

HENDRICKS REGIONAL HEALTH PATIENT FINANCIAL SERVICES POLICY

TITLE: **FINANCIAL ASSISTANCE FOR UNINSURED AND EMERGENCY CARE**

FOR: **Patient Financial Services**

PURPOSE: To ensure that as a charitable, not-for-profit county hospital and in keeping with the Hospital's mission, Hendricks Regional Health's policy is to provide care without regard to ability to pay and will provide Financial Assistance to eligible patients for all emergency and other medically necessary care.

POLICY: The Hospital will work to ensure that all Patients and the community are aware of the Hospital's Financial Assistance Policy.

The Hospital will not discourage, delay, or refuse services to a Patient because of Patient's inability to pay for such services.

Financial Assistance determinations are made without regard to the Patient's age, sex, race, disability, sexual orientation, or national origin.

Prior to any extraordinary collection activity being taken, the Hospital will make reasonable attempts to determine if the Patient is eligible for financial assistance.

DEFINITIONS:

Amount Generally Billed ("AGB") means the amount generally billed for emergency or other medically necessary care to Patients who have insurance coverage covering such care.

Appeals Committee means a committee of Hendricks Regional Health consisting of the Chief Financial Officer and two other Hospital associates appointed by the Chief Executive Officer.

Application Period means the period during which Hospital will accept and process Financial Assistance Applications pursuant to this Policy. The Application Period begins on the date care is provided at the Hospital and ends on the 240th day after Hospital provides the individual with the first billing statement.

Extraordinary Collection Actions ("ECAs") means actions taken by Hospital, or its agents, against a Patient related to acquiring payment of a bill for services covered under this Policy that require a legal or judicial process or involves reporting adverse information about the Patient to consumer credit reporting agencies or credit bureaus or selling Patient's debt to a third party. Actions that require a legal or judicial process include, but are not limited to: placing a lien on an individual's property; foreclosing on an individual's real property; attaching or seizing an individual's bank account or any other personal property; commencing a civil action on an individual's bank account or other personal property; or garnishing an individual's wages.

Federal Poverty Level ("FPL") means the level of income that measures poverty in the United States based upon the annual Federal Poverty Guidelines established by the U.S. Department of Health and Human Services. The most current Guidelines will be used by Hospital to determine Financial Assistance eligibility.

Definitions (continued)

Financial Assistance Policy (“Policy”) means this Policy written to provide criteria and process so that eligible Patients may receive medically necessary or emergency care at either a discount or no charge.

Financial Assistance Policy Application (“Application”) means the Application for Financial Assistance used by Hospital to make a Financial Assistance eligibility determination under this policy.

Financial Assistance Policy Eligible (“FAP Eligible”) means an uninsured or underinsured Patient who, based upon the Patient’s Household Income and Size, is eligible for Financial Assistance under this Policy without regard to whether the individual has applied for assistance under this Policy.

Household Size means the total number of people living in the Patient’s home.

Household Income means the total income of all members of the Patient’s Household.

Hospital means Hendricks County Hospital d/b/a Hendricks Regional Health including services and facilities for inpatient, outpatient, ambulatory care, physical, occupational, and respiratory therapy, and physician services.

Interest Free Payment Plan (“Payment Plan”) means a payment method that allows Patient to pay an outstanding account balances without accruing interest in three (3) to twenty-four (24) monthly payments depending on the Patient’s balance. A payment plan cannot be established for balances of less than seventy-five (\$75.00) dollars.

Notification Period means the period during which Hospital will notify an individual about its Financial Assistance Policy. The Notification Period begins on the first date care is provided to the Patient and ends on the earlier of (1) the 120th day after Hospital provides the first billing statement to the Patient or (2) the date that the Patient submits a complete or incomplete Financial Assistance Application.

Patient means a person or the Guarantor of the person who receives emergency or medically necessary care at the Hospital.

Uninsured Patient means a Patient or Patient’s Guarantor who has no insurance or other third party payor for payment of Hospital account balances.

Underinsured Patient means a Patient or Patient’s Guarantor who has insurance or a third party payor for payment of his/her Hospital bills but whose insurance coverage does not cover certain inpatient or outpatient services (including deductibles, co-insurance, and non-covered services) and, after payment of the Hospital account balances by the insurer or third party payor, there is still a large Patient payment responsibility which exceeds \$5,000.

