

## HOT SPRINGS COUNTY MEMORIAL HOSPITAL

### PATIENT FINANCIAL SERVICES

**TITLE:** Financial Assistance

**OWNERSHIP:** Patient Financial Services

**EFFECTIVE:** July 1, 2016

### DEFINITIONS:

For the purpose of this policy, the terms below are defined as follows:

Charity Care: Healthcare services that have been or will be provided by a provider and are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, 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.

Family Income: Family income is determined using the Census Bureau definition, which uses the following income when computing federal 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, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;  
Noncash benefits (such as food stamps and housing subsidies) do not count;  
Determined on a before-tax basis;  
If a person lives with a family, includes income of all family members. (Non-relatives, such as housemates, do not count.)

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

Gross Charges: The total charges at the organization's full established rates for the provision of patient care services before deduction from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

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

Poverty Guidelines: The poverty guidelines are a simplified version of the Federal Government's statistical poverty thresholds used by the Bureau of Census to prepare its statistical estimates of the number of persons and families in poverty. The poverty guidelines are used primarily for statistical purposes. However, the Department of Health and Human Services uses the thresholds for administrative assistance or services under a particular federal program. Other programs, such as our Financial Assistance Program, use the guidelines for the purpose of giving priority to lower income persons or families in the provision of assistance or services. Our poverty guidelines are based on last (calendar) year's increase in prices as measured by the Consumer Price Index. The poverty guidelines are published in the Federal Register and are revised yearly (Attachment D).

Amounts Generally Billed (AGB): No person eligible for financial assistance under the FAP will be charged more for medically necessary care than amounts generally billed (AGB) to individuals who have insurance covering such care. HSCMH determines AGB based on all claims paid in full to HSCMH by Medicare and private health insurers (including payments by Medicare beneficiaries or insured individuals themselves), over a 12-month period, divided by the associated gross charges for those claims.

**POLICY:**

In accordance with Hot Springs County Memorial Hospital's mission, vision and values and the Internal Revenue Code Section 501(r)(4A), Hot Springs County Memorial will provide uncompensated health care to patients who reside in the State of Wyoming that are determined to be unable to pay for emergency and other medically necessary care provided by the facility. HSCMH's Financial Assistance Program shall be consistently and equitably administered in accordance with established eligibility requirements. No patient that meets these requirements shall be denied uncompensated health care based upon race, creed, color, sex, national origin, sexual orientation, disability, age, or source of income. Our ability to provide financial assistance will be limited based on our budget.

**Eligibility Requirements**

- A. HSCMH's Financial Assistance Program shall be consistently and equitably administered in accordance with established eligibility requirements.
- B. All patients with a self-pay balance may be eligible for Financial Assistance which can include free or discounted care as indicated in "Attachment C". However, Financial Assistance generally excludes care found not to be medically necessary, or disallowed by government or third party payers including procedures considered elective, experimental or cosmetic in nature.
- C. The full application process must be completed, preferably by the patient/responsible party. Falsification of the application information, failure to fully disclose all assets and/or income, or refusal to cooperate will result in denial of Financial Assistance benefits.
- D. All third party resources and non-hospital financial aid programs, including public assistance available through the state Medicaid program must be exhausted before Financial Assistance can be considered. If an individual has applied for and has not yet received a determination, the

eligibility for Financial Assistance will be postponed until the Medicaid Eligibility determination has been made.

- E. Before sending accounts to collection, a search will be made on the Healthy Web Portal to determine if the patients have become eligible for Wyoming Medicaid Program. If they are eligible for Wyoming Medicaid medical benefits with the exception of QMB plan and the EDI plan any accounts the patient has that are considered Emergent and/or Medically Necessary will qualify for financial assistance adjustment at 100%.
- F. The following uncollectible accounts will be classified as Financial Assistance:
  - Deceased with no assets, based on the reasoning that the decedent has no ability to pay. If partial payment is received, the remainder of the bill will be classified as Financial Assistance.
  - The Financial Counselor will attempt to contact next of kin for six months after the patient has passed to determine if an estate will be filed. When it is determined the deceased has no assets or eligible for Medical Assistance, the Financial Counselor completes the Adjustment Worksheet for NO ESTATE FILING (Attachment E). The Financial Counselor will attach any documentation they are able to obtain as proof of eligibility prior to forwarding to Director of Patient Financial Services for approval.
  - Accounts that have been returned from the collection agency that would have qualified for Financial Assistance.
- G. HSCMH reserves the right to review eligibility status at any time, and to modify or nullify prior benefit determination if financial circumstances have changed.
- H. **Previously approved applicants will continue to receive financial assistance based on the new guidelines as reflected in Exhibit D until the ending eligibility period as determined under the previous financial assistance policy.**

### **Basis for calculating amounts charged to patients**

HSCMH will limit amounts charged for emergency and other medically necessary care provided to Financial Assistance eligible individuals to not more than the amounts generally billed (AGB) to individuals who have insurance covering such care. This discount will be determined annually at the start of the calendar year in accordance with the look-back method outlined in the Federal Register 501(r).5.b.3

To obtain a copy of the AGB%, free of charge, please contact the Financial Counselor at 307 864-5095.

