



Facility : St. Bernards Community Hospital
dba CrossRidge Community
Hospital
Department : facility
Category : Management of Information

Title : Financial Assistance Policy - (FAP)

Policy Number : 1506

Purpose: In accordance with its stated mission, St. Bernards Community Hospital dba CrossRidge Community Hospital (CRCH) is committed to providing financial assistance to people who are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for emergency and other medically necessary care. CRCH will provide care of emergency medical conditions to individuals regardless of their ability to pay.

In providing education, treatment and healthcare services CRCH believes financial matters are secondary to the rendering of these services. No person who seeks these services is turned away. CRCH assists needy patients including the truly “indigent” who have no ability to pay and no outside payment sources, eligible patients whose resources or outside payment sources are not sufficient to adequately cover their care, and those who have the ability to pay but require the extension of credit. This assistance is accomplished by the following:

- Assessing the financial status of all self pay patients
- Matching eligible individuals to payer sources
- Establishing mechanisms for financing and discounts if eligible
- Providing Financial Assistance if other avenues for payment are not feasible.

Definitions:

Uninsured – Patients or guarantors that have no third party payer source at the time of admission

Underinsured – Patients or guarantors that have a third party payer source at the time of admission but do not have the means to pay for residual healthcare account balances after the third party pays

Non-Covered Services - The following charges are excluded from any consideration for financial assistance:

- Cosmetic procedures not covered by any payer
- Elective procedures not covered by any payer
- Penalties assessed by the payer because the patient failed to abide by their insurance plan rules

Household Income – The combined gross income of all the members of a household who are 15 years old and older is considered to be household income. Individuals do not have to be related in any way to be considered members of the same household.

Presumptive Eligibility – A determination that a patient is presumed eligible for charity when adequate information is provided by the patient or other sources which allow CRCH to determine that the patient qualifies for charity.

Policy:

CRCH will evaluate any patient who requests consideration for financial assistance with respect to personal account balances and determine eligibility for the following:

- State or Federal Assistance
- Short term credit / a no interest loan / a payment plan
- CRCH Direct Financial Assistance (charity care)

CRCH will give a 35% discount from billed gross charges per individual account to patients without insurance. Following a determination of the Financial Assistance Policy (FAP) eligibility, an eligible individual will not be charged more for emergency, medically necessary care, or other medical care covered under the FAP than the Amounts Generally Billed (AGB) to individuals who have insurance covering such care. CRCH has calculated the current AGB to be 48.3% of gross charges. Therefore, CRCH will give the following discount from GROSS billed charges (before 35% discount stated earlier) **to eligible FAP individuals** for inpatient or outpatient gross charges:

The method of calculation of the Amounts Generally Billed to individuals who have insurance covering such care was the look-back method. CRCH reviewed Medicaid claims allowed during the 12 month period of our fiscal year ending September 30, 2016 for this calculation. A more detailed explanation of how this percentage was calculated is available free of charge by contacting the Financial Counselors at the CrossRidge Community Hospital at (870) 208-2115 Monday through Friday, 8:00a.m. to 4:00p.m.

CRCH will provide direct financial assistance (*charity*) using a sliding scale based upon income levels up to 400% of the current *Federal Income Poverty Guidelines* as established by the Department of Health and Human Services. Eligibility for financial assistance (direct, payment plan or discount) will be subject to a review of assets, income and reasonable expenses for the purposes of:

- Establishing proof of income and indigence
- Standardizing and equalizing the process of granting assistance
- Assuring that all relevant considerations are made in reviewing the request for assistance

Procedures:

The business office at each CRCH entity has overall responsibility for assessing the patient's financial abilities, assisting the patient with finding relevant funding sources, extending credit and ultimately authorizing direct financial assistance (charity).

Whenever possible the patient's financial abilities should be screened prior to providing healthcare services. **CARE SHOULD BE PROVIDED REGARDLESS OF ABILITY TO PAY.** Financial Screening activities should include but not limited to the following:

- Patient Demographic data
- Verifying insurance benefits
- Insurance care authorization
- Counseling with the patient about residual balances that insurance will not pay
- Seeking insurance funding
- Providing opportunities to finance care or to obtain financial assistance.

If it is not possible to assess the patient's financial abilities prior to the provision of care then this assessment should be done as soon as is practicable. **CARE AND TREATMENT OF THE PATIENT MUST TAKE PRIORITY OVER THE FINANCIAL ASSESSMENT.** Special care should be taken to observe medical ethics and all applicable regulations and guidelines.