- **K.P. = Key Point**

PROCEDURE:

I. Financial Assistance Eligibility Requirements

- A. Patient's eligibility for Financial Assistance will generally be initially determined through a Financial Assistance Application process. The Federal Poverty Guidelines in effect at the time of application will be utilized to make a determination regarding Financial Assistance eligibility based on Household Income and Size. Patients may qualify for Care at No Charge or Care at Partial Charge.
- B. Financial Assistance will be awarded by the Hospital as follows:
1. For Hospital Patients:
 - a. Patient will receive Care at No Charge if the Patient's Household Income is less than 200% of the Federal Poverty Guidelines;
 - b. Patient will receive Care at Partial Charge if the Patient's Household Income is between 201% and 400% of the Federal Poverty Guidelines.
 2. For Hendricks Regional Health Medical Group Patients, Patient will receive Care at Partial Charge if the Patient's Household Income is less than 400% of the Federal Poverty Guidelines.
- K.P.**
- **The current Financial Assistance Income Guidelines setting forth the current year discount is attached to this Policy and will be changed annually based upon the most current Federal Poverty Guidelines.**
- C. Patients whose Household Income exceeds 400% of the current FPL may still be eligible for Financial Assistance on a case-by-case basis based on the Patient's specific circumstances, such as a catastrophic illness or injury. In these cases, the Application must be approved by Hospital's Chief Financial Officer if less than \$5,000. In all other instances, the Appeals Committee must perform a review and approval of the Application.
- D. Patient Financial Assistance may also be considered and granted for the following situations with eligibility limited to the specific encounter:
1. The Patient passes away and there is insufficient money or no money in the estate to pay the Patient's hospital bill;
 2. The Patient files bankruptcy and the court determines there are insufficient assets to pay the Patient's hospital bill; and
 3. Other instances where it has been determined that the Patient's personal financial situation indicates indigence.
- K.P.**
- **In these cases, the Application must be approved by Hospital's Chief Financial Officer if less than \$5,000. In all other instances, the Appeals Committee must perform a review and approval of the Application.**

II. Financial Assistance Application Procedure

- A. Eligibility for Financial Assistance begins with the Financial Assistance Application. Patient or Patient's Guarantor will complete and sign the Hospital's Financial Assistance Application and provide appropriate documentation that supports the need for Financial Assistance.

- B. Documentation is to be prepared for each Financial Assistance Application. Evidence which supports the need for financial assistance includes the following: prior year's income tax return; prior year's W-2/1099s; recent paycheck stubs or a statement from employer documenting earned wages for the period requested by the Hospital; recent bank checking/savings account statements; and, if applicable, social security/disability voucher, pension voucher, child support order; self-employed/supporting documentation of income/ W9s and a valid picture identification.
- K.P.**
- **Note: The purpose of obtaining evidence is to provide reasonable, not absolute, assurance that financial assistance is warranted. Judgment will be required to determine the need for financial assistance and there should generally be a presumption that those applying for financial assistance are doing so in good faith, and without an intent to defraud or mislead the Hospital.**
- C. In some situations it may be necessary for the Hospital to request additional documentation from the Patient or Guarantor if questions are raised regarding the Patient's Financial Assistance Application. The Patient will be notified in writing if additional documentation is necessary and will be given thirty (30) days to return the documentation.
- D. The Hospital will review the Patient's Financial Assistance Application when the signed Application and supporting documentation have been submitted.
- E. The Application will first be evaluated for eligibility in a governmental program including Medicaid, Medicaid disability, or any other applicable federal, state, or local healthcare program. If it is determined that a Patient is not eligible for a governmental program, the Patient will be evaluated for Financial Assistance.
- F. The Director of Patient Financial Services will review completed applications and approve all applications meeting the criteria described herein. All applications exceeding \$10,000 are to be reviewed for approval by the Chief Financial Officer.
- G. Periodically, as required by the Appeals Committee, a summary of Financial Assistance provided to Patients will be provided.

III. Notification of Eligibility for Financial Assistance

- A. The Hospital will notify the Patient of its determination regarding Financial Assistance eligibility in writing within forty-five (45) days of completion of the Application filed with Hospital.
- B. Financial Assistance will be in place for twelve (12) months, unless the Patient's financial situation changes, at which time the Patient will have to reapply. It is the Patient's obligation to notify the Hospital if Patient's financial situation has changed.
- C. If a Patient is determined to not be eligible for full or partial Financial Assistance, a Patient may appeal this decision with a written letter explaining the reasons for appeal and providing any additional documentation the Patient believes is relevant to the appeal. The appeal must be received by the Hospital within thirty (30) business days from receipt

of the Financial Assistance denial. The Appeals Committee of the Hospital will review all Patient appeals. A final decision with regard to the appeal will be made in writing within thirty (30) days of receipt of the appeal. The decision of the Appeals Committee is final. The billing and collection policy of the Hospital will then be followed for any outstanding balance which generally requires that the Patient must pay or set up a payment plan to pay the Hospital bill within thirty (30) days.

