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Financial Assistance

I. PURPOSE

Preston Memorial Hospital ("PMH" or the "Hospital"), a not-for-profit, critical access hospital, is committed to providing medically necessary, high quality healthcare services regardless of a patient's ability to pay. The Hospital acknowledges that there are patients who do not possess the ability to pay for emergent or medically necessary health services, and as such, established this policy to ensure financial assistance (also referred to as "charity care") is appropriately provided to patients.

Consistent with the Hospital's mission to enhance the health of the communities we serve, one patient at a time, the Hospital provides, without discrimination, medically necessary and appropriate care to all who seek it regardless of their individual financial situation. Additionally, in order to manage its resources responsibly, and to allow PMH to provide the appropriate level of assistance, the Board of Directors establishes the following policy and guidelines for the provision of patient financial assistance.

II. POLICY

In order for the Hospital to fulfill its mission, PMH must maintain a strong financial foundation that includes the collection of outstanding accounts where possible. As such, the Hospital has outlined, in this policy, the requirements and considerations for financial assistance. Financial assistance is not considered to be a substitute for personal responsibility, and patients are expected to cooperate with the Hospital's procedures for obtaining any financial assistance, and to contribute to the cost of their care based on their individual ability to pay.

Accordingly, this policy:

1. Includes eligibility criteria for financial assistance
2. Describes the method by which patients may apply for financial assistance at PMH
3. Describes the sliding fee scale discount program
4. Describes the avenues the Hospital communicates this financial assistance policy and process

III. PROCEDURES

A. Services Eligible under This Policy

1. For purposes of this policy, *financial assistance* refers to healthcare services provided by a PMH provider without charge, or at a discount to qualifying patients. Additionally, those services are those that are those billed by PMH. The following services are eligible for financial assistance:
 - a. Emergency medical services provided in the emergency department
 - b. Services for a condition which, if not promptly treated, would lead to an adverse change in health status of an individual;
 - c. Non-elective services provided in response to life-threatening circumstances in a non-emergency department setting; and
 - d. Medically necessary services, evaluated on a case-by-case basis at PMH's sole discretion.
2. A list of providers can be obtained, free of charge, by calling the Financial Counseling office of the Hospital at 304-329-1400.
3. Cosmetic, and/or purely elective procedures (i.e. gastric bypass, plastic procedures, restorative surgeries), as well as procedures that would not otherwise be covered by Medicare, Medicaid, or other third-party payers, may not be eligible for financial assistance if they are deemed not medically necessary. Physician services that are not billed by PMH are also excluded from this financial assistance policy.

B. Eligibility for Financial Assistance

1. Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this policy. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not consider age, gender, race, social or immigrant status, sexual orientation or religious affiliation.
2. The Hospital will not impose any extraordinary collection actions for any patient without, first, making reasonable efforts to determine that patient and services are eligible for financial assistance.

C. Financial Assistance Application Process

1. A request for financial assistance can be made at any time during the billing/collections process. To be considered eligible for charity care, patients must cooperate with the Hospital to explore alternative means of assistance, if necessary, including Medicare and Medicaid. Patients will be required to provide certain information and documentation when applying, as well as follow the following guidelines for applying:
2. Any patient or guarantor may request financial assistance. It is preferred that communication be made to a Financial Counselor, Customer Account Representative, or Patient Access Representative to place any accounts "on hold" to prevent any additional collection efforts.
3. The patient or guarantor must complete the Hospital's *Financial Assistance Application Form*. The form can be obtained from the Hospital's website, or by calling a member of the Financial Counseling team (see Appendix A). The form must be completed in its entirety to be considered for financial assistance. Items that are required to accompany the form are:
 - i. Proof of income (pay stub showing current and year-to-date income); Other income (child support, rental income, etc.) and substantiating documentation
 - ii. Documentation of family/dependent size

- iii. Copy of the most-recently filed tax return
 - iv. Proof of approval or denial for Medicaid (highlighted in #3 Below, further)
 - v. Proof of bank balances and major assets (evidenced by current statements)
4. The patient or guarantor must provide a Medicaid eligibility denial letter along with the application. The documentation supplied must be dated within the last 90 days of the date the application is received.
 5. The application and all supporting documentation can be mailed to the Hospital to the attention of the Financial Counseling Office within 30 days of receiving the application. Patients may call the Financial Counseling Office to make other arrangements.
 6. If the appropriate documentation is not submitted, the application will be returned with a letter indicating what is needed. The needed documentation must be returned in accordance with the expectations outlined in the letter.
 7. Once reviewed, applicants will be notified, in writing, within 30 days of receipt, of the approval or denial of financial assistance.
 - a. If approved, a letter will be issued by the Financial Counseling Office and is good for 180 days from the date of approval.
 - b. Upon denial or any adjustment, the patient will be responsible for immediate arrangements for balances due to prevent collection activity.
 - c. If applicants are found to have withheld information requested, an approved or pending application may be reversed or denied, and the balance will be due immediately.