Because of the priority for care it may be necessary to send individuals to the patient's room when the patient is stable and has the presence of mind to communicate the necessary information. Additionally it may be necessary to contact the patient's

family or others entrusted with the patient's care in order to properly assess the patient's financial abilities and to counsel with the patient about alternatives for resolving the patient balance.

Sometimes it is not possible to assess the patient's financial abilities until the patient has been discharged. If the patient is uninsured and the cost for services are of a catastrophic nature, the business office will designate a representative to contact the patient and assess the patient's financial abilities.

Matching the Patient to Relevant Payer Sources

1. For uninsured or underinsured patients who request assistance or have an account balance greater than \$1,000 CRCH will designate a representative to work with the patient to determine eligibility for a state or federally funded insurance plan.
2. In some cases it may be necessary to contract with an outside vendor in order to determine if relevant funding sources are available.

Extending Credit and Discounting

1. Each CRCH facility will finance patient accounts with its accounts receivable.
2. All credit extended will be without interest.
3. The minimum payment shall generally be \$50.00 per month. Any patient or guarantor that requests a payment less than the monthly minimum will receive financial counseling that will include an evaluation for direct financial assistance (charity).
4. If the patient/guarantor wishes to settle an account promptly they may request a discount. A discount may be provided if the following criteria is met:
 - The discount is not higher than the largest discount given on any existing CRCH managed care contract; and
 - All balances are paid within twenty one (21) days of the billing date.
5. A patient or guarantor will have the option of receiving billing statements at the first of the month or the middle of the month.
6. A patient or guarantor will be sent three (3) statements and the opportunity to arrange a payment plan or request financial assistance.

7. If the patient fails to arrange a payment plan or request direct financial assistance then the patient's/guarantor's account will be placed with a collection agency and pursued in accordance with the Fair Debt Collections Practices Act.

8. If collection efforts fail to remedy resolution of the debt then CRCH may pursue legal action.

Requests for Direct Financial Assistance

1. In order to be eligible for financial assistance, a Financial Assistance Application must be completed and submitted along with the required documentation. Patients will be offered a Financial Assistance Application with their discharge papers. Additionally, the application will be available free of charge upon request. (*See Forms section below*) The following documents must be submitted in order to be evaluated:

- Financial Assistance Application (completed and signed)
- Proof of Income (W-2, Income Tax Forms, Check Stubs, etc.)
- Assess Values (Checking Bank Statement, Savings Bank Statement, etc.)
- Proof of Public Assistance (Proof of Food Stamps & HUD)

2. Completed Financial Assistance Applications that have been evaluated and approved by a related/affiliated facility of SBMC will be accepted as approved.

3. The application will be evaluated as follows:

- Evaluate the patient's income and compare with the sliding scale income tables based on the Poverty Guidelines. See below:

Poverty Income Guideline for 2016:

Family Size	100%		75%		50%		25%	
		From	To	From	To	From	To	
1	\$11,770.00	\$11,771.00	\$23,540.00	\$23,541.00	\$29,425.00	\$29,426.00	\$35,310.00	
2	\$15,930.00	\$15,931.00	\$31,860.00	\$31,861.00	\$39,825.00	\$39,826.00	\$47,790.00	
3	\$20,090.00	\$20,091.00	\$40,180.00	\$40,181.00	\$50,225.00	\$50,226.00	\$60,270.00	
4	\$24,250.00	\$24,251.00	\$48,500.00	\$48,501.00	\$60,625.00	\$60,626.00	\$72,750.00	
5	\$28,410.00	\$28,411.00	\$56,820.00	\$56,821.00	\$71,025.00	\$71,026.00	\$85,230.00	
6	\$32,570.00	\$32,571.00	\$65,140.00	\$65,141.00	\$81,425.00	\$81,426.00	\$97,710.00	
7	\$36,730.00	\$36,731.00	\$73,460.00	\$73,461.00	\$91,825.00	\$91,826.00	\$110,190.00	
8	\$40,890.00	\$40,891.00	\$81,780.00	\$81,781.00	\$102,225.00	\$102,226.00	\$122,670.00	
9	\$45,050.00	\$45,051.00	\$90,100.00	\$90,101.00	\$112,625.00	\$112,626.00	\$135,150.00	
10	\$49,210.00	\$49,211.00	\$98,420.00	\$98,421.00	\$123,025.00	\$123,026.00	\$147,630.00	
for each additional member add	4160	2.0 X Poverty		2.5 X Poverty		3.0 X Poverty		

(Note: This table is to be updated annually as the Poverty guidelines are published)

- Match the patient’s immediate family size and annualized household income with the sliding scale amount in the table. The amount to reduce/write off will be the % at the top of the table.
- The FAP eligible determination will be considered to be effective for a period of 12 months following the date of approval unless evidence is received of a change in income or family size that would deem the eligibility no longer valid.

