



SUSANVILLE INDIAN RANCHERIA BILLING, RECOVERY AND COLLECTIONS POLICY

PURPOSE: To provide for efficient billing, third-party recovery and repayment of unpaid debts to the Susanville Indian Rancheria, including health care services provided or authorized by the Lassen Indian Health Center (LIHC).

POLICY and PROCEDURES:

A. Title

This policy shall be known as the Susanville Indian Rancheria “Billing, Recovery and Collections Policy.”

B. Definitions

The following terms shall have the following meanings as used in this policy:

1. “Debt.” A Debt is the amount of money the Tribe/LIHC has determined is owed from any person. A Debt may arise under a contractual or statutory obligation, a court order, or any other obligation, but need not have been reduced to judgment.
2. “Debtor.” A Debtor is any person owing a Debt to the Susanville Indian Rancheria/Lassen Indian Health Center.
3. “Delinquent Debt.” A Debt becomes a Delinquent Debt when payment is not made by the due date or by the end of any grace period established in any bill, repayment agreement, other communication with the Debtor, or as otherwise provided in this policy.
4. “LIHC.” LIHC means the Lassen Indian Health Center.
5. “SIR” or “Tribe.” SIR or Tribe means the Susanville Indian Rancheria.

C. Payor of Last Resort

The LIHC is the payor of last resort for all health care services. The LIHC will account for and collect revenue from all available sources, including but not limited to Medicare, Medi-Cal, private insurance and other third party-resources.

D. Right of Recovery Against Third Parties

1. *In General.* The LIHC has a right of recovery against any insurance company, health maintenance organization, employee benefit plan, third-party tortfeasor, or any other reasonable or liable third-party. 25 U.S.C. § 1621e(a). To enhance the ability of the LIHC to provide health care services to the Tribe's service area, the LIHC will seek recovery against third parties.
2. *Amount.* The amount that can be recovered by the LIHC is the LIHC's reasonable charges or the highest amount the third party would pay for care and services had they been furnished by any non-governmental providers. 25 U.S.C. § 1621e(a).
3. *Recoveries From States.* The LIHC's right of recovery includes recovery against a political subdivision or local governmental entity so long as the injury, illness or disability for which health services were provided is covered under workers' compensation laws or a no-fault automobile accident insurance plan or program. 25 U.S.C. §§ 1621e(a), (b).
4. *Enforcement.* The LIHC may enforce its right of recovery under this Section D by doing any of the following:
 - a. *Demand Letter.* The LIHC may deliver a letter to reasonable or liable third parties demanding payment of the reasonable charges billed for care and services.
 - b. *Litigation.* The LIHC may commence litigation to recover against reasonable or liable third parties, which may include any of the following:
 - i. Intervene or join in a civil action or proceeding brought by the individual, who received health care services from the LIHC, or that individual's representatives or heirs, 25 U.S.C. § 1621e(e); or
 - ii. Institute a separate civil action (including for injunctive and other relief) against the third party. With respect to a political subdivision or local governmental entity of a State, such action can be brought against a State or local official, 25 U.S.C. § 1621e(e); or
 - iii. When the LIHC provides services to a person who is injured or suffers a disease under circumstances that establish grounds for a claim of liability against a tortfeasor with respect to the injury or disease, the LIHC may recover from the tortfeasor or an insurer of the tortfeasor in accordance with the Federal Medical

Care Recovery Act (42 U.S.C. §§ 2651 *et seq.*), 25 U.S.C. § 1621e(e)(3).

- c. *Notice.* The LIHC will make reasonable efforts to provide notice of any action instituted under subsection (b) above to the individual to whom the health services were provided (before or during the action).
- d. *Other Enforcement Options.* In addition to the enforcement options set forth in subsection (b) above, the LIHC retains and may at its discretion exercise all other rights to enforce recovery or collections against third-parties that may be available to the LIHC under applicable law (i.e. medical liens, etc.).

E. Patient Cost Sharing

- 1. *Authority.* Under the Indian Self-Determination and Education Assistance Act and the Indian Health Care Improvement Act, as amended, the LIHC may charge any patient for services provided by the LIHC and has chosen to do so under the circumstances specifically described in this Policy or elsewhere in the LIHC Policies.
- 2. *Services For Which Eligible Beneficiaries May Be Charged.*
 - a. *Dental Services.*
 - b. *Medical Services.*
 - c. *Behavioral Health Services.*
 - d. *Pharmacy Co-Payments.*
 - e. *Other.* The LIHC may charge for services in accordance with any other LIHC or Susanville Indian Rancheria policy.
- 3. *Services For Which Non-Beneficiaries Will Be Charged.*
 - a. *Dental Services.*
 - b. *Medical Services.*
 - c. *Behavioral Health Services.*
 - d. *Pharmacy Co-Payments.*
 - e. *Other.* The LIHC may charge for services in accordance with any other LIHC or Susanville Indian Rancheria policy.

4. *Billing Procedures*

- a. When a patient does not pay for services at the time of service, the LIHC will send a billing letter to the patient at his or her last known address on file.
- b. Payment must be made by the due date noted in the billing letter (which is usually within 30 days from the date on which service was provided). If payment has not been made by the due date stated, the Debt will become a Delinquent Debt that can be collected in accordance with the collections procedures set forth in Section G of this Policy.

