



Department: Revenue Cycle

Created by: Director of Revenue Cycle

Title: Financial Assistance Policy

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I. Policy Purpose

To establish a policy and procedure for the administration of Upper Connecticut Valley Hospital's financial assistance and discount program for healthcare services program. All Medically Uninsured patients or patients whose health insurance leaves a financial responsibility will be eligible for the Financial Assistance Program and to ensure consistent reporting and treatment of individuals with no insurance or have exhausted benefits and can demonstrate an inability to pay full charges.

For a list of physicians participating and not participating with Upper Connecticut Valley Hospital, please refer to **Appendix A**. If Upper Connecticut Valley Hospital provides a bill for the service, the charges will be eligible for the Upper Connecticut Valley Hospital financial assistance program except for applicable exclusions.

This policy is intended to comply with the requirements of NH RSA 151:12-b, Internal Revenue Code Section 501(r) and the Patient Protection and Affordable Care Act of 2010 and will be changed from time to time to the extent required by applicable law.

II. Policy

Upper Connecticut Valley Hospital is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Upper Connecticut Valley Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. A patient can apply for financial assistance before, during, and up to 240 days after the first patient statement is received for the service provided, including after an account has been referred to an outside collection agency.

Upper Connecticut Valley Hospital will provide care for emergency medical conditions and medically necessary services to individuals regardless of their ability to pay or eligibility for financial or government assistance and regardless of age, gender, race, social or immigrant status, sexual orientation or religious affiliation

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will widely publicize the policy within the community served by the hospital

- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured or Medicare patients
- Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Upper Connecticut Valley Hospital's procedures for obtaining financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals will demonstrate all other sources of funding available, to include Market Place policies, employer sponsored health insurance, public assistance programs such as Medicaid and Medicare, and third party settlements for auto and liability are exhausted.

In order to manage its resources responsibility and to allow Upper Connecticut Valley Hospital to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of financial Assistance.

III. Definitions

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

Financial assistance (also known as “charity care”):

The provision of healthcare services free or at a discounted rate to individuals who meet the criteria established pursuant to this Policy.

Presumptive financial assistance:

The provision of financial assistance for medically necessary services to patients for whom there is not a completed Upper Connecticut Valley Hospital Financial Assistance Form due to lack of supporting documentation or response from the patient. Determination of eligibility for assistance is based upon individual life circumstances demonstrating financial need.

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, royalties, 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;
- Excludes capital gains or losses; and

- If a person lives with a family, includes the 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 deductions from revenue are applied.

Emergency medical conditions:

As defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd), a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

- placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,
- serious impairment to bodily functions, or
- serious dysfunction of any bodily organ or part, or
- with respect to a pregnant woman:
 - inadequate time to affect a safe transfer to another hospital before delivery, or
 - a threat to the health or safety of the woman or the unborn child in the event of a transfer or discharge.

Medically necessary:

As defined by Medicare with respect to healthcare items or services, reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.

III. Procedures

A. Services Eligible Under this Policy.

All Emergency and medically necessary services, as determined by a physician, received at UCVH and billed by UCVH will be eligible for this financial assistance program.

B. Eligibility for Financial Assistance.

- a. Be uninsured or, underinsured, ineligible for any government health care benefit program, and unable to pay for their care as outlined in the Credit and Collections Policy, based upon a determination of financial need under this Policy.

- b. Have gross Family Income, inclusive of all members of the patient's household, during the past 12 months of less than 300% of FPL.
- c. Meet the following asset tests:
 - i. Liquid assets (cash, savings accounts, mutual funds, etc.) no greater than \$5,000 per individual or \$10,000 per family.
 - ii. Primary residence equity no greater than \$250,000
 - iii. Retirement funds no greater than \$250,000
- d. Demonstrate compliance with the requirements to apply for qualified health plan coverage or Healthcare Exchange Program if eligible for these programs. Exceptions to this requirement may be approved by the Chief Financial Officer for good cause on a case by case basis. "Good cause" will depend on facts and circumstances, and may include:
 - i. Those that missed the open enrollment period and do not fall into a life changing event category outside of open enrollment.
 - ii. Premium required would be an undue financial burden to patient – this would be measured as reducing income after payment of premium to below 300% of the federal poverty level.
- e. If there is no interaction with the patient concerning financial assistance, or the patient is unable to complete the application procedures required under this Policy, such patients may nevertheless be considered for eligibility for presumptive financial assistance

The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

C. Financial Assistance Application Process

1. Documents required along with completed application are:
 - 3 recent pay stubs
 - Documentation of Income such as Investments, Child Support, Unemployment, Social Security, Workers' Compensation
 - Most Recent Tax Return
 - Self-Attestation: if no income is reported
 - Family size: number of individuals in household
2. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
 - Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);

- Include reasonable efforts by Upper Connecticut Valley Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
 - Take into account the patient's available assets, and all other financial resources available to the patient; and
 - Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
 - Information may be obtained through the application form, orally, in writing from the patient or both.
3. It is highly recommended but not required that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.
 4. Upper Connecticut Valley Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity.
 5. Financial Applications must be completed within thirty (30) days of receiving the application form.
 6. Any incomplete information needed will be requested and requests for financial assistance shall be processed promptly and Upper Connecticut Valley Hospital shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility.

