Health debt collector comes under fire in Minnesota, raising questions in Utah

By Jasen Lee, Deseret News
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SALT LAKE CITY — A debt collection company with ties to Intermountain Healthcare has come under fire in Minnesota for aggressive tactics in debt collection, in a case that is shedding light on the financial pressures facing both hospitals and those trying to pay expensive medical bills.

Acretive Health, one of the country’s largest medical debt collections consultants, is accused of placing debt collectors in hospitals, seeking payment even as treatment is being sought by patients. That accusation and others by Minnesota’s attorney general were revealed in documents released this week, gaining front page coverage in the New York Times and drawing the attention of federal regulators.

Among the clients of the Chicago-based firm is Intermountain Healthcare, the nonprofit hospital giant headquartered in Salt Lake City. An Intermountain Healthcare representative said that while the company does contract with Acretive Health, the relationship does not include debt collection.

"The allegations in the article from Minnesota are not consistent with our experience," Intermountain spokesman Daron Cowley said. "We’ve worked with Acretive for just several months and they have been respectful of our patients, as well as Intermountain’s policies and values."

He said Acretive has been particularly helpful in qualifying patients for federal and state programs to help them pay medical bills. The company provides training for Intermountain employees and adheres to strict policies regarding patient records and confidentiality, Cowley said.

"We constantly monitor our contractual relationships to ensure all activity is in accordance with our mission and values," he said.

A civil lawsuit was filed in Minnesota federal court in January against Acretive alleging possible federal and state privacy violations. Documents released this week by Minnesota Attorney General Lori Swanson revealed the claims of aggressive tactics by the company in the Minnesota hospitals.
Ben Wogsland, a spokesman for Swanson, said that in some cases, the company’s workers had access to health information while persuading patients to pay overdue bills.

"You have the potential (Health Insurance Portability and Accountability Act) violations in our original lawsuit, and potential federal and state debt collection violations as well,” he said.

HIPAA protects health insurance coverage for workers and their families when they change or lose their jobs, and provides privacy provisions in relation to health data.

An Accretive spokesperson told the New York Times, "We have a great track record of helping hospitals enhance their quality of care." The Accretive website describes its approach as, "Accretive Health provides end-to-end revenue cycle services to improve your bottom line."

The director of the Utah Division of Consumer Protection, Traci Gunderson, said that her office has received no complaints from patients about aggressive tactics related to Accretive Health or Intermountain Healthcare.

Cowley said Intermountain policy states that no one should go without needed care because they fear the cost. In addition to providing care, Intermountain has charitable assistance programs and billing policies that help patients focus on getting well rather than worrying about how they will pay for care, the policy states.

A Utah health advocacy group said the attention on Accretive will highlight the increasing challenges faced by patients, along with the growing concerns of health care affordability and accessibility.

"In the best of all possible worlds, this incident will open a long overdue discussion about Utah nonprofit hospitals’ practices on debt collection and financial assistance (and community benefit obligations more generally) and their transparency around this,” said Judi Hilman, Utah Health Policy Project executive director.

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