F. Third-Party Payments Made To Patients.

1. *General Rule.* Third-party payors, including but not limited to insurance companies and tortfeasors, must reimburse the LIHC for health care services LIHC provides to patients or authorizes patients to receive. Third-party payments must be made payable directly to the LIHC whenever possible.
2. *Payments Made to Patients.* In some situations, third-party payors may send payments directly to the patient rather than to the LIHC. When that happens, the patient is responsible for signing-over the payment to the LIHC or otherwise ensuring the LIHC receives the payment paid by the third-party. A patient's failure to do so within ten (10) days of receiving the payment will result in the patient incurring a Delinquent Debt to the LIHC that may be collected in accordance with the collection procedures set forth in Section G.
3. *Notice to Patients.* When the LIHC becomes aware that a third-party payor has sent payment directly to a patient, the LIHC may send a reminder letter to the patient, at patient's last known address on file, informing the patient of the responsibility to forward such payment to the LIHC. However, the LIHC is not required to do so before pursuing collections under Section G.

G. Collection of Delinquent Debts

1. *General Rule.* The SIR/LIHC may use any options it may have within a full range of available debt collection techniques, as appropriate – including but not limited to those specified in this policy – to collect Delinquent Debts owed for services provided by the Tribe or for those arising out of health care services provided or authorized by the LIHC (i.e. private collection agencies, withholding Annual Distribution, state law procedures for wage garnishment and litigation).

2. *Notice And Opportunity For Appeal.*

a. *Final Demand Letter.* Before the SIR/LIHC will pursue collection of a Delinquent Debt, the SIR/LIHC will send a final demand letter by certified mail to the Debtor at his or her last known address on file. The letter will inform the Debtor of the following:

- i. Amount and type of Debt;
- ii. Right of the Debtor to inspect and copy the SIR's/LIHC's records related to the Debt and discuss the determination of indebtedness with the Tribal Administrator or LIHC Chief Operating Officer (as appropriate);
- iii. The SIR's/LIHC's intent to use available debt collection tools;
- iv. The date on which the Delinquent Debt must be paid to avoid further collection activity; and

b. *Appeal.*

- i. *Time to File.* If the Debtor believes that he or she does not owe a Delinquent Debt to the SIR/LIHC, or that the amount of the Delinquent Debt is incorrectly stated in the final demand letter, the Debtor must file an appeal with the Tribal Administrator or LIHC Chief Operating Officer (as appropriate) to contest the Delinquent Debt within ten (10) business days of the date of the final demand letter. Failure to appeal within that time shall constitute agreement that the Debtor owes the Delinquent Debt to the SIR/LIHC as stated in the final demand letter.
- ii. *Hearing.* If an appeal is commenced within the time period set out in subsection (b)(i) above, a hearing shall be held within ten (10) business days after the filing of the action to determine the validity of the Debtor's claim. The decision of the Tribal Administrator or LIHC Chief Operating Officer (as appropriate) shall be final.

3. *Third Party Collections Agency.* After the time for appeal under Section G(2)(b)(i) has passed or an appeal is final pursuant to Section G(2)(b)(ii), any Delinquent Debt owed to SIR/LIHC will be turned over to a Third Party Collections Agency for recovery. If the Third Party Collections Agency is unable to collect the Delinquent Debt within ninety (90) days after receipt of the recovery request from SIR/LIHC, the Third Party Collections Agency will return any Delinquent Debts owed to SIR/LIHC for further collection processing.

4. *Withholding Debt Amount From Susanville Indian Rancheria Annual Distribution.*
 - a. *Authority.* In accordance with the Susanville Indian Rancheria's "SIR Annual Distribution Policy," enrolled members of the Susanville Indian Rancheria are not eligible to receive an Annual Distribution check if the individual has any outstanding Debt to the Rancheria. The Annual Distribution Ballot Measure passed on February 5, 2008 authorizes the Rancheria to withhold amounts due from tribal members that are owed to the Rancheria when the Rancheria disburses funds. If the Tribe elects to make annual distributions of a portion of the Tribe's revenue, a Delinquent Debt owed to the SIR/LIHC will be deemed an amount owed to Rancheria under the Annual Distribution Ballot Measure, provided that if the annual distribution includes the distribution of net gaming revenues this policy is reflected in the Tribe's Revenue Allocation Plan.
 - b. *Withholding.* When a Delinquent Debt is owed to the SIR/LIHC that has not been able to be collected by a Third Party Collections Agency under Section G(3), the Susanville Indian Rancheria will withhold the amount of the Delinquent Debt from the Annual Distribution payment to which the Debtor would otherwise be entitled. The individual will receive the balance of his or her Annual Distribution payment, if any amount remains after satisfying the Delinquent Debt to the SIR/LIHC – so long as the individual meets all of the other eligibility requirements for receiving an Annual Distribution under the "SIR Annual Distribution Policy."
5. *Voluntary Withholding For Susanville Indian Rancheria Employees*
 - a. A Debtor who is an employee of the Susanville Indian Rancheria may voluntarily agree to repay a Debt, including a Delinquent Debt, by signing a Susanville Indian Rancheria "Payroll Deduction Request."
 - b. If the Debtor intends to make installment payments through a payroll deduction, rather than pay the Debt or Delinquent Debt in full from one pay period, the Debtor's proposed installment payments must first be approved, in writing, by the Tribal Administrator or LIHC Chief Operating Officer (as appropriate).
6. *Wage Garnishment and/or Litigation.* The SIR Tribal Business Council will make a determination, based on the recommendations of the Tribal Administrator or the LIHC Chief Operating Officer (as appropriate) and the Tribe's Fiscal Controller, if the amount owed is sufficient to pursue a wage garnishment action or litigation in Small Claims Court.

