



Business Office Policies

POLICY NUMBER: BUS-009	EFFECTIVE DATE: 06-08-2016
SUBJECT: Financial Assistance Program Guidelines	REVIEWED DATE: 04-01-2022
APPROVAL: Board of Directors	REVISED DATE: 04-01-2022
SCOPE: Business Office	

- I. **PURPOSE:** To define Golden Valley Memorial Healthcare’s (GVMH) Financial Assistance Policy and to extend financial assistance to all patients who apply and qualify.

- II. **POLICY:** GVMH is committed to providing charity care 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 provide exceptional health and wellness services with friendliness and compassion, GVMH strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. GVMH will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.
 - A. Accordingly, this written policy:
 1. Includes eligibility criteria for financial assistance – discounted (partial charity) care.
 2. Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
 3. Describes the method by which patients may apply for financial assistance.
 4. Describes how the hospital will widely publicize the policy within the community served by the hospital.
 5. 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 and Medicare patients. GVMH uses the look back method to determine the amount generally billed.
 - B. Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with GVMH’s procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets. Patient are required to apply for Medicaid, if not already approved, in order received the maximum amount of financial assistance.
 - C. In order to manage its resources responsibly and to allow GVMH 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 patient charity.
 - D. Definitions (for the purpose of this policy, the terms below are defined as follows):
 1. Charity care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

2. 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. *If a child is not listed as a dependent on the 1040 he or she must be listed on the Earned Income Credit form to be included for the purposes of calculating financial assistance.*
3. Family income: Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:
 - 1) 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;
 - 2) Noncash benefits (such as food stamps and housing subsidies) do not count;
 - 3) Determined on a before-tax basis;
 - i. Depreciation, attorney fees, and meals are not deducted from gross income.
 - ii. 90% of all other expenses are deducted from gross income as reported on schedules C, E, and F.
 - 4) Excludes capital gains or losses; and
 - 5) If a person lives with a family, includes the income of all family members (non-relatives, such as housemates, do not count).
4. Uninsured: The patient has no level of insurance, third party assistance, or settlement to assist with meeting his/her payment obligations.
5. 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.
6. 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.
7. Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).
8. Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURES:

- A. Services eligible under this policy. For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by GVMH at a discount to qualifying patients. The following healthcare services are eligible for charity:
 1. Emergency medical services provided in an emergency room setting;
 2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
 3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
 4. Medically necessary services, evaluated on a case-by-case basis at GVMH's discretion.
 5. Services for patients with insurance coverage from an entity that does not have a contractual relationship with GVMH.
 6. Charges for non-covered services provided to patients eligible for Medicaid or other indigent care programs.

7. Charges for patients that have exceeded the length of stay for Medicaid or other indigent care programs.
 8. Charges for otherwise insured patients that have exhausted their benefits, and are liable for the charge for any remaining amount.
- B. Eligibility for charity. Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this policy. The granting of charity 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. If eligible for charity, insured individuals may receive a discount on co-insurance and deductible amounts. Co-pay amounts are not discounted. Additionally, charity care is available only to permanent residents of the following Missouri counties: Bates, Benton, Camden, Cass, Cedar, Henry, Hickory, Johnson, Morgan, Pettis, Polk, St. Clair, and Vernon. Proof of primary residence is required. Patients without insurance will be required to make the following upfront payments at the time of service:
- \$50 per emergency room visit
 - \$50 per outpatient visit
 - \$50 per physician office visit
- C. Method by which patients may apply for charity care.
1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
 - 1) 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;
 - 2) Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
 - 3) Include reasonable efforts by GVMH to explore appropriate alternative sources of payment and coverage from public and private payment programs and to assist patients to apply for such programs;
 - 4) Take into account the patient's available assets, and all other financial resources available to the patient; and
 2. It is preferred but not required that a request for charity 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 charity becomes known.
 3. GVMH's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and GVMH shall notify the patient or applicant in writing within 30 days of receipt of a completed application.
 4. To apply for charity care a patient, family member, or associate of the patient as allowed by privacy laws must submit GVMH's Application for Financial Assistance to Patient Accounts Department within 240 days of receiving his or her first billing statement for service. The application can be obtained from the Business Office, Patient Accounts, any registrar, and online at www.gvmh.org, Financial Assistance

Program, GV-0224. The patient, family member, or associate must supply all requested information and all required documentation, which is detailed on the application, within the aforementioned 240 days before the application will be considered complete. Incomplete applications will be returned with a request for the missing information.

