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 Owner: *Jana Symonds: PFS Director*  
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## Financial Assistance, 8530-401-A

### POLICY:

Samaritan Healthcare is committed to the provision of Health Care Services to all persons in need of medical attention regardless of ability to pay. This policy defines financial assistance, as distinguished from bad debts, and establishes policies and procedures to ensure consistent upfront identification and timely recording of such. The Medically indigent patient, those with no or inadequate means of paying for needed care, will be granted financial assistance regardless of race, color, age, sexual orientation, national origin, sex, disability, religion or gender identity. Accordingly, all persons that have the ability to pay for services shall be expected to do so, unless qualified for Financial Assistance.

### DEFINITIONS:

**Appropriate Hospital-based Services:** Hospital services which are reasonable calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap or cause physical deformity or malfunction and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. For purpose of this section, "course of treatment" may include mere observation or, where appropriate, no treatment at all.

**Bad Debt:** Un-collectable amounts, excluding contractual adjustments, arising from failure to pay by patients whose care has not been classified as financial aide.

**Financial Assistance:** Defined as appropriate hospital-based medical services for which Samaritan Healthcare does not expect to be reimbursed due to the patient's inability to pay.

**Family:** A group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as member of one family. An unmarried person living alone will be considered a family for purposes of this policy.

**Income:** Total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual and/or family members.

**Indigent Persons:** Patients who have exhausted any third-party sources, including Medicare and Medicaid and whose income is equal to or below 400% of the federal poverty standards adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer..

# POLICY:

## COMPLIANCE-KEY ELEMENTS

Financial options will be given to all patients that have a financial obligation. This will include a Financial Assistance packet given on admission or a letter sent to the patient after admission highlighting their options which included information about financial assistance.

The determination of the need for Financial Assistance generally should be made at admission or shortly thereafter, however, events after admission or at time of service could change the ability of the patient to pay. Accordingly, retrospective determination is possible. Designation of needing Financial Assistance will only be considered after all other resources have been exhausted. It is possible that only a portion of the patient's account would meet the definition to be recognized for financial assistance. Patient account transactions for financial assistance must be posted in the month the determination is made.

Appropriate signage will be visible in the facility, specifically in patient intake areas and the business office creating awareness for the Financial Assistance program and the assistance available. All public information and/or forms regarding the provision of financial assistance will use languages that are appropriate for the facility's service area.

## ELIGIBILITY CRITERIA:

Financial Assistance is secondary to all other financial resources available to the patient, including group or individual medical plans, workers compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g. auto accidents or personal injuries). Health Savings Accounts or any other situation in which another person or entity may have legal responsibility to pay for the costs of medical services.

Financial Assistance shall be limited to "appropriate medical services" as defined in WAC 246-453-010(7).

Any patient communication that occurs after transfer to a bad debt agency identifying a declared inability to pay due to financial reasons should be referred to the Financial Assistance committee. All standard methods of qualification and validation will be used as outlined above to make this determination. Collection agencies will be notified to suspend collection activity until a Financial Assistance determination has been made.

Financial Assistance determination will be based on the Federal Income Poverty Guidelines as published annually by the Department of Health and Human Services in the Federal Register as well as Samaritan Healthcare's pledge with WSHA.

The patient's gross income beginning at or below 400% of the Federal Poverty level, uncompensated care will be made available to all eligible applicants. Applicants with income above 400% of the Federal Poverty level will be responsible for the entire amount owing with the exception as identified in catastrophic Financial Assistance. Applicants with income at or below 300% of the Federal Poverty level will qualify for Financial Assistance write-off based on their ability to pay with the following sliding fee schedule:

100% of poverty level = 100%

101 – 200% of the poverty level = 50%

201 – 400% of the poverty level = 36%

**Catastrophic Financial Assistance:** The hospital may write off as Financial Assistance amounts for patients

with family income in excess of 400% of the Federal Poverty Standard when circumstances indicate severe financial hardship or personal loss. Catastrophic illnesses are usually where the medical bills exceed the family's gross annual income, and/or net worth and liquidity.

