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## POLICY

This policy applies to the Johns Hopkins Health System (JHHS) Patient Financial Services (PFS) Division and the following entity: The Johns Hopkins Hospital (JHH).

## PURPOSE

To describe the process for filing late charges with all payers—on the Keane system.

## PROCEDURE

Additional charges or credits that are posted to a patient account after the final bill date are called “late charges.” The Keane system automatically re-bills and/or adjusts late charges according to the following guidelines:

### **The Billing Representative will:**

1. When the account has generated a final bill and the initial claim has been submitted to the third-party payer, the following action is required:
  - a) Per departmental policy for late-charge allowances, if the late-charge balance meets the amount to be adjusted, every week the Keane system will automatically adjust the late charge(s).

(A/R Rules: OP90031000, OP90032000, 11000009910, 11000009920)


*The amounts allowed for late-charge adjustment are:*

Hopkins Inpatient	\$199.99
Medicare Inpatient	\$399.99
Hopkins Outpatient	\$49.99
Medicare Outpatient	\$99.99

- b) All other late charges that exceed these adjustment amounts are billed to the appropriate third-party payer—*unless the late charge is outside the timely filing period.*
2. For late *credits*, verify that the credit amount is the same as the original charged amount. Verify the date of the credit: *it should be the same as the original charge date.* If the credit amount or date is different from the original charge date, follow up with the department where the charge originated.

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All third-party payers have specific requirements regarding the types of bills that must be submitted. For example: late-charge only bill, or all-inclusive bill (detailing all charges—the initial ones as well as any additional charges). For this reason, the Keane system will automatically generate late-charge billing according to the specific requirements of each third-party payer:

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### All Payers

All accounts—regardless of the third-party payer—must be documented in the Keane system. Each account should be statused and set to queue to the library of the appropriate PFS Representative for follow-up on a future date. This date has been established within each department's requirements.

### Medicare

1. If a payment has been received on the account, the PFS Representative will automatically receive a re-bill for **"Late Charge All Inclusive Bill"** via the Keane system.

(A/R Rules: OP90039000, OP90040000, 1000009985, 1000009990)

Upon receipt of the claims the PFS Rep will review accounts via the Keane system for accuracy and verify that the types of bills are appropriate:

**117 inpatient; 137 outpatient.**

2. The PFS Rep will access the Medicare Florida Shared System (FSS) to submit an adjustment for the late charge(s). To adjust a claim according to Medicare specifications, select **"Claims Correction"** in FSS and enter the amount.

**Note:** when you enter information for a claims correction in FSS, the system automatically establishes the type of bill; therefore, the PFS Rep does **not** need to enter the bill type.

### Medicaid

1. Medical Assistance allows only one late-charge claim to be submitted per encounter. For any additional late charges you must submit an Adjustment Request Form (DHMH 4518A).
2. The PFS Rep will receive a re-bill for **Late Charge Only** via the Keane system.

(A/R Rules: OP90033000, OP90034000, 1000009950, 1000009960)

When you receive the late charge, review the claim via the Keane system to determine the date of the payment for the initial claim and verify that the claim is complete—including the appropriate type of bill:


**115 inpatient; 135 outpatient.**

3. Medicaid requires an Adjustment Request Form (DHMH 4518A) for any additional late charges billed after the first late-charge bill. The PFS Rep must pull the payment voucher, photocopy it, and attach the copy to UB04. In the remarks section, note: **"Billing for late charge, payment listing attached."**

### Blue Cross

1. If payment has been received, the PFS Rep will receive a re-bill via the Keane system that includes **"late charge and all previously billed charges."**

(A/R Rules: OP90037000, OP90038000, 1000009970, 1000009980)

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Maryland Blue Cross, Blue Card, and FEP require that late charges be submitted for Late Charge Adjustments, that they be billed as all-inclusive claims, and that the ICN be entered in UB04 field location 64.

For Blue Cross of the National Capital Area (including Blue Choice, an HMO product), late charges must be submitted as “late charge only” claims, and they do **not** require an ICN.

- Blue Cross late-charge claims are submitted electronically, and the re-bill will download to the electronic billing system. **Note:** NASCO claims are an exception to this rule: they must be submitted on paper, but they are also submitted electronically for tracking.

When you receive the re-bill, review the claim for accuracy and verify that the type of bill is appropriate: **115 inpatient; 135 outpatient.**

#### Commercial/HMO/MCO/MSA/Work Comp/Grants/Other

- The PFS Rep will receive a re-bill for **Late Charge(s)** via the Keane system.

(A/R Rules: OP90035000, OP90036000, 1000009930, 1000009940)


These payers require a “Late Charge Only” claim.

- When you receive the re-bill request (UB04 electronic or hard copy), review the claim for accuracy and verify that the type of bill is appropriate:  
**115 or 117 inpatient; 135 or 137 outpatient.**
- Follow each payer’s specific guidelines and submit the claim via electronic billing or mail to the appropriate insurance address.
- JHHC requires that “Late Charge Only” claims be sent on paper.

#### Exceptions to auto rules for write-off or re-bill

- In cases where accounts should **not** be selected for the adjustment or re-bill auto rule (for example: charge audits, Medicare reviews, customer-service calls, etc.), *the following procedure must be followed:*
  - Access the Keane **ARMS** (Accounts Receivable Management System)
  - Select “**PM**” (Patient Master Update) function
  - Enter “**68**” in the Field Number
  - Enter “**Z**” VIP Code (**Note:** only one VIP code can be assigned for each account)

**These steps must be followed before you forward a charge reversal sheet to data entry.**

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**SPONSOR**

Senior Director, Patient Financial Services, JHHS

**REVIEW CYCLE**

Three (3) years

**APPROVAL**

  
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**Senior Director, JHHS**

11/16/09  
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**Date**

  
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**Director, PFS Financial Support, JHHS**

10/16/05  
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**Date**