has been sent to the Collection Agency.