

**BOONE COUNTY HEALTH CENTER**

<b>DEPARTMENT</b>	<b>POLICY/PROCEDURE</b>	
<b>PATIENT FINANCIAL SERVICES</b>	<b>POLICY / PROCEDURE</b>	
<b>SUBJECT</b>	<b>EFFECTIVE DATE</b>	<b>APPROVED BY</b>
<b>FINANCIAL ASSISTANCE</b>	<b>MAR. '17</b>	
<b>POLICY (BCHC)</b>	<b>REVIEWED DATE</b>	<b>Tanya Sharp, CFO</b>
	<b>NOV. '18, Dec. '19</b>	

**INTRODUCTION:**

Boone County Health Center (BCHC) recognizes the individual’s right to quality healthcare regardless of age, sex, race, religion, national origin, or ability to pay. BCHC will provide necessary medical services to patients who are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay. This Financial Assistance Policy (FAP) is intended to comply to Section 501(r) of the Internal Revenue Code and shall be interpreted and applied in accordance with such regulations. This policy has been adopted by the BCHC Board of Trustees in accordance with the regulations under Section 501(r).

The financial assistance policy provides guidelines for financial assistance to individual patients receiving emergency and other non-elective medically necessary services based on financial need (full write-off and discounted care).

This policy applies to all BCHC billings (hospital & clinic). All billing office staff, management and administration shall follow the steps for financial assistance considerations as outlined herein.

**RESOURCES:**

- Emergency Medical Care Policy
- Financial Assistance Policy
- Schedule A - Patient Financial Assistance Application
- Schedule B - Charity Care Guidelines
- Schedule C - Authorization for Financial Assistance

**EMERGENCY MEDICAL CARE POLICY:**

Consistent with Emergency Medical Treatment and Labor Act EMTALA, BCHC will provide an appropriate medical screening to any individual, regardless of ability to pay, requesting treatment for a potential emergency medical condition. If, following an appropriate medical screening, BCHC personnel determine that the individual has an emergency medical condition, BCHC will provide services, within the capability of the facility, necessary to stabilize the individual’s emergency medical condition, or will effect and appropriate transfer as defined by EMTALA. The evaluation of payment alternatives will not take place until the required medical care is provided.

**FINANCIAL ASSISTANCE POLICY:**

**A. Services Eligible under the Financial Assistance Policy**

For purposes of this policy, “financial assistance” or “charity” refers to inpatient, outpatient, and clinic health care services provided by BCHC without charge or at a

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discount to qualifying patients. The following health care services are eligible for financial assistance:

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 BCHC's discretion.

### **B. Responsibilities**

#### 1. BCHC Responsibilities

- a. BCHC has a financial assistance policy to evaluate and determine an individual's eligibility for financial assistance.
- b. BCHC has a means of communicating the availability of financial assistance to all individuals in a manner that promotes full participation by the individual.
- c. BCHC workforce members in the Billing and Admissions areas understand the BCHC financial assistance policy and are able to direct questions regarding the policy to the proper Health Center representatives.
- d. BCHC requires all contracts with third party agents who collect bills on behalf of BCHC to include provisions that these agents will follow BCHC financial assistance policies.
- e. The BCHC Board of Trustees provides organizational oversight for the provision of financial assistance and the policies/processes that govern the financial assistance process.
- f. After receiving the individual's request for financial assistance, BCHC notifies the individual of the eligibility determination within a reasonable period of time.
- g. BCHC provides options for payment arrangements.
- h. BCHC upholds and honors individuals' right to appeal decisions and seek reconsideration.
- i. BCHC maintains (and requires billing contactors to maintain) documentation that supports the offer, application for, and provision of financial assistance for a minimum period of seven years.
- j. BCHC will periodically review and incorporate federal poverty guidelines for update published by the United States Department of Health and Human Services.

#### 2. Individual Patient Responsibilities

- a. To be considered for a discount under the financial assistance policy, the individual must cooperate with BCHC to provide the information and documentation necessary to apply for other existing financial resources that may be available to pay for healthcare, such as Medicare, Medicaid, third-party liability, etc. Please note on the application items identified with (\*) are not required fields for rural health clinic charges only.
- b. To be considered for a discount under the financial assistance policy, the individual must provide BCHC with financial and other information needed to determine eligibility (this includes completing the required application forms and cooperating fully with the information gathering and assessment process).

- c. An individual who qualifies for a partial discount must cooperate with the hospital to establish a reasonable payment plan.

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- d. An individual who qualifies for partial discounts must make good faith efforts to honor the payment plans for their discounted hospital bills. The individual is responsible to promptly notify BCHC of any change in financial situation so that the impact of this change may be evaluated against financial assistance policies governing the provision of financial assistance, their discounted hospital bills or provisions of payment plans.

**C. Eligibility for Financial Assistance**

1. General Eligibility - Eligibility for financial assistance will be considered for those patients who are uninsured, underinsured, and 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 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. When a patient's circumstances do not satisfy the particular requirements for financial assistance under this