7. *Write-Off and Close-Out*

- a. *Determination.* The SIR Tribal Business Council or LIHC Health Board, based on the recommendations of the Tribal Administrator or the LIHC Chief Operating Officer (as appropriate) and the Tribe's Fiscal Controller, may write-off Delinquent Debts when he or she determines that future collection efforts on a Delinquent Debt are prohibited or futile and thereafter close-out the Delinquent Debt in the SIR's/LIHC's records.
- b. *IRS Reporting.* The decision to classify Debt as closed-out triggers the need to determine if the Debt must be reported to the Internal Revenue Service (IRS) as potential income to the Debtor. *See* IRS website for Form 1099C. The SIR/LIHC will work together with the Susanville Indian Rancheria's legal counsel to determine what steps must be taken with respect to the IRS as a result of closing out a Debt under this policy.

H. **General Provisions**

- a. *Severability.* If any provision of this policy or its application to any person or circumstance is held invalid, the remainder of this policy or the application of the provision to other persons or circumstances is not affected.
- b. *Sovereign Immunity.* Nothing in Susanville Indian Rancheria "Billing, Recovery and Collections Policy" waives, or shall be construed to waive, the sovereign immunity of the Susanville Indian Rancheria, the LIHC, or their respective officers, officials, or employees which is expressly reserved.
- b. *Effective date.* This policy shall be effective from the date of its adoption by the Susanville Indian Rancheria Tribal Business Council.

(Adopted November 22, 2010, Resolution No. SU-BC-133-2010)



SUSANVILLE INDIAN RANCHERIA

RESOLUTION NO. SU-BC-133-2010

RE: SUSANVILLE INDIAN RANCHERIA BILLING, RECOVERY AND COLLECTIONS POLICY

- WHEREAS,** the Susanville Indian Rancheria is formally recognized, constituted and established pursuant to the Indian Re-Organization Act (IRA) of 1934 and is a recognized Tribal government as defined by the Indian Self-Determination Act, P.L. 93-638; and
- WHEREAS,** the Susanville Indian Rancheria's General Council at a duly called meeting held February 8, 1992 vested authority to the Tribal Business Council to enact resolutions and conduct business on behalf of the General Council, effective February 8, 1992; and
- WHEREAS,** Article VI, Section 2 of the Constitution of the Susanville Indian Rancheria authorizes the Tribal Business Council to regulate the conduct of all business activities within tribal jurisdiction and to establish policies and procedures; and
- WHEREAS,** the Susanville Indian Rancheria operates and administers the Lassen Indian Health Center (LIHC) in accordance with agreements entered into with the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act; and
- WHEREAS,** unpaid debts pertaining to health care services provided or authorized by the LIHC are debts owed to the Susanville Indian Rancheria; and
- WHEREAS,** the LIHC and the Susanville Indian Rancheria wish to establish a policy to provide for the efficient billing, third-party recovery and repayment of unpaid debts to the Susanville Indian Rancheria for health care services provided or authorized by the LIHC so that the LIHC can continue to provide services to its health care patients; and

**PAGE TWO
SUSANVILLE INDIAN RANCHERIA
RESOLUTION NO. SU-BC-133-2010**

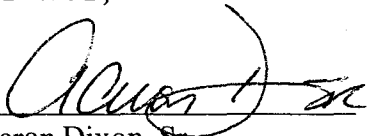
WHEREAS, the Susanville Indian Rancheria wishes to have one policy to recover all debts owed to the Tribe or the Lassen Indian Health Center so that a uniform practice is followed; and

NOW BE IT FURTHER RESOLVED, the Tribal Business Council hereby approves and adopts "Susanville Indian Rancheria Billing, Recovery and Collections Policy" and directs all tribal officials, departments, entities, and agencies to comply with the policies and procedures set forth therein.

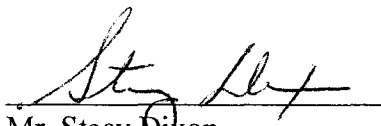
CERTIFICATION

We, hereby certify that the above resolution was adopted by the Susanville Indian Rancheria Tribal Business Council at a duly called meeting held November 22, 2010 with a vote of 6 for, 1 against, 0 abstain.

ATTEST;



Aaron Dixon, Sr.
Secretary / Treasurer



Mr. Stacy Dixon
Tribal Chairman