

 <p><b>PATIENT ACCOUNTING</b> <b>POLICY &amp; PROCEDURE</b> <b>FC102600.01</b></p>	<p><u>SUBJECT</u></p> <p><b>Financial Assistance Policy</b></p>	<p>Approvals:  President &amp; CEO: _____  Administrative Council: _____  Department Director: _____  Origination Date: 4/96  Associated Forms:  Revised Date: 5/97, 4/98, 5/99, 10/00, 1/05, 3/05, 2/06,  12/15, 4/16, 2/17  Reviewed Date: 3/06, 3/08, 11/13</p>
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**I. PURPOSE**

This Policy, together with DCH’s Billing and Collection Policy and its Triage in the Emergency Department Policy, is intended to meet the requirements of applicable federal, state, and local laws, including, without limitation, section 501(r) of the Internal Revenue Code of 1986, as amended, and the regulations thereunder. Accordingly, this Policy establishes: (1) eligibility criteria for Financial Assistance; (2) the basis for calculating amounts charged to patients; (3) the method for applying for Financial Assistance; and (4) measures to widely publicize this Policy within the community. The guiding principles behind this Policy are to treat all patients equally, with dignity and respect, to serve the emergency and medically necessary healthcare needs of everyone in the community, to assist patients who cannot afford to pay, and to balance appropriate financial assistance for patients with fiscal responsibility.

**II. DEFINITIONS**

- A. Amounts Generally Billed – For Emergency Care or Medically Necessary Care provided to a patient eligible for Financial Assistance under this Policy, DCH shall compute its amounts generally billed (AGB) using the look-back method described in IRS Section 1.501(r)-5(b)(3).
- B. Contractual Allowance – The difference between the payment established under a contractual agreement and the Gross Charge for the medical care provided by DCH.
- C. Emergency Care – Medical care required to treat a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in the following: (i) 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; (ii) serious impairment of bodily functions; or (iii) serious dysfunction of any bodily organ or part.
- D. Extraordinary Collection Actions (ECAs) – Any actions that result in (i) selling an individual’s debt to another party unless the sale complies with IRS Section 1.501(r)6-(b)(2); (ii) reporting adverse information about the individual to consumer credit reporting agencies; (iii) deferring or denying, or requiring a payment before providing medically necessary care because of an individual’s nonpayment of one or more bills for previously provided care covered under this Policy, (ii) actions that require a legal or judicial process unless the action complies with IRS Section 1.501(r)6-(b)(3) or (b)(4).
- E. Financial Assistance – Medical care provided by DCH to patients who qualify for free or discounted care provided pursuant to this Policy. This is also referred to as Charity Care.
- F. Gross Charge – The full established price for medical care that is consistently and uniformly charged all patients before applying any Contractual Allowance, discount, or deduction.

G. Medically Necessary Care – Medical care that is appropriate with regards to general standards of medical practice and can reasonably be expected to (i) prevent or diagnose the onset of an illness, injury, condition, primary or secondary disability; (ii) cure, correct, reduce or ameliorate the physical, mental, cognitive or developmental effects of an illness, injury or disability; or (iii) reduce or ameliorate the pain or suffering caused by an illness, injury, condition or disability. However, notwithstanding the above, the services must not be solely for the convenience of the patient or provider must not be investigational, experimental or unproven and must be the most efficient and least restrictive level of services that can safely and effectively provided to the patient.

H. Third-Party Coverage – (1) A third-party insurer, (2) an ERISA plan, (3) a federal, state, or local governmental health care program (including without limitation Medicare, Medicaid, SCHIP and TRICARE), (4) Workers’ Compensation, Medical Savings Accounts, or other coverage for any part of the bill, including claims against third parties covered by insurance to which DCH is subrogated, but only if payment is actually made by such insurance company.

**III. FINANCIAL ASSISTANCE POLICY**

DCH shall provide Emergency Care and other Medically Necessary Care to all patients who legally reside within Dearborn County Hospital’s primary service area, without discrimination, and without regard to their ability to pay to the extent provided in this Policy.

A. Eligibility Criteria for Financial Assistance – See attached Exhibit A which sets forth the Federal Poverty Guidelines used to establish eligibility for Financial Assistance and the amount of Financial Assistance to be provided.