4. Patients/Guarantors receiving less than 100% financial assistance must set up a payment plan for the remaining balance with the following guidelines:

- Sixty (60) months maximum preferred
- Minimum payment of \$50.00 per month expected, but a \$25.00 per month payment may be accepted based on ability to pay

5. Presumptive Eligibility for Charity will be considered in instances when a patient may appear eligible for charity discount, but there is no financial assistance form on file due to lack of supporting documentation, an incomplete or no application available. In the event there is no evidence to support a patient’s eligibility for charity, SBMC will base their determination on the below criteria:

- Means-tested public program eligibility
- Patient is deceased with no known estate
- Transient, homeless persons
- International student with no support group
- Persons with unknown identity
- 3rd party score below 100% FPG establishing charity-qualified conditions

g.) Validated 3rd party score from 100% - 149% FPG income level and/or another one of the criteria listed

6. CRCH offers charity to patients with Medicaid as primary payer or secondary payer on billable patient charges.

7. A charity write-off will be given to any account with a balance of \$9.99 or below.

8. Patients who desire to pay their account balances quickly may be offered a PROMPT PAY discount of 5% on remaining balance. Discounts will NOT be given on accounts that have already been turned over for collections to a credit bureau.

9. No financial assistance will be granted on accounts that are in bankruptcy or have been finalized for legal action.

Billing & Collection: When allowed by contract or regulatory statute, CRCH will send regular summary patient statements and detail itemized statements when requested by the patient or responsible party. Any attorney request for billing statements will be fulfilled by sending detail itemized statements when proper patient or legal authorization is provided.

CRCH sends a letter to all Commercial, Managed Care, and Medicare patients 2 days after final bill to verify insurance coverage. A request is made to the patient at that time to contact the Business Office with any corrections or additions to their current insurance coverage. Once the primary insurance plan has paid and amounts due from the patient/guarantor are determined, the accounts begin the billing cycle described below for self-pay patients/guarantors.

CRCH billing cycles for sending self-pay patient/guarantor statements are as stated below:

- Statement cycle commences at discharge
- First bill is produced with Financial Assistance Summary (FAS) included on second page of bill. It is the obligation of the patient/guarantor to provide a correct mailing address at the time of service or upon moving.
- Successive statements sent at a minimum of 21 days, but not greater than 30 days
- After 90 day period has lapsed, a notification letter is sent stating a deadline that is no earlier than 30 days after the date that the written notice is provided at which time

the account will be assigned to collection agency and reported as a negative item with a credit bureau. • After 120 day notification period, CRCH Business Office Director or assigned manager will review accounts to ensure all reasonable efforts to determine FAP eligibility have been made and approve accounts prior to assigning to a collection agency.

- CRCH will accept and process Financial Assistance Applications from an individual that has not previously been determined whether FAP eligible from day 121 to day 240 from first post-discharge statement.

Patients with Medicaid as the primary payer or Medicare patients with Medicaid as secondary payer should not have statements mailed to them.

CRCH and its external collection agencies may also take any and all legal actions including, but not limited to, telephone calls, emails, mailing notices, and skip tracing to obtain payment for medical services provided.

CRCH will make a reasonable effort to orally communicate with the patient/guarantor about its FAP and about how assistance may be obtained with the FAP application process before an account is turned over to a collection agency and reported as a negative item with a credit bureau.

Forms:

- The Financial Assistance Application form is available free of charge upon request.
- A printed copy of this Financial Assistance Policy is available free of charge on the CRCH website or upon request.
- A Financial Assistance Summary is available free of charge on the CRCH website, upon display at the facility, included in the self-pay admission packet, and upon request.
- The Hispanic Community Services, Inc (HCSI) and Covenant Medical Benefits have been identified as available sources of assistance with the FAP applications.

List of Providers:

Providers who deliver services that are medically necessary care in the hospital facility that are **NOT** covered under CRCH Financial Assistance Policy include:

- Associated Radiologists

Providers who deliver services that are medically necessary care in the hospital facility that **ARE** covered under CRCH Financial Assistance Policy include:

- CrossRidge Home Health

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