**Prima Facie Write-Offs:** The hospital may choose to grant Financial Assistance based solely on the initial determination. In such cases, the hospital will not complete full verification or documentation of any request. This could include patients that qualify for Medicaid and are not covered for the date of service or patients that are homeless.

**Exclusions:** Services not eligible for Financial Assistance are elective services; such as sterilization procedures, sports physicals, Department of Transportation physicals, elective circumcision or and any other services determined to be "not medically necessary" by the health insurance plan.

## ELIGIBILITY DETERMINATION:

**Screening Procedure:** During the patient registration process, patients without coverage, limited coverage and any patient requesting Financial Assistance may be screened for potential of receiving Financial Assistance. If a Financial Assistance application is requested, the hospital will not initiate collection efforts or requests for deposits, provided the responsible party is cooperative with the hospital's efforts to reach a determination of sponsorship status, including return of applications and documentation within fourteen (14) days of receipt pending final eligibility determination. Patients are responsible for completing the required application forms and cooperating fully with the information gathering and assessment process, in order to determine eligibility for Financial Assistance.

The hospital will exercise the following options:

- A. The hospital will use an application process for determining initial interest in and qualification for Financial Assistance. Should the patient choose not to apply for Financial Assistance, they will not be considered for Financial Assistance unless other circumstances of intent become known to the hospital and the patient/Guarantor complies with the application process.
- B. Requests to provide Financial Assistance will be accepted from sources such as physician, community or religious groups, social services, financial services personnel, or the patient. If the hospital becomes aware of factors which might qualify the patient for Financial Assistance under this policy, it will advise the patient or guarantor of this potential and make an initial determination that the account is to be treated as Financial Assistance.

All patient's accounts that are pending final determination will have pending Charity Care financial class assigned. Once the account is approved the appropriate Charity Care financial class will be assigned and the appropriate adjustment code will be used.

- No other coverage – Charity Care financial class is the Primary Payer,
- Any payer coverage – Charity Care financial class is the Secondary/Tertiary Payer

**Application Process:** An effort will be made to secure a signed application, but this may not be possible in all cases. Financial Assistance care may be granted based solely on the initial determination. In such cases, the hospital will not complete full verification or documentation of any request. This would include but not limited to patients who qualify for Medicaid with charges for days or services not covered that are patient responsibility, homeless patients and deceased patients with no estate. In these cases, at the discretion of the Financial Assistance Committee, the patient or family member do not need to complete a confidential financial statement. Instead, Financial Assistance determination may be made by the Samaritan Healthcare staff's

completion of the eligibility worksheet.

Patients will be asked to provide verification of ineligibility for Medicaid or Medical Assistance. During the initial request period, the patient shall pursue other sources of funding, including Medicaid if appropriate.

**Income Verification:** All applications, whether initiated by the patient or the hospital must be accompanied by documentation to verify income amounts stated on the application form. One or more of the following documents may be accepted for verification of income.

- A. Pay stubs for all employment during 3 months prior to the date of the request
- B. An income tax return from the most recently filed calendar year complete with W-2 withholding statements.
- C. Forms approving or denying eligibility for Medicaid and/or state-funded Medical Assistance
- D. Forms approving or denying unemployment compensation or social security benefits
- E. Written statements from employers or welfare agencies
- F. Phone verification form welfare agencies

Income shall be annualized from the date of application based upon documentation provided and upon verbal information provided by the patient. The annualization process will be determined by the hospital and will take into consideration seasonal employment and temporary increases and/or decreases of income.

If a determination is made that the patient has the ability to pay the remainder of the bill, such determination does not preclude a reassessment of the patient's ability to pay upon presentation of additional documentation. During the verification process, while Samaritan Healthcare is collecting the information necessary to determine a patient's income, the patient should be treated as a pending Financial Assistance in accordance with Samaritan Healthcare policies.

If the applicant being reviewed was approved for Financial Assistance within the last 3 months prior to the current review, he/she is considered qualified for Financial Assistance at the time of the current review. New income information is not required. Patients who have been denied for Financial Assistance may reapply within 3 months of the original application date.