D. Evaluation and Sliding Fee Schedule

1. In accordance with other sections of this policy, PMH has established a sliding-fee discount program to ensure that all patients have access to care regardless of their ability to pay. In accordance with applicable regulations, the discount program includes the following elements:
 - a. The Hospital will ensure the discount program is applicable to all individuals and families with incomes at or below 200% of the most-recent FPG
 - b. The Hospital will ensure full discount for individuals and families with annual incomes at, or below, 100% of the FPG.
 - c. The Hospital will adjust fees based on family size and income for individuals and families with incomes above 100 and at or below 200% of the FPG.
2. As noted in Appendix A of this policy, the Hospital will ensure patients are made aware of the sliding fee scale discount program, and that eligibility for discounts is based on and come and family size only.
3. Currently, the Hospital has adopted the following, general sliding fee scale guidelines
 - a. Assistance will be provided at 100% only to those patients where the household income, regardless of filing status, is at 140% or below the FPG.
 - b. Assistance will be provided at 75% to those patients where the household income is at or below 175%, but above 140% of the FPG.
 - c. Assistance will be provided at 50% to those patients where the household income is at or below 200%, but above 175% of the FPG.

4. Applicants for financial assistance will be encouraged (and assisted by PMH staff, where available) to enroll in any applicable third-party payer (including public health insurance – Medicare, Medicaid, or other available) to ensure that every reasonable effort to obtain other reimbursement is done.
5. Additionally, after the patient's account is reduced by any financial assistance adjustment, the patient will be responsible for no more than the amounts general billed ("ABG") to individuals who are covered by Medicare fee-for-service. See Appendix B for definition of ABG.
6. The Federal Poverty Guidelines are reviewed and updated, as necessary, by the Manager of Patient Financial Services, Financial Counselors, or their designees.

IV. APPENDIX A – COMMUNICATION OF CHARITY CARE PROGRAM

The Hospital communicates the availability and terms of its financial assistance program to all patients, through means which include, but are not limited to:

1. Posted signs within waiting rooms, registration areas or desks, as well as emergency department, hospital-based physician offices, and financial services departments
2. Notifications on patient bills or statements,
3. Posted policies on the Hospital's website,
4. Designated staff knowledgeable on the financial assistance policy to answer patient questions or who may refer patients to the program.

Requests can be made by a patient, their family members, friends, or associates, but will be subject to applicable privacy laws. Patients concerned about their ability to pay for services or who would like to know more should be directed to a member of the Financial Counseling team or Patient Financial Services.

V. APPENDIX B – DEFINITIONS

Amounts Generally Billed: The Amounts Generally Billed ("AGB") is the amount generally allowed for emergency and other medically necessary care to individuals who are covered by the Medicare Program. PMH utilized the look-back method to determine AGB.

Financial Assistance: Healthcare services that have been, or will be, provided, but are never expected to result in cash inflows. Financial assistance (or "assistance" sometimes in this policy) results from the Hospital's policy to provide healthcare services free or at a discount, to individuals who meet the established criteria.

Family: Abridged from the US Census Bureau definition – a group of two (2) or more people who reside together, and who are related by birth, marriage, or adoption. According to the Internal Revenue Service, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Income / Family Income: determine using the Census Bureau definition, which uses the following when computing poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, education assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits do NOT count (food stamps and housing subsidies).

- Excludes capital gains or losses, and
- Determined on a before-tax basis.

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting his or her payment obligations.

Underinsured: The patient has some level of insurance or third-party assistance, but still has out-of-pocket expenses that exceed his or her financial abilities, such as deductibles or co-pays.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 USC 1395dd)

Medically Necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

Attachments:

- [Exhibit A - Sliding Discount Schedule](#)
- [Exhibit B - Amounts Generally Billed](#)
- [Exhibit C - Providers](#)
- [Financial Assistance Application](#)
- [Financial Assistance Plain Language Summary](#)

Approval Signatures

Step Description	Approver	Date
Board of Directors	Debbie Evans: Executive Assistant	pending
	Kevin Gessler: VP Financial Services	11/2017

