	The Johns Hopkins Health System Policy & Procedure	<i>Policy Number</i>	BIL013A
		<i>Effective Date</i>	11/1/04
	<u><i>Subject</i></u> Procedures for Returned/Unidentified Checks	<i>Page</i>	1 of 2
		<i>Supersedes</i>	N/A

Revisions noted by vertical bar in right margin

POLICY

This policy applies to Howard County General Hospital [HCGH] Patient Financial Services [PFS] Department.

DEFINITION

What to do when we receive a returned / unidentified check.

PROCEDURE

When we receive a returned check we need to determine the reason the check was returned. If the check was a patient check returned because of a bad address the system is to be checked for a current address and check is to be resent to the patient. If the check needs to be voided the system needs to be documented that the check has come back, the reason the check was returned, and then give the returned check to the Director.

When the Director receives the returned check it is marked as a void. Void is keyed into the Meditech refund system. This will put a credit back on the account. An account may need to be reinstated before the transaction is keyed into the Meditech refund system.

A. Returned checks

Financial Accounting Receive returned checks from bank and give a copy to the Revenue Control Coordinator. Retain original with bank reconciliation file.


Revenue Control Coordinator Research patient name and account number associated with the check.

Post returned check back to the patient's account.

List returned check on the Daily AR Cash Report.

B. Unidentified Checks

Revenue Control Coordinator Thoroughly research A/R system to identify appropriate account for application, telephone or send letter if necessary to obtain further information.

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If account is still unidentified, prepare an Unidentified Check Form, attach research performed to date, a copy of the listing [if applicable] and a copy of the check. Give to Financial Accounting the same day.

Financial Accounting

Prepare and enter Journal Entry to the General Ledger account for unidentified cash or appropriate payer clearing account.

File all back up in the analysis file for the applicable general ledger account.

Review and reconcile general ledger analysis account monthly. Any funds older than 90 days are to be refunded.

Prepare check request for Director's approval. Attach copies of all documentation.

C. Refund Reversal

Refund reversal transaction is done by batching with dollar amount in parentheses with R adjustment code.

SPONSOR

Director, Patient Financial Services, HCGH

REVIEW CYCLE

Three [3] years

APPROVAL

Director, Patient Financial Services/HCGH

Date

Sr. Director, Patient Financial Services/JHHS

Date

Unidentified Check Form

Must be submitted to Financial Accounting the same day as the batch being posted.
Attach all research, a copy of the listing and a copy of the check.

Date: _____

Name submitted: _____

Payer: _____

Amount: \$ _____

All means for identifying the account must be exhausted before submitting this form to Financial Accounting.