45 W. 111th Street
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POLICY AND PROCEDURE

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TITLE: HOSPITAL FINANCIAL ASSISTANCE PROGRAMS
CHARITY CARE- UNINSURED- SELF –PAY- SLIDING FEE SCHEDULE DISCOUNT

POLICY:

The objective of the Roseland Community Hospital Financial Assistance Program **(RCHFAP)** is to provide prompt and compassionate care to those in need and assures that no patient will be denied health care services due to an inability to pay. This policy will be review and updated annually.

RCHFAP defines the charity and uninsured discount policy guidelines in order to facilitate a consistent approach to accounts receivable write offs. **RCHFAP** establish patient eligibility for the sliding fee discount program, including definitions of income and family size (including what/who is included or excluded) and the frequency of re-evaluation of patient eligibility.

This policy identifies circumstances under which **RCHFAP** will extend care free of charge or at a discount commensurate with the ability to pay to a patient whose financial status makes it impractical or impossible to pay for necessary medical services. The necessity for medical treatment of any patient will be based upon clinical judgment without regard to financial status of the patient.

The following information has been developed to insure that the above quoted policy may indeed be evidenced in the hospital's regular processing of the patients' financial affairs.

POLICY:

Roseland Community Hospital is committed to serving the health needs of the community. This means that it will provide quality health services to individuals in need, regardless of age, sex, geographic location, citizenship, cultural background, physical mobility, insurance status, participation in the Health Insurance Marketplace, assets or ability to pay. The services are to be delivered in a way that protects the dignity of the person and enhances the quality of life.

Health services provided by Roseland Community Hospital are important to all we serve. This is especially true of those individuals who are unable to pay. Roseland's ability to continue to provide quality health service needs including patients that have insurance coverage and/or are entitled to

governmental assistance should be identified.

Mindful of its commitment to the community, Roseland Community Hospital recognizes and acknowledges the financial needs of patients who are unable to afford the cost associated with their medical care. The health care services provided will be at an uncompensated or reduced level based on income and family size.

Guidelines

Eligibility for Charity Program, Self-Pay Discount and Sliding Fee Discount

Financial aid is intended to assist low-income, uninsured individuals who do not otherwise have the ability to pay fully for medically necessary health care as prescribed by their physician and as determined by the hospital's qualification criteria. Hospitals should take into account each individual's ability to pay based on income and family size.

Consideration also should be given to providing financial assistance on a case-by-case basis to patients who have exhausted their insurance benefits and/or who exceed financial eligibility criteria but face extraordinary medical costs. Hospital financial aid is not a substitute for employer-sponsored, public, or individually purchased insurance.

In establishing a financial aid program, consideration should be given by a hospital to:

- Maintaining understandable, written financial assistance policies for low-income uninsured patients, addressing both the hospital's charity care policy, as well as its discount payment policy for the low-income uninsured.

That financial assistance policies clearly state the eligibility criteria, including:

- Income eligibility based on family size.
- Following the FPG

The policy also states the process used by the hospital to determine whether a patient is eligible for financial assistance. Such a process should evaluate a particular patient's financial status relative to existing Federal Poverty Levels. *(Note: This is a requirement of Act 77.)*

Patients who are at or below the Federal Poverty Levels or higher depending on the geographic cost of living differences in the state, should then be eligible to apply for financial assistance under each hospital's financial assistance programs available including charity care.

Hospital may consider providing financial assistance to those who earn more than the Federal Poverty Levels, and may establish collections policies and practices based on those patients' ability to pay. Federal and state laws and regulations should be considered in identifying these criteria.

Guideline Implementation

Hospital and Health System financial aid policies should address:

1. How the policy will be communicated to patients.
2. Identification of appropriate staff to administer the policy.
3. How the policy will be administered fairly, respectfully, and consistently.

Communicate the Availability of Financial Aid

- Communications to the public regarding financial assistance should be made readily available and should be written in consumer-friendly terminology and in languages that patients served by a hospital can understand.

- Include information in hospital bills about the availability of financial aid and how to obtain further information and apply for financial aid. Hospitals should respond promptly to patient questions about their bill and to requests for financial assistance.

- Information on financial assistance policies should be posted in key public areas with instructions on how to apply or obtain further information. *(Note: This is a requirement of Act 77.)*

- Patients should be informed about their responsibilities, the potential financial obligation they may incur plus their obligations for completing eligibility documentation and the hospital's bill collection policies.

- Patients should be referred to a facilitated enroller and/or provided with assistance regarding applying for Medicaid, CCHS or any other available Insurance.

- Patients should be informed that they may reapply for financial assistance before, during or after care or after collection agency assignment if their situation changes.

- Patients will be informed that they may receive a hospital bill which includes full charges, if they do not pursue the hospital's financial aid policy prior to their service, as the hospital will have no information to act otherwise. The bill should explain that patients who receive a bill may still contact the hospital for financial aid, and will then be brought into the financial aid eligibility review process.

