

DUHS Payment Plan Policy

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Applicability:

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| <input checked="" type="checkbox"/> Ambulatory Surgery Center Arrington | <input checked="" type="checkbox"/> Duke University Hospital (DUH) (both campuses) |
| <input checked="" type="checkbox"/> Davis Ambulatory Surgery Center (DASC) | <input type="checkbox"/> Durham Campus Only |
| <input checked="" type="checkbox"/> Duke Health Integrated Practice (DHIP) | <input type="checkbox"/> Duke Raleigh Campus Only |
| <input type="checkbox"/> Duke Health Technology Services (DHTS) | <input checked="" type="checkbox"/> Patient Revenue Management Organization (PRMO) |
| <input checked="" type="checkbox"/> Duke HomeCare & Hospice (DHCH) | <input type="checkbox"/> Population Health Management Office (PHMO) |
| <input checked="" type="checkbox"/> Duke Primary Care (DPC) | |
| <input checked="" type="checkbox"/> Duke Regional Hospital (DRH) | |

Purpose

The purpose of this policy is to outline the process that Duke Health performs in setting up patients on a payment plan in order to help them pay off their outstanding Self-Pay balances.

Definitions

Automatic Payment Plans – Patients can enroll in automatic payment plans through MyChart, or by engaging with Customer Service or Financial Care Counselors. A securely stored credit card token is attached to the Guarantor record and that is used for auto payment/withdrawals monthly.

Maestro Care - DUHS's proprietary name for its Epic database management system whose applications support patient care, registration, scheduling, clinical systems for providers and labs, health record management, and billing.

Manual Payment Plan – Require the patient to act each month to process the payment manually, either by engaging with Customer Service to pay over the phone, sending in a check/money order, etc. or making the payment through MyChart.

MyChart – An electronic health record for a patient, or a person who the patient chooses (proxy). It stores information about the care and services the patient receives, such as medical history, current conditions, treatment plan and all treatments given, including the results of all tests, procedures and therapies.

Payment Plans – Installment arrangements for patients who are not able to pay account balances in full.

Policy

Duke Health offers interest-free payment plans to patients with outstanding Self-Pay balances that are up to 6 years in length, depending upon the account balance. Payment plan requests from patients and/or guarantors can be evaluated, approved, and set up by staff in Customer Service

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and Financial Counseling in compliance with these policy guidelines. These payment plans can be established after services have been delivered.

For North Carolina residents with incomes between 200-300% of the federal poverty level (FPL), a Payment Plan is available, with no interest charged, for a term of no more than thirty-six (36) months with monthly payments no greater than five percent (5%) of monthly household income. Payment plans may be established beyond a 36-month term, so long as the total amount collected does not exceed what would have been collected within a 36-month/5% of income Payment Plan arrangement.

The following threshold criteria is used to determine the allowable installment terms for non-NC residents or presumptively ineligible NC residents (those exceeding 300% of FPL) by which monthly payments are made:

Patient Balance Thresholds (All Duke Health entities)	Maximum Term
Up to \$2,000 (\$25 min per month)	12 months
\$2,001 to \$5,000	24 months
\$5,001 to \$7,500	36 months
\$7,501 to \$10,000	48 months
Greater than \$10,000	72 months

Payment Plan Exceptions

Duke does not offer exceptions outside of the Payment Plan threshold criteria defined above. If presumptively ineligible NC residents (those exceeding 300% of FPL) or out-of-state (OOS) patients indicate that they cannot pay in accordance with the criteria listed above, these patients do have the option to complete an application for the Financial Assistance program. All qualifying NC residents will have financial assistance adjustments in place at the time their required Payment Plan offer is delivered, in accordance with NC state guidelines. After Financial Assistance is processed, a payment plan can be set up for the remaining balances in accordance with either of the above term/threshold criteria. Special circumstances will be evaluated on a case-by-case basis by Customer Service Management.

Procedure

Setting up a new payment plan

When a patient contacts Customer Service or Financial Counseling to request a new payment plan or a re-negotiation of an existing payment plan, the Customer Service Associate (CSA) or Financial Care Counselor (FCC) has the discretion to establish or revise a payment plan that is acceptable to the patient and fits within the payment plan guidelines listed above.

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Upon request from a patient to establish a new payment plan, the CSA or FCC will first review the outstanding self-pay balances for that patient for all Duke Health entities. They will then determine if the patient's requested payment amount qualifies based on policy criteria pertaining explicitly to either NC residents or OOS residents.

New payment plans can be setup for patients that agree to the following criteria:

- We prefer the patient have an active MyChart account
- We prefer the patient opt in to paperless billing statements
- Patient must have active credit card on file and enroll in an automatic payment plan (if they are choosing the automatic option instead of a manual payment plan)
- Patient must make first payment upon payment plan setup

CSAs will send an automated "CRM Payment Agreement Letter" either through MyChart or a third-party printing vendor to the patient describing the terms of the payment plan, noting that if the patient fails to make the required scheduled payment promptly each billing cycle, the arrangement will be terminated after two missed consecutive payments. Monthly statements will indicate that the payment plan is now in default and the patient will be allowed 5 days from the subsequent statement date to remit the full payment due or their account will be written off to bad debt and referred to a collection agency. This process is performed automatically by Maestro Care.

CSAs have the discretion to work with patients that have demonstrated willingness to comply with the agreed payment plan by reverting the dunning levels back by one, but the patient must agree to make a full installation payment at that time to come to a current payment status and to show good faith. For example, Statement level 4 would be reverted to level 3.

Rolling up New Self-Pay Invoices into Existing Payment Plans

New balances that have transferred to self-pay responsibility after a payment plan has already been established are rolled into the existing payment plan automatically, and the monthly payment amount is adjusted as necessary in order to comply with the threshold criteria above.

Patient Account Notifications for Changes to Payment Plans

Patients will be notified of complications if their Automatic Payment Plan is halted for any of the following reasons: expiring credit card, expired credit card, or a declined transaction. Patients will also be notified that their Payment Plan is updated for a different monthly payment rate, other than what was most recently scheduled. This occurs when additional balances are added to the Payment Plan causing an increase in the monthly amount, or number of monthly terms. Patients with MyChart will be alerted through a secure MyChart message, while patients not on MyChart will be sent a paper letter. A maximum of one letter indicating the change in Payment Plan terms will be sent per month.

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Different Guarantor types can have separate balances. Guarantor types accepting Duke Payment Plans will have different balances, different terms and schedules, but should all be consistent with the guidelines in this policy. Guarantor types of Personal/Family, Vision, Dental Orthodontics, Home Health & Hospice and Behavioral Health are all accepting of Duke Payment Plans. However, guarantor types of Special Pricing, Worker’s Compensation or Third Party Liability are ineligible for Duke Payment Plans.

Deceased Patients on an Active Payment Plan

When a Payment Plan is identified as active with a deceased patient’s Guarantor Account, if there is a surviving spouse, then the spouse will be held responsible for the Self-Pay balance and Payment Plan. If no spouse is identified, then the Payment Plan will be cancelled and the remaining Self-Pay balance will fall to the estate process.

Policies[PRMO Estate A/R Management Policy](#)[DUHS Financial Assistance Policy](#)[PRMO Patient Balance & Collections Policy](#)**Authoritative sources**

N/A

Attachments

N/A

Departments Affected

PRMO Customer Service

PRMO Self-Pay Collections

PRMO Service Access – Financial Services