

**Good Samaritan Health & Wellness Center**  
Policies and Procedures

Subject: AR Contractual Write-Offs

Policy #: 3.22.15

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### 3.22.15 AR Contractual Write-Offs

**Policy:** GSHWC will adjust patient accounts for the difference between GSHWC's fees and charges and the amount allowed by private insurance payers. These adjustments will be classified in eClinicalWorks EHR/Practice Management system (eCW), general ledger, and on financial statements as contractual allowances.

**Purpose:** To establish the process for recording contractual allowances.

**Procedures:**

1. Contracted allowances will be taken when payment is received while posting the Explanation of Benefits/Remittance Advices from insurance payers.
2. The contracted amount will be written off to the Medicaid, Medicare or third-party payor write-off codes.

When a third-party payor has not provided a fee schedule, the write-off adjustment will be made manually based upon data included on the EOB.