**Documentation Unavailable:** In cases where the patient is unable to provide documentation verifying income, the following procedures should be followed:

- **Obtain Patient's Written Attestation:** Have the patient sign the Financial Assistance Application attesting to the accuracy of the income information provided.
- **Obtain Patient's Verbal Attestation:** The staff member who is completing the Financial Assistance application may provide written attestation that the patient verbally verified the income calculation. In all cases, at least two attempts must be made and documented to attempt to obtain the appropriate income verification.
- **Expired Patients:** Expired patients may be deemed to have no income for purposes of the financial calculation. Although no documentation of income is required for expired patients, an asset verification process should be completed to ensure that a charity care adjustment is appropriate. A copy of the death certificate should be attached to the application and documentation must be recorded on the patient eligibility worksheet that efforts were made to verify estate information through a family member or with the county court house.
- **Balance after Medicaid:** Should the amount being considered for indigent care allowance be a Medicaid Co-Pay amount, a copy of the Spend-down letter must be attached to the Financial Assistance

application. No income information is required if a copy of the authorization is attached. If the spend-down letter is not available, a copy of the RA showing patient responsibility must be attached.

**Final Determination:** All prepared applications will be presented to the Financial Assistance committee on a weekly basis. All accounts over \$10,000 that meet criteria will have final approval by the Chief Financial Officer.

Samaritan Healthcare will provide a final determination within fourteen (14) days of receipt of a completed application and documentation.

Denials will be written and include instructions for appeal or reconsideration as follows:

- The patient/guarantor may appeal the determination of eligibility for Financial Assistance by providing additional verification of income, family size or letter explaining circumstances within thirty (30) days of receipt of notification of denial. All denied appeals will be reviewed by the Chief Financial Officer. If this determination affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health, in accordance with state law. If Samaritan Healthcare has initiated collection activities and discovers an appeal has been filed, we shall cease collection efforts until the appeal is finalized. Initial Financial Assistance denial can be appealed a maximum of two (2) times.
- If the patient or responsible party has paid some, or all, of the bill for medical services and is later found to have been eligible for Financial Assistance at the time services were provided, he/she shall be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within thirty (30) days of receiving the Financial Assistance designation.

## **STAFF TRAINING:**

All relevant and appropriate staff shall participate in standardized training based on this Financial Assistance Policy and the use of interpreter services to assist persons with limited English proficiency and non-English-speaking persons in understanding information about the availability of Financial Assistance. The training shall help ensure staff can answer Financial Assistance questions effectively, obtain any necessary interpreter services, and direct inquiries to the appropriate department in a timely manner

## **UNCOOPERATIVE PATIENTS:**

Uncooperative patients are defined as unwilling to disclose any financial information as requested for Medicaid and/or Financial Assistance determination during the screening process. In these cases, the account will not be processed for Financial Assistance. The patient will be advised that unless they comply and provide information, no further consideration will be given for Financial Assistance processing and standard A/R follow-up will begin.

## **NON-COMPLIANT PATIENTS:**

Non-compliant patients are defined as not meeting all required documentation for Medicaid screening, but qualify for Financial Assistance. In these cases the appropriate staff member may process the account and it may be considered for Financial Assistance.

## **INFORMATION FALSIFICATION:**

Deliberate falsification of information will result in denial of the Financial Assistance Application. If, after a patient is granted financial assistance, the hospital finds material provision(s) of the Financial Assistance

Application to be untrue, Financial Assistance status may be revoked after the Financial Assistance Committee's review and the patient's account may be forwarded to a collection agency.

## DOCUMENTATION AND RECORDS:

All information relating to the application will be kept confidential. A complete copy of all documents, which support the application, will be kept with the application form for a minimum of seven (7) years. If the patient is a Medicare patient, and the Financial Assistance application has proven the patient indigent which qualifies for Medicare Bad Debt, a complete copy of the application and supporting documentation will be kept with the Medicare files for a minimum of ten (10) years.

## REFERENCES:

WAC 246-453, WSHA Hospital Pledge

All revision dates:

4/4/2019, 12/1/2018, 6/10/2018, 10/20/2015, 9/9/2015, 9/3/2015, 3/2/2012, 6/1/2009

## Attachments:

### Approval Signatures

Approver	Date
Alexander Town: CFO	4/4/2019
Gilda "Jill" Rose: Interim PFS Director	4/1/2019

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