### **Method for applying for Financial Assistance**

The Financial Assistance Application (Attachment A) can be completed before or after services are provided. The application must be received within 240 days after the first post-discharge billing statement (herein, the "Application Period").

The forms may be completed by the applicant at home or onsite with the assistance of Patient Financial Services Counselor. All required supporting documentation as listed on Attachment B must be included

with the application. All supporting documentation must be received within 30 days of the request for additional information. If not received a new application will be required.

The application can be obtained as described in the section below, Measures to widely publicize this policy within the community served by the facility.

### **Action the facility may take in the event of non-payment**

- A. See Patient Billing and Collection Policy. A copy of this policy can be obtained by contacting the Financial Counselor.
  1. Telephone: 307 864-5095
  2. Address: 150 E. Arapahoe, Thermopolis, WY 82443
  3. Website: [www.hscmh.org](http://www.hscmh.org)
- B. A patient will not be deferred or denied medically necessary care based on the non-payment of previously provided care, if financial assistance has not yet been determined.

### **Measures to widely publicize this policy within the community served by the facility**

- A. Financial Counselor will make paper copies of the Financial Assistance policy, application (Attachment A and B) and plain language summary (Attachment C).
  - The paper copies are available upon request and without charge.
  - Documents are readily available during normal business hours either directly from the Financial Counselor or by mail.
  - Each document is available in English and in the primary language of any populations with limited proficiency in English that constitutes more than either (a) 1,000 individuals or (b) 5% of the residents of the community services by the facility.
- A. As part of the intake or discharge process, patients are offered a Patient Information Packet that outlines payment plan options and Financial Assistance Policy information including the Plain Language Summary (Attachment C).
- B. Notify and inform members of the community served by the hospital facility about the Financial Assistance Policy in a reasonable manner to reach those individuals most likely to benefit from assistance.
- C. HSCMH Financial Assistance contact information is posted on the home page of the facility website at <https://www.hscmh.org>. The Financial Assistance documents can be accessed, downloaded, viewed and printed from the Printable Forms tab.

- D. A written notice on each billing statement that notifies the patient about the Financial Assistance Policy that includes how and where to obtain the information.
- E. Display information that informs and notifies individuals about the Financial Assistance Policy in public areas, including the Emergency Room and Patient Registration areas.

**Administration/Guidelines of Financial Assistance Program:**

- A. HSCMH's (HSCMH) Financial Assistance Program will be administered according to the following guidelines:
  - 1. The application information, along with all the required supporting documentation will be reviewed by the Patient Financial Counselor.
  - 2. Patient Financial Counselor will complete the Worksheet for Annual Income, Worksheet for Income and Asset Calculation, and Worksheet for Discount Calculation.
  - 3. After reviewing the application, the Director of Patient Financial Services will determine if the patient/responsible party qualifies for Financial Assistance based on the supporting documentation and the recommendation of the Patient Financial Counselor who verified the information contained in the application.
  - 4. The approval of the Director of Patient Financial Services is required for all adjustments in connection with the Financial Assistance Program.
  - 5. If the amount of the adjustment to the Financial Assistance Program exceeds, \$5,000, the review and approval of the Chief Financial Officer (CFO) will be required.
  - 6. The appropriate approved personnel will enter approved adjustment amounts to the patient's account(s) per established procedures.
  - 7. The patient/responsible party will be notified in writing within thirty (30) days from applying (when all documentation has been received) if they were approved for Financial Assistance.
  - 8. The application will be kept on file for seven (7) years.
  - 9. Providing the patient/responsible party's finances have not changed, an approved application will be good for six (6) months from the date of application and be applicable to all medically necessary services provided by HSCMH.

Appeal Process:

- A. The patient/responsible party has the right to appeal the Financial Assistance decision.
- B. The appeal must be received within thirty (30) days of the determination.
- C. The appeal must include documented proof justifying why the patient/responsible party is unable to pay.
- D. The appeal is forwarded to the Director of Patient Financial Services and is reviewed with the CFO.

The patient/responsible party will be notified within sixty (60) days from submission of the appeal if they are approved