B. Application Procedures – To qualify for inpatient or outpatient Financial Assistance, a patient must:

1. Complete a Financial Assistance Application (Exhibit B) or meet with a DCH representative to complete the application form;
2. Submit supporting documentation such as denial of Medicaid, proof of income (such as income tax returns for the most recently filed year, pay stubs for the past 60 days, W-2 statement, social security checks, deposits, or statements, bank statements, or other documentation);
3. Legally reside within the DCH primary or secondary service area; and
4. Meet the financial eligibility criteria set forth in Exhibit A.

D. Contact Information – The Patient Accounting Department at 600 Wilson Creek Road, Lawrenceburg, IN 47025 is available to provide assistance with an application for Financial Assistance or to provide more information about this Policy. The office can be reached at telephone number (812) 537-8220.

E. Presumptive Financial Assistance Eligibility – An individual shall be deemed presumptively eligible for Financial Assistance based on a prior eligibility approval for all Emergency Care or other Medically Necessary Care received at DCH for a ninety (90) day period beginning from earliest of the date of prior approval or the first date of service. If the individual is presumptively determined to be eligible for less than the most generous Financial Assistance available under this Policy, DCH shall:

1. Notify the individual regarding the basis for the presumptive Financial Assistance eligibility determination and the way to apply for more generous Financial Assistance available under this Policy;
2. Give the individual a reasonable period of time to apply for more generous Financial Assistance before initiating ECAs to obtain the discounted amount owed for the care; and
3. If the individual submits a complete application within the application period seeking more generous Financial Assistance, DCH shall determine whether the individual is eligible for a more generous discount

F. Determination Procedures – The DCH Patient Accounting Department determines whether a patient qualifies for Financial Assistance with reference to the patient’s ability to pay all or part of the Gross Charge for the services provided. A patient’s ability to pay may be based upon Third-Party Coverage, income, or other financial resources. The financial resources of a parent or guardian may be considered in determining eligibility of a patient who is dependent on the parent or guardian for financial support. DCH Financial Assistance approval limits are as follows:

<u>Amount</u>	<u>Position</u>
\$0.01 to \$1,499.99	Financial Counselor
\$1,500.00 to \$6,999.99	Director of Patient Accounting
\$7,000.00 to \$14,999.99	Vice President, Finance
\$15,000.00 to 29,999.99	President & CEO
\$30,000.00 or more	Board of Trustees

G. Other Care Providers – This Policy does not apply to Emergency Care or Medically Necessary Care rendered by providers not employed by DCH. See Exhibit C for a complete list of professionals providing Emergency Care or Medically Necessary Care at DCH and whether such professional’s services are covered by this Policy.

**IV. CALCULATING AMOUNTS CHARGED TO PATIENTS**

A. DCH shall establish an Amounts Generally Billed (AGB) consistent with all regulatory requirements.

B. If a patient qualifies for Financial Assistance, the patient will not be charged more for Emergency Care or Medically Necessary Care than the Amounts Generally Billed for such care.

C. Annual Updates – The Fiscal Services Department will review and update the AGB annually on or about each May 1.

D. Availability of AGB – The Patient Accounting Department at 600 Wilson Creek Road, Lawrenceburg, IN 47025 is available to provide DCH’s AGB and accompanying description of the calculation in writing and free of charge. The office can be reached at telephone number (812) 537-8220.

**V. PATIENT NOTIFICATION**

A. Notification Period – DCH shall notify all patients about the availability of Financial Assistance under this Policy. The notification period begins on the date medical care is provided to the patient and ends on the ninetieth (90<sup>th</sup>) day after DCH provides the patient with the first billing statement for the care (Notification Period).

B. Plain Language Summary – DCH shall offer all patients a plain language summary of this Policy and an application form for Financial Assistance prior to discharge from DCH. In addition, DCH shall inform all patients about this Policy in all oral communications regarding the amount due for the medical care that occur during the Notification Period.

C. Complete Application – If a patient submits a complete application for Financial Assistance within one hundred eighty (180) days after DCH’s first billing statement for the care (Application Period), DCH shall make and document a determination as to whether the patient qualifies for Financial Assistance in a timely manner.