Educate and Train Staff to Meet the Expectations of the Hospital

- Roseland Community Hospital is engaging in developing and reviewing the hospitals' charity care and financial aid policies. RCH is helpful in identifying community needs for free care and financial assistance, and is ensuring that hospital policies are communicated to appropriate community representatives.
- Roseland Community Hospital ensures that their charity care and financial aid policies are disseminated to all appropriate levels of hospital management and staff, and is reviewed periodically by Administration.
- Roseland Community Hospital provides training to appropriate administrative and all clinical staff that interacts with patients about financial aid availability, how to communicate that availability to patients, and how to direct patients to appropriate financial aid staff.
- Staff is trained to treat applicants with courtesy, confidentiality, and cultural sensitivity.
- Translation services should be provided as needed.

Administer Financial Aid Policies Fairly, Respectfully, and Consistently

- Policies should be reasonable, simple, respectful, and promote appropriate access to care and responsible utilization of services.
- Documentation requirements should be easy to follow (e.g., requires documents such as pay stubs, tax returns, mortgage papers, rent receipts, etc.).
- If documentation and validation of documentation is unavailable we will consider the patient's self-declaration or affidavit of financial situation, those patients will then obtain a conditional SFS eligibility status.
- If proof of documentation is not obtain after 6 months with/or without a self - declaration on file patient will still be considered for a discounted fee of 70% , and if after 12 months documentation is still unavailable or incomplete the reminder 30% will be written off .
- Hospitals should make timely and consistent financial aid decisions.
- All financial information obtained from patients should be treated consistent with the hospital's confidentiality policies.
- Periodic reports on the administration of the hospital's financial aid policy should be made to the hospital board.

DEFINITIONS

For the purpose of this policy, the following definitions apply as part of the eligibility for Hospital Financial Assistance Programs mandate by the Fair Patient Billing Act (FPBA) and the Hospital Uninsured Patient Discount Act (HUPDA).As part of RCHFAP the following individuals are considered eligible for all RCHFA programs.

Homeless / Status:

Health centers funded by the U.S. Department of Health and Human Services (HHS) use the following:

- A homeless individual is defined in section 330(h) (5) (A).” A homeless person (or family) is an individual without permanent housing who may live on the streets; stay in a shelter, mission, single room occupancy facilities, abandoned building or vehicle; or in any other unstable or non-permanent situation. [Section 330 of the Public Health Service Act (42 U.S.C., 254b)]

Exceptions:

Charges for health services provided to patients that are not financially able to pay should be recorded as either charity care or uninsured discounts and written off according to the patient’s financial situation. This is distinct from those charges, which are determined to be bad debt, because they remain unpaid in spite of the patient's financial ability to pay.

Charity Program & Sliding Fee Discounted Program may be considered and granted when:

- It is determined that during the course of treatment a patient does or did not have adequate financial resources to pay for his/her care. The financial status of the patient can be determined shortly prior, during or after patient's stay based on the completion of the application.

- The institution and/or patient have attempted to obtain retroactive coverage through governmental medical assistance programs. (This excludes those cases, however, where coverage was denied due to failure of the patient to cooperate with the application approval process.)

- If determined that a patient elects not to paid, refusal of payment or refusal to provide all necessary information and documentation to establish his or her eligibility for SFS and all other collection efforts were exhausted then with authorization of the administration a decision for those patients will be granted discounted or will be sent to the charity program or bad debt.

- Third party insurance coverage provides reimbursement for less than the total billed charges (deductibles, co-insurance amounts) and where the patient is unable to make payment for these amounts.

- In addition to charges for specific health services provided to patients that are not able to pay, the cost of other appropriate uncompensated services to the community at large are considered charity or free care. These services are provided for the general well-being of the community we serve sometimes without regard for the ability to pay. These programs involve avoidance or early detection of health care problems. Examples include, but are not limited to the following:

    a) Health promotion lectures and programs;
    b) Literature promoting health;
    c) Free health screening;
    d) Usage of hospital facilities for community events.

Because of federal and state budget constraints, many welfare programs do not pay full cost of Services. In most cases, the difference between payment and cost cannot be collected from those who receive the services. Roseland Community Hospital considers this as free service to the community at large and must be considered when determining levels of free care.

COMMUNICATIONS REGARDING FINANCIAL ASSISTANCE PROGRAM

Patients having difficulty meeting their financial obligations are sometimes reluctant to ask for help, and it is important for hospitals to provide easily seen, clear communications about the availability of financial assistance. The Fair Patient Billing Act requires certain communication avenues, but hospitals typically go further in trying to ensure patients are aware of financial assistance availability.

Signs

Signs are required in the admission and registration areas such as emergency room, business office, waiting areas printed in English and other languages. A sample of this is: "You may be eligible for financial assistance under the terms and conditions the hospital offers to qualified patients. For more information, contact (hospital financial assistance representative)."

Written Materials

- Provide applications to all uninsured patients.
- Distribute copies to medical staff offices.
- Brochure
- We will distribute information to local free clinics, public health offices, local FQHCs, community groups, local credit counselors, churches, domestic violence shelters, homeless shelters, and public schools.
- We will include information on health care consent form.
- We will provide business cards with information, financial counselor's direct telephone line and hospital website address.

