

Charity / Financial Assistance Policy

SCOPE:

This policy applies to South Sunflower County Hospital.

PURPOSE:

As part of South Sunflower County Hospital's mission to serve the health care needs of all in our community (**limited to the southern portion of Sunflower County and all of Humphreys County**), we will provide uncompensated or discounted (charity) care or financial assistance to patients who are without financial means to pay for health care services and to comply with provision enacted in the Patient Protection and Affordable Care Act (PPACA). This charity care will be in the form of discounts off standard charge rates based on household income. The hospital will provide, without discrimination and in full compliance with the Emergency Medical Treatment and Labor Act (EMTALA), care for emergency medical conditions to individuals regardless of their eligibility for charity care, financial assistance or government assistance.

South Sunflower County Hospital may adjust this charity policy from time to time based on the financial resources of the Hospital, as necessary to meet the charity care needs of the community, or to meet compliance requirements.

POLICY:

- Includes eligibility criteria for free care (charity care) and discounted care (financial assistance)
- Describes the basis for calculating the amounts charged to patients eligible for assistance under this policy
- Describes the method by which patients may apply for charity care and financial assistance
- Describes how the hospital will widely publicize the policy in public locations in the hospital facilities and within the community served by the hospital
- Limits the amount the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to the amounts generally billed (AGB) by the hospitals for insured patients

Charity care or financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with the hospital's procedures for obtaining charity or financial assistance, and to contribute to the cost of their care based on their individual ability to pay.

DEFINITIONS:

Patient: the person being treated for a medical condition and the financial guarantor, guardian, trustee of the person being treated or the person(s) providing the charity information.

Amounts Generally Billed (AGB): The AGB is based on the Medicare allowable for the current year. In cases when there is no Medicare allowable the Medicaid allowable will be used.

Charity: (also known as uncompensated care) is health care provided for free to individuals who meet the established criteria.

Extraordinary Collections Actions (ECAs): Actions taken by a hospital in an attempt to collect a patient debt that includes credit reporting, wage garnishments, liens on primary residences, or other legal actions.

Financial Assistance: is health care provided at a discount to individuals who meet the established criteria.

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.

Balance: the remaining dollar amount due from the patient after all insurance, payer discounts, or other benefits, if any, have paid. This also applies to account balances that are related to medically necessary procedures within the current income year. Previous years may be considered if the appropriate documentation is received.

Household: one or more persons living in the same dwelling, house, or apartment who may or may not be related. College students, regardless of their residence, are considered to be living with those who support them.

Income: any and all forms of revenue however classified received by the household. This includes income from employment, disability, unemployment, social security, food stamps, self-employment, rentals, leases, pensions, annuities, royalties, alimony, child support, investments, settlements, inheritances, refunds, etc. Also, annual income or annual household income.

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.

Emergency Medical Conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd)

PROCEDURES:

I. Services Eligible Under This Policy: For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by South Sunflower County Hospital without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

- Emergency medical services provided in an emergency room setting per hospital policy for compliance with EMTALA;
- Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
- Non-elective services provided in response to life threatening circumstances in a non-emergency room setting; and
- Medically necessary services, evaluated on a case-by-case basis at hospital's discretion.

II. Eligibility Criteria: Eligibility for charity care or financial assistance will be considered for those individuals who are residents of South Sunflower or Humphreys County and 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.

III. Method for Applying for Charity Care and Financial Assistance: Financial need will be determined in accordance with procedures that involve an individual assessment of financial need including:

- An application process, in which the patient or patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
- 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);
- Reasonable efforts by South Sunflower County 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
- Review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

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 up to 240 days from date of first billing. An applicant who is eligible for charity will be eligible for charity care during an equivalent time frame of 1 year, unless other resources are located to satisfy the account.

South Sunflower County Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Request for charity shall be processed promptly and the hospital shall attempt to make a timely determination on a complete and conforming application for charity and financial assistance.

IV. Presumptive 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, 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, South Sunflower County Hospital will make reasonable efforts to determine whether the individual is eligible for assistance prior to engaging in any extra ordinary collection activities (ECA). Presumptive eligibility may also be determined on the basis of individual life circumstances that may include:

- Homeless or received care from a homeless clinic;
- Food stamp eligibility;

- Low income/subsidized housing is provided as a valid address; and
- Patient is deceased with no known estate.
- State funded prescription programs
- Participation in Women, Infants and Children programs (WIC)
- Subsidized school lunch program eligibility
- Eligibility for other state or local assistance programs that are unfunded

V. Eligibility Criteria and Amounts Charged to Patients: Services eligible under this Policy will be made available to the patient in accordance with financial need, as determined by Federal Poverty Levels (FPL) in effect at the time of the determination.

- Patients with household income at or below 200% of the applicable poverty guideline, any balance due after third party payer payment will be considered charity care.
- Patients with household income of 201%-299% of the FPL are eligible to receive services at a discounted rate. The discount will be pro-rated based on the patient's gross household income as a percentage of the FPL. Examples: 1) A patient whose gross household income is 220% of the FPL would receive an 80% discount off the patient balance. 2) A patient whose gross household income is 280% of the FPL would receive a 20% discount off the patient balance.
- Patients whose gross household income is greater than 300% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of the hospital; however, the discounted balance shall not be greater than the hospital's AGB. The AGB is based on the current Medicare Allowable.

VI. Communication to Patients and the Community: The policy details will be publicly displayed in all hospital admission areas and in the emergency department. In addition, this policy along with the Financial Assistance Application can be found on the Hospital's website www.southsunflower.com.

- **Written Communication:** During admission or pre-admission for outpatient and inpatient services, and prior to leaving the emergency room for emergency patients, patients will be given a written statement advising them of the availability of charity care or financial assistance. In addition, the hospital will publish the availability of charity care or financial assistance on patient billing statements.
 - **Verbal Communication:** If at any time, during the admission, discharge, billing or collection process a patient informs a hospital representative that they are unable to pay their bill and need financial assistance, the patient will be informed of the availability of financial assistance and charity care for those who qualify and offer the patient the opportunity to complete an application.
 - **Written Application:** Referral of patients for financial assistance charity may be made by any member of the South Sunflower County Hospital staff or medical staff, including physicians, nurses, social workers, and case managers. 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. Any patient desiring charity care or financial assistance under this Policy must complete a written application in a form approved by the hospital's administration and provide W-2s, tax forms, proof of address, last three pay stubs, and photo ID. All patients desiring financial assistance or charity care under this Policy must

cooperate with the hospital in the application and approval process to provide satisfactory proof of eligibility. Failure to cooperate will be grounds for denial or discontinuance of charity care or financial assistance.

VII. Determination of Eligibility: Each patient must be individually determined to be eligible for charity care or financial assistance under this Policy. This determination will be made by the hospital's Business Office Manager and Chief Financial Officer.

VIII. Relationship to Billing and Collection Policy: The hospital has a separate billing and collection policy for internal and external collection practices (including actions the hospitals may take in the event of non-payment, including collections actions and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity care or financial assistance, a patient's good faith effort to apply for a governmental program or for charity from the hospital, and a patient's good faith effort to comply with his or her payment agreements with the hospital.

IX. Regulatory Requirements: In implementing this Policy, the hospital's 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.