IV. **Presumptive Financial Assistance Eligibility**

There are instances when a Patient may be eligible for Financial Assistance but the Patient has not completed a Financial Assistance Application or has not supplied enough supporting documentation to support a determination of eligibility for Financial Assistance. In these cases, Hospital may use an outside agency or other appropriate sources, as approved by the Chief Financial Officer, to determine estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. All Patients determined to have a Household Income of 100% of poverty or less will be presumptively determined eligible for care at no charge. In these instances, documentation will be prepared under the supervision of the Director of Patient Financial Services and submitted to the Chief Financial Officer for review and approval.

V. **Uninsured Patient Adjustment**

Uninsured Patients receiving emergency or other medically necessary care are eligible for an Amount Generally Billed discount in the amount of thirty-three percent (33%) of gross charges. This AGB discount amount is generally calculated by using an average of hospital's three (3) best-negotiated commercial rates.

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- **This percentage is subject to change annually and an update will be provided as part of the Financial Assistance Guidelines updated annually and attached to this Policy.**

VI. **Reporting**

Financial Assistance granted under this Policy shall be recorded and reported annually as part of the Hospital's Community Benefit Report.

VII. **Publicizing the Availability of Financial Assistance**

The Hospital will provide conspicuous public displays notifying patients of the Hospital's Financial Assistance Policy. The Hospital will also make its plain language Financial Assistance Policy available throughout the Hospital.

- A. This Financial Assistance Policy as well as a plain language version of the Policy and the Financial Assistance Application and the Billing and Collections Policy will be available on the Hospital website. The Policy and Application are also available for free to anyone who asks for a copy of it either in person or through the mail. In addition, if there is 10% or more non-English speaking population in the community served by the Hospital, the Hospital will prepare the policy in that language. The Hospital will also prepare the Policy, the plain language summary, and the Application in English and the appropriate languages.

- B. The Hospital will also make known the availability of the Uninsured Adjustment in the same manner and as part of its Financial Assistance Policy.

VIII. **Emergency Medical Care Policy**

Hendricks Regional Health will provide emergency medical care without discrimination to all individuals without regard to ability to pay. The Hospital will also comply with EMTALA by providing medical screening examination and stabilizing treatment and referring or transferring an individual to another facility, when appropriate, and to provide emergency services in accordance with federal and state law (including 42CFR 482.55). The Hospital prohibits any actions that would discourage individuals from seeking emergency medical care, such as demanding that emergency department patients pay before receiving treatment for emergency medical conditions or permitting debt collection activities in the emergency

IX. **Billing and Collections Policy**

Patients who have not applied for Financial Assistance, paid their bill for services rendered by the Hospital, or established a payment plan will be subject to Hospital's separate Billing and Collections Policy which is available on Hospital's website, from the Hospital's Financial Counselors, or through the mail upon request at no cost to the Patient.

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- **The Hospital will make reasonable efforts to determine if the Patient is eligible for Financial Assistance before any Extraordinary Collection Actions are taken. The actions the Hospital may take in the event of non-payment are described in the Hospital's separate Billing and Collections Policy.**

Originated: 3/27/14

Revised: _____

Electronic Signatures on file for: Vice President, Finance
Board of Trustee Approval: 3/24/14

HENDRICKS REGIONAL HEALTH

2014 FINANCIAL ASSISTANCE GUIDELINES INSURED AND UNDERINSURED PATIENTS

Hendricks Regional Health Inpatient & Outpatient Services								
	Care at No Charge			Care at Partial Charge				Uninsured Discount
Household Size	0%-100%	101%-150%	151%-200%	201%-250%	251%-300%	301%-350%	351%-400%	>400%
1	\$11,490	\$18,384	\$22,980	\$28,725	\$34,470	\$40,215	\$45,960	
2	\$15,510	\$24,816	\$31,020	\$38,775	\$46,530	\$54,285	\$62,040	
3	\$19,530	\$31,248	\$39,060	\$48,825	\$58,590	\$68,355	\$78,120	
4	\$23,550	\$31,680	\$47,100	\$58,875	\$70,650	\$82,425	\$94,200	
5	\$27,570	\$44,112	\$55,140	\$68,925	\$82,710	\$96,495	\$110,280	
6	\$31,590	\$50,544	\$63,180	\$78,975	\$94,770	\$110,565	\$126,360	
7	\$35,610	\$56,976	\$71,220	\$89,025	\$106,830	\$124,635	\$142,440	
8	\$39,630	\$63,408	\$79,260	\$99,075	\$118,890	\$138,705	\$158,520	
Hospital Discount	100%	100%	100%	80%	70%	60%	50%	33%
Hendricks Regional Health Medical Group								
Office Visit Discount	70%	60%	50%	40%	40%	40%	40%	33%
	1) Financial Assistance for the Uninsured is based on total charges.							
	2) Financial Assistance for the UnderInsured is based on balance due.							