There are instances when a patient may appear eligible for financial assistance, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance and in an effort to remove barriers for these patients and improve community benefits Upper Connecticut Valley Hospital could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g. Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address; and

8. Patient is deceased with no known estate.

E. Amounts Charged to Patients

1. Self-Pay/uninsured

- a. Uninsured patients, including uninsured patients who qualify for financial assistance under this policy, will be given a discount off gross charges.
- b. In accordance with NH **151:12-b Hospital Rates for Self-Pay Patients** when billing self-pay patients for a service rendered, Upper Connecticut Valley Hospital shall accept as payment in full an amount no greater than the amount generally billed and received by the Upper Connecticut Valley Hospital for that service for patients covered by health insurance. The amount generally billed to health carriers will be determined in a manner consistent with Section 9007 of the Patient Protection and Affordable Care Act of 2010
- c. This discount is applied prior to billing the patient and prior to applying any financial assistance adjustment

2. Financial Assistance

Once a patient has been determined by Upper Connecticut Valley Hospital to be eligible for financial assistance, that patient shall not receive any future bills based on gross charges. The basis for the amounts Upper Connecticut Valley Hospital will charge patients qualifying for financial assistance is as follows:

- Eligible patients whose family income is at or below 300% of the Federal Poverty Levels (FPL) in effect at the time of the determination receive a 100% discount on all eligible services and medical supplies.
- Eligible uninsured patients receive a 100% discount on all eligible services and medical supplies.
- Eligible insured patients receive 100% discount for the portion of the bill that is not covered by insurance, including copayments, deductibles and coinsurance on all eligible services and medical supplies.
- Eligible insured patients may be asked to provide documentation (e.g. Explanation of Benefits or EOB) to determine the portion of the bill not covered by insurance.
- Eligible insured patients are required to provide Upper Connecticut Valley Hospital with the payments received from their insurer.
- Upper Connecticut Valley Hospital will pursue reimbursement from third party liability settlements or other legally responsible parties as applicable.

F. Communication of the Financial Assistance Program to Patients and Within the Community.

- Notification about financial assistance available from Upper Connecticut Valley Hospital, which shall include a contact number, shall be disseminated by Upper Connecticut Valley Hospital by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in the emergency room, in the Admission Packet, admitting and registration departments, hospital business office, and patient financial services office, and at other public places as Upper Connecticut Valley Hospital may elect.
- Upper Connecticut Valley Hospital also shall publish and widely publicize a summary of this financial assistance policy on facility websites, in brochures available in patient access sites

and at other places within the community served by the hospital as Upper Connecticut Valley Hospital may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Upper Connecticut Valley Hospital.

- The patient will be given a plain language summary of the FAP prior to discharge.
- Referral of patients for financial assistance may be made by any member of the Upper Connecticut Valley Hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.
- If the balance is approved, the patient is sent a letter indicating approval.

G. Financial Assistance Appeals Process

- If financial assistance is not approved, the patient will be sent a denial letter or if requested, a copy of the application highlighting the reason for disapproval. A letter outlining the formal appeals process is also sent with every denial.
- A committee of three Upper Connecticut Valley Hospital managers not involved in the original process will review the appeal and make recommendations on all denial appeals.

H. Relationship to Collection Policies.

Upper Connecticut Valley Hospital management shall develop policies and procedures for internal and external collection practices including actions the hospital may take in the event of non-payment which may include collections action and reporting to credit agencies. These policies will take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance and to comply with his or her payment agreements with Upper Connecticut Valley Hospital.

For patients who qualify for financial assistance and who are cooperating in good faith to resolve their discounted hospital bills, Upper Connecticut Valley Hospital will not send unpaid bills to outside collection agencies, and will cease all collection efforts.

Upper Connecticut Valley Hospital will not impose extraordinary collections actions such as wage garnishments; liens on primary residences or other legal actions for any patient without first making reasonable efforts to determine whether the patient is eligible for financial assistance under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
2. Documentation that Upper Connecticut Valley Hospital has or has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.
4. Upper Connecticut Valley Hospital shall provide written notice no less than 30 days prior to referring debts for collection and will refrain from initiating any extraordinary collection acts (ECA) for at least 120 days from the date of the first discharge billing statement for the care. 30 days prior to initiating ECA, the hospital or Collection Agency will provide written notice that financial assistance is available to eligible individuals, identify potential ECA hospital may

undertake, advise of the 30-day deadline, include a copy of the Plain Language Summary and make a reasonable effort to orally notify the individual.

5. Any collection agency used to collect delinquent accounts must obtain Upper Connecticut Valley Hospital's written consent prior to commencing legal action.
6. Any collection agency used to collect delinquent accounts will be required to follow the Financial Assistance Policy and provide any necessary information to patients.
7. Application materials include notice that completed applications stop bills until a decision is rendered. For purposes of this Policy, accounts are placed on Collector Hold in the patient accounting system when a Financial Assistance Application is received.
8. The effective date of financial assistance eligibility, once approved, will be the application date. At that point, all outstanding balances in current Accounts Receivable will be written off to charity care and accounts that have gone to bad debt within the past year will also be removed from collections and written off to charity. Any amounts paid by the patient after the application date will be refunded to the patient. Any amounts paid up until the date of application will have been considered affordable by the patient and will not be refunded.
9. Approved applications will qualify accounts up to 365 days forward from date of application for a total of 12 months.
10. Flexibility can be used on a case by case basis to allow encounters around the application term date.

I. Financial Assistance Approval Authority

Approval levels are as follows:

- Less than \$2,500.00 – Financial Counselor
- Less than \$25,000 – Director of Revenue Cycle Services
- Over \$25,000 – Chief Financial Officer or President

J. Regulatory Requirements.

In implementing this Policy, Upper Connecticut Valley Hospital management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.