

## POLICY AND PROCEDURES

<b>TITLE:</b> FINANCIAL ASSISTANCE POLICY		<b>DOCUMENT TYPE:</b> PROCEDURE MANUAL
<b>ENTITY:</b> CSC & HSC	<b>CITATION:</b> IRC Sec 501(r)	<b>DEPARTMENT:</b> PATIENT FINANCIAL SERVICES
<b>AUTHORED BY:</b> PATIENT ACCOUNTS SUPERVISOR AND MANAGER OF PATIENT ACCOUNTS AND REIMBURSEMENT	<b>RESPONSIBILITY:</b> SENIOR VP FINANCE, CFO AND TREASURER	<b>APPROVED BY:</b> FINANCE COMMITTEE; ON BEHALF OF THE BOARD
<b>REVIEWED:</b> ANNUAL	<b>EFFECTIVE DATE:</b> 01/18/17	<b>PREVIOUS TITLE:</b> CHARITY CARE POLICY
<b>LAST REVIEWED WITHOUT CHANGES:</b> 08/17/10		
<b>DATE OF PRIOR VERSION:</b> 01/20/16		
<b>POLICY MANUAL:</b> ADMINISTRATIVE MANUAL		

**POLICY:** To have a formal Financial Assistance Program for patients to apply for reduced payments for health care services based on income levels and family size. The program will include a formal application process for review and approval by Hospital administration after all other resources exhausted. The program will cover services delivered by all Hospital employed healthcare practitioners. Medical staff members not employed by the Hospital are not covered by this program.

**PURPOSE:** To provide reduced payments for health care services for the uninsured and underinsurance patients meeting eligibility criteria established by this Hospital policy. Eligibility criteria will utilize the annual update of the Health and Human Services Poverty Guidelines published in the Federal Register.

**PROCEDURE:**

1. Patients can request and receive an application from many sources at Hospital for Special Care (HFSC) including Patient Account Representatives, Administrative Staff, Program Managers, Case Managers, and Social workers as well as the HFSC Website.
2. Applications are to be returned to the Patient Accounts - Fiscal department for processing. When a completed application & required support is received in the Patient Accounts - Fiscal department, staff will complete a review of the information and follow up with the applicant if further information is required.
3. Hospital for Special Care requires proof of income in the form of:
  - Original or copies of pay stubs; from the previous 3 months.
  - Statement from employer on company letterhead, signed with title, gross income of applicant;
  - Confidential Report of Benefits from Social Security;
  - Determination notice from Town or State;
  - Computer printout of benefits from the Unemployment office;

- Bank Statements showing monthly interest payments;
- Signed & notarized statements of support from person living in same household;
- Signed & notarized statement from absent family member providing support to family;
- Copy of financial aid award for college student;
- W-2 or income tax forms;
- Self-Employed persons, the prior years' income tax return will be utilized.
- Denial notice from Public program or insurance resource.

4. Assets will be considered in determining eligibility. Hospital for Special Care requires copies of the following to verify assets:

- Bank statements;
- Stocks, bonds, U.S. Savings bonds;
- Deeds of owned property;
- Motor Vehicles titles; and
- Proof of pending lawsuits, Worker's Compensation or No Fault Claims.

5. When application is received by HFSC – Patient Accounts – Fiscal Department -

- a. If the application is incomplete the applicant should be notified in writing within two (2) working days of the review by the reviewing Patient Account Representative. Applicant will have fifteen (15) working days from the dated notification, to provide the requested information. If no response within the time frame, application will be denied as incomplete.
- b. If the application is complete, the Patient Account Representative will complete the Financial Assistance Worksheet, review the application for conformance with HFSC's eligibility guidelines and recommend approval or denial of application within five (5) working days of receipt of application or follow-up information.

6. Determination of financial Assistance utilizes the following factors:

- a. Calculation of income:
  - Calculation is based on income for the three (3) months preceding the application (i.e. for April applications use January, February, and March).
  - If both the 3-month and the 12-month information are available, use the lower amount of the two provided.

- To project the 12-month information when only 3 months is provided, multiply the 3-month total gross income by four (4).
- b. Calculation of eligibility by utilizing the current poverty guidelines issued by the US Department of Health & Human Services, which are updated periodically in the Federal Register.
- c. The Charity Eligibility Guideline is expressed as a percentage of the total charges that will be written off the account by Hospital *for Special Care*.

7. The Financial Assistance approval for the reduced payment will be effective for the duration of continuous services. Subsequent patient related admissions will require a new application be completed and submitted for review.

8. The charges to an individual who qualifies for financial assistance under the Financial Assistance Program will not be greater than the amounts generally charged to individuals who have insurance coverage.

9. Patient Account Representatives will submit the completed Financial Assistance Worksheet to the Supervisor or Manager of Billing and Reimbursement and/or Vice President for Finance for final approval or denial.

- a. A denial will be issued when:
  - The family is over the eligible income level;
  - Incomplete information is provided and patient does not respond to request for additional information within required timeframe;
  - Patient is deemed to have significant assets to meet debts.

10. Patient may request an appeal of the denial or approved level of Financial Assistance by completing the Appeal of Eligibility Determination for Financial Assistance form.

- a. The appeal form must be filed with HSC within thirty (30) days of original decision. Patient will receive notification of receipt of appeal within two (2) weeks.

11. All determinations will be in writing and on printed forms.

- a. Financial Assistance Allowances are listed by account number on a detailed allowance form prepared by Patient Account Representative. This form will be signed by Supervisor or Manager of Billing and Reimbursement at the end of each month.
- b. The Accounts Receivable Associate will enter the Financial Assistance allowance on the patient's account within two

(2) days of receipt using the proper transaction code for reporting.

12. The approved or denied applications and documentation will be filed by fiscal year in the patient accounts department. They will also be scanned and stored on the PAR shared drive.

13. The Manager of Patient Accounts and Reimbursement or their designee will reconcile the Financial Assistance accounts quarterly to ensure the accuracy of the amounts approved as documented in the folder, completed allowance forms, and the amounts in the general ledger.

14. The Hospital's Financial Assistance Policy is posted on HFSC's intranet and website and the associated forms are to be posted on HFSC's website.

## Hospital *for Special Care* Financial Assistance Eligibility Guidelines

- Financial Assistance is available to cover hospital charges for patient related services.
- Applications for Financial Assistance can be requested after the services have been provided.
- To be eligible for the Hospital for Special Care Financial Assistance Program, the applicant must meet the financial criteria established for the program by the Hospital.
- Applicants must meet or speak with a Patient Account Representative, Social Worker, or Program Manager to determine financial resources, income, assets, and ability to pay. The Patient Account Representative, Social Worker, or Program Manager will use this information to recommend a plan which will be reviewed by the Manager of Billing and Reimbursement and/or the Vice President for Finance.
- Patients are required to provide personal and financial information in order to determine eligibility for the program.
- Documents and information to support income and asset verification must be attached to the completed application. Incomplete applications will not be processed.

When an application is approved for reduced payments under the Financial Assistance Program, the rate to be charged will be the applicable percentage to the Health and Human Services Poverty Guidelines based on the current year that has been published in the Federal Register.

For assistance or additional information on your application call The Hospital for Special Care's Financial Assistance Program call 860-832-6237 or 860-612-6352.