- Website
  Our website offers a notice in that financial assistance is available, a description of the application process and a copy of the application. Provide a direct link to the website regarding financial assistance.

PROCEDURE:

Where possible prior to the actual admission of the patient, the hospital will conduct a pre-admission interview with the patient, the responsible party and/or his/her representative to obtain all demographic and insurance information if any. In the case of an emergency admission/visit, the hospital's evaluation of payment alternative should not take place until the required medical care has been provided.

For outpatient registration, the evaluation is completed at the time of service and a discounted fee (based on a HFS provider fee schedule) will be presented to those patients. Also, if there is a financial hardship *such unemployment or chronic health condition*, we will offer a special *program nominal amount* (amounts based on HFS deductibles for health services) for the medical services based on their ability to pay.

Hospitals must consider:

1) Charity Program, Uninsured-Self-Pay – Sliding Fee Schedule Program policy that addresses:

   - Patient eligibility for other public or private coverage.
   - Income eligibility threshold based on family size.
   - Consideration of other resources available to a patient or responsible party.
   - Patient or responsible party employment status and earning capacity.
   - Other financial obligations of the patient or responsible party.

2) Plan in place to serve the uninsured and:

   - Accept all individuals, regardless of their ability to pay, for emergency medical screening and for stabilization services, as necessary, within the scope of the hospital's capabilities and capacity.
   - Seek collection of a claim, including collection from all patients regardless of their financial / insurance status and set up financial arrangements with the person who is responsible for payment of the care rendered.
   - Attempt to obtain health care coverage for patients, including assisting patients in applying for Medical Assistance, the Children's Health Insurance Program

(CHIP), or other insurance program.

- Ensure that an emergency admission or treatment is not delayed or denied pending determination of coverage or requirement for prepayment or deposit.
- Post adequate notice of the availability of medical services and the general obligation of the hospital to provide charity care or self- discounted options.

At the time of the initial patient interview, the following information should be gathered:

- Routine demographic data.
- Complete information regarding all existing third party insurance coverage.
- Verify eligibility and the actual benefit level with appropriate carriers and/or employers according to routine hospital procedures.
- Estimate actual patient liability based on patient's anticipated length of stay.
- Conduct interview with patient, the responsible party and/or his/her representative to determine his/her ability to pay.
- Identify and initiate applications for any available programs (local, state, federal, etc.) as well as financing arrangements for which the patient may qualify.

Based on the outcome of the steps outlined above, patients who appear unable to meet their anticipated financial obligations should be offered the opportunity of applying for charity care or self- pay discount. Sample of discounted % based on Income / poverty level.

Poverty Level*	100.0%	110%	120%	130%	140%	150%	160%	170%	180%	190%	200.0%
Discounted %	100%	100%	90%	80%	70%	60%	50%	40%	20%	10%	0%

Upon completion of the application and all needed support documentation, the information shall be forwarded to the patient accounts manager. Determination and SFS approvals will be made in accordance with the following:

- Up to $10,000, Patient Accounts Manager or Director of Patient Financial Services
- $10,001 to $50,000, by a Director / Finance Department
- $50,001 & over by the Chief Financial Officer

Depending on the level of approval necessary, the patient shall be notified within 30 working days of the completion of the application, its status or its final determination. Upon final determination, the patient again should be notified of such determination. Patients may qualify for 100% charity care, uninsured discount or extended payment terms. Patients with less income than 200% of the federal poverty guidelines are eligible for the 100% charity write off and those whose income is between 300% - 600% of the federal poverty guideline qualify for the SFS patient discount program.

Specific write off procedures related to this policy are the responsibility of the Patient Accounting Department. All applications and determinations should be maintained in a SFS and or charity log. Applications and supporting documentation should be kept in the patient-billing folder along with other information. This includes monitoring that qualified patients will not be required to pay more than 20% of their annual income in any 12 month period following the date service.

The staff will be educated on the requirements of this policy and instructed on how to direct patients inquiring about the Charity Care or Uninsured Patient Discounts application process. Dunning messages will also be added to patient bills and statements. The hospital will post multilingual signs in the appropriate points of entrance notifying patients of this Financial Assistance policy.

REFERENCES

- Federal Register, Vol. 79, No. 14, January 22, 2014, pp. 3593-3594
- OAG / Final Rule on Hospital Financial Assistance (8/7/2013)
- The United States Department of Health and Human Services,FPG,2014
- Section 331 of the Public Health Service Act (PHSA
- 42 United States Code (USC) (254d,f-h), as amended; Sections 333-335 of the PHSA
- Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (P.L. 111-22, Section 1003)].
- U.S. Department of Health and Human Services (HHS) Section 330 of the Public Health Service Act (42 U.S.C., 254b)]

Marlo V. Kemp Date
Chief Financial Officer

Timothy Egan Date
Chief Executive Officer