- D. Presumptive financial assistance eligibility. There are instances when a patient may appear eligible for charity care discounts, 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, including credit scores, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, GVMH could use outside agencies in determining estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. When using this method, GVMH will consider a guarantor eligible if the estimated family income is below 250% of the federal poverty level. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 60% write off of the billed charges. Presumptive eligibility is considered for guarantors with a combined balance greater than \$5000. 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. Eligibility criteria and amounts charged to patients. Services eligible under this policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by GVMH to be eligible for financial assistance, that patient will not be required to pay undiscounted gross charges. The basis for the amounts GVMH will charge patients qualifying for financial assistance is as follows:
1. Patients whose family income is at or below 100% of the FPL are eligible to receive a 100% discount. Patients whose family income is at 101% to 250% of the FPL are eligible to receive an 80% discount off of gross charges, which is less than the amount generally billed, on average, over the previous fiscal year, to Medicare and all commercial insurance payers. See GV0224 GVMH Financial Assistance Program.
 2. For self-pay (uninsured) patients, all discounts are taken off of gross charges and not remaining balances. Discounts are taken off of remaining balances for insured patients once insurance has processed the claim. All self-pay patients receive a 40% discount off of full charges, regardless of status of financial assistance.
 3. For guarantors whose family income is at 101%-250% of the federal poverty level, if the total guarantor or household balance is above \$5,000 after the discount, GVMH will apply an additional discount to bring the balance down to \$5,000.
 4. Reversal of financial assistance adjustments must be made if subsequent third party payments are received. Financial assistance is to be considered the adjustment of last resort.

- F. Communication of the charity program to patients and within the community. Notification about charity available from GVMH, which shall include a contact number, shall be disseminated by GVMH by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as GVMH may elect. GVMH also shall publish and widely publicize a summary of this charity care policy on facility websites, in brochures available in patient access sites and at other places within the community served by the hospital as GVMH may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by GVMH. Referral of patients for charity may be made by any member of the GVMH staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.
- G. Other providers. Patients should present their GVMH charity care approvals to non-GVMH providers as needed. These providers will make their own determination regarding financial assistance for their charges. Non-GVMH providers who provide care to GVMH patients include, but are not limited to, emergency room physicians, Outpatient Treatment Center specialists, oncologists, and hospitalists. Each guarantor is required to contact these groups once he or she receives his or her GVMH financial assistance determination. These providers and others who operate at GVMH have collection policies separate from those of GVMH and it is the guarantor's responsibility to arrange for payment and financial assistance with these providers.
- H. Relationship to collection policies. GVMH management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from GVMH, and a patient's good faith effort to comply with his or her payment agreements with GVMH. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, which includes complying with minimum payment requirements, GVMH may offer extended payment plans and will not send unpaid bills to outside collection agencies. GVMH 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 that patient is eligible for charity care 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 payment have been identified and billed by the hospital.
 2. Making the financial assistance application available as detailed above.
 3. Sending statements to patients per GVMH policy.
- I. Regulatory requirements. In implementing this policy, GVMH 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, including IRS 501r regulations.
1. Any Medicare deductible or coinsurance amount claimed as Medicare bad debt will be excluded from the reporting of charity care.

IV. REFERENCES: None.

V. COLLABORATED WITH: None.

VI. ATTACHMENTS: None.

VII. RELATED DOCUMENTS: GV0224 – Financial Assistant Program/Federal Poverty Guidelines