1. DCH shall suspend any ECAs against the patient for a reasonable period to determine whether the patient qualifies for Financial Assistance.
2. DCH shall notify the individual in writing of the determination and the basis for the determination.
3. If DCH determines that the patient qualifies for Financial Assistance, DCH shall:
  - a. Provide the patient with a billing statement that (i) indicates the amount the patient owes as a qualifying patient, and (ii) shows or describes the Amounts Generally Billed for the care provided and how DCH determined the amount the patient owes as a qualifying patient;
  - b. Refund any excess payments made by the patient; and
  - c. Take all reasonably available measures to reverse any ECAs (with the exception of a sale of debt) taken against the patient to collect the debt at issue.

D. Incomplete Application – If a patient submits an incomplete application for Financial Assistance within one hundred eighty (180) days after DCH’s first billing statement for the care, DCH shall provide the patient with information relevant to completing the application and providing required supporting documentation in a timely manner.

1. DCH shall provide the patient with a written notice that describes the additional information or documentation the patient must submit to complete his or her application and include a plain language summary of the Policy with the written notice.
2. DCH shall provide the patient with at least one written notice that informs the individual about the ECAs that DCH or other authorized party may initiate or resume if the patient does not complete the application or pay the amount due by a completion deadline (specified in the notice) that is no earlier than the later of 30 days from the date of the written notice or the last day of the application period. DCH shall provide this written notice regarding ECAs at least 30 days before the completion deadline.

3. DCH shall suspend any ECAs against the patient until the completion deadline has passed without the patient having completed the application.

## **VI. POLICY AVAILABILITY**

A. Web Site – DCH shall make this Policy, the plain language summary of this Policy, and the application for Financial Assistance widely available through its website, <http://www.dch.org>. The home page of the web site will include a prominent link to a page that explains the Financial Assistance available under this Policy, the eligibility criteria, a telephone number and office location that visitors can call or visit to obtain more information about Financial Assistance. The website shall also include prominent links that allow readers to download PDF files of this Policy, the plain language summary of this Policy, and the application for Financial Assistance the application, free of charge.

B. Paper Copies – DCH shall make paper copies of this Policy, the plain language summary of this Policy, and the application for Financial Assistance available upon request and without charge, both by mail and in its Patient Accounting office, admissions and registration areas, and Emergency Department, and DCH shall inform and notify visitors to DCH about this Policy in these same locations using prominent signs and brochures or other measures reasonably calculated to attract visitors' attention.

C. Community Outreach – DCH shall take additional appropriate measures to inform and notify members of the community served by DCH about this Policy in a manner reasonably calculated to reach those members of the community who are most likely to require assistance.

## **VII. BILLING AND COLLECTIONS POLICY**

DCH has a separate Billing and Collections Policy. The Billing and Collections Policy sets forth the actions DCH may take if a bill for medical care is not paid. A free copy of the Billing and Collections Policy is available in the same manner as paper copies of this Policy and also at the website, <http://www.dch.org>

## **VIII. TRIAGE IN THE EMERGENCY DEPARTMENT POLICY**

DCH has a separate Triage in the Emergency Department Policy. The Triage in the Emergency Department Policy sets forth that DCH will provide, without discrimination, care for emergency medical conditions to individuals regardless of whether they are eligible for Financial Assistance under this Policy. A free copy of the Triage in the Emergency Department Policy is available in the same manner as paper copies of this Policy and also at the website, <http://www.dch.org>

EXHIBIT A

2017 CHARITY CARE/FINANCIAL ASSISTANCE INCOME LIMITS

Based upon 2017 Federal Poverty Guidelines

<b>Percent of discount off of gross charges</b>	<b>100% (Free)</b>	<b>80%</b>	<b>60%</b>
Percentage of Poverty Guidelines	Less than 150%	151% to 200%	200% to 250%

Family Size

1	\$18,090	\$24,120	\$30,150	
2	\$24,360	\$32,480	\$40,600	
3	\$30,630	\$40,840	\$51,050	
4	\$36,900	\$49,200	\$61,500	
5	\$43,170	\$57,560	\$71,950	
6	\$49,440	\$65,920	\$82,400	
7	\$55,710	\$74,280	\$92,850	
8	\$61,980	\$82,640	\$103,300	
9	\$68,250	\$91,000	\$113,750	
10	\$74,520	\$99,360	\$124,200	

For additional family members compute eligibility criteria using base of \$4,180 for each additional member.