

Medical Collections Compliance Toolkit

Modern medical collections demand more than effective account resolution—they require strict adherence to federal and state regulations, patient-friendly communication, and transparent vendor oversight. This toolkit gives compliance officers and revenue-cycle leaders at **Midwest Service Bureau (MSB)** everything they need to launch—or refresh—a best-practice collections compliance programme.

What's Inside

1. **Comprehensive Compliance Policy Template** – an editable, clinic-wide policy that maps daily operations to HIPAA, FDCPA, TCPA, No Surprises Act, and state regulations.
2. **Patient Communication Templates** – ready-made notices for first statements, FDCPA validation, No Surprises Act disclosure, and payment-plan confirmations.
3. **Vendor Scorecard** – a weighted evaluation matrix to benchmark third-party collection agencies on compliance, technology, and patient experience.

1 Compliance Policy Template

Purpose – Define standards that ensure ethical, lawful, and patient-centric recovery of self-pay and insurance balances.

1.1 Scope

Applies to all MSB employees, contractors, and approved vendors engaged in medical billing or collections.

1.2 Regulatory References

- HIPAA Privacy & Security Rules 45 CFR §164
- FDCPA 15 USC §1692
- TCPA 47 USC §227
- No Surprises Act 45 CFR §149
- Relevant state consumer-protection and debt-collection statutes

1.3 Roles & Responsibilities

Role	Key Duties
Compliance Officer	Maintain policy, oversee audits, report breaches
Collections Manager	Train staff, enforce call-frequency rules, log disputes
QA Team	Sample 3 % of calls weekly, grade empathy & script adherence

Role	Key Duties
IT Security Lead	Ensure encryption, access controls, incident response

1.4 Communication Standards

Channel	Maximum Contact Attempts	Quiet Hours
Phone	1 call / day, 3 / week, never consecutive days	8 a.m.–9 p.m. local
SMS	Only with documented consent	8 a.m.–8 p.m. local
Email	Unlimited informational, ≤ 2 payment prompts / month	N/A

1.5 Dispute & Complaint Handling

1. Suspend collection activity on disputed accounts within one (1) business day.
2. Acknowledge patient dispute in writing within 5 days.
3. Provide validation or corrected billing within 30 days.

1.6 Training & Quality Assurance

- New-hire compliance training within 30 days; annual refreshers ≥ 90 % completion.
- Weekly call monitoring reports reviewed by Compliance Officer.
- Quarterly internal audits; annual external SOC 2 Type II.

1.7 Enforcement

Non-compliance may result in disciplinary action up to termination and regulatory reporting.

2 Patient Communication Templates

2.1 Initial Account Statement (Plain-Language)

We're Here to Help You Understand Your Bill

Balance Due: **\$\$\$BALANCE**

Payment Options: Pay in full, interest-free payment plan, or financial-assistance review.

Contact us at **800-555-MSB1** or **billing@msbureau.com**.

2.2 30-Day Validation Notice (FDCPA-Compliant)

Important Notice About Your Account

Creditor: **{{Hospital Name}}**

Amount Owed: **\$\$\$BALANCE**

Unless you dispute this debt within 30 days, we will assume it is valid. To dispute, call **800-555-DISP** or write to the address below.

2.3 No Surprises Act Disclosure Notice

(Use when balance may be subject to NSA protections—ER or OON ancillary care at in-network facility.)

Your Rights and Protections Against Surprise Medical Bills

- You are protected from balance bills for emergency care and certain out-of-network services.
- You pay only in-network cost-sharing.
- More info: cms.gov/nosurprises | 800-985-3059

2.4 Payment-Plan Confirmation Letter

Thank you for arranging a **\$\$\$MONTHLY_AMOUNT\$\$\$**/month payment plan.
First instalment due **##DATE##**. Please notify us if your financial situation changes.

(All templates must appear in 12-point font minimum and at a 6th-grade reading level.)

3 Vendor Scorecard – Medical Collections Compliance

Assign scores 0 = Poor ... 5 = Excellent. Multiply by Weight to obtain the weighted score.

#	Evaluation Category	Weight (%)	Score	Weighted Score
1	Documented HIPAA / FDCPA / NSA policies	15		
2	Call-frequency controls & dialer suppression	10		
3	Empathy & cultural-competency training	10		
4	Encryption & data-security certifications (SOC 2)	10		
5	Formal dispute-resolution workflow	10		
6	Patient communication readability (\leq 6th grade)	5		
7	Technology integration (real-time account status)	10		
8	On-shore/near-shore staffing transparency	5		
9	Compliance audit history & findings	15		
10	Fee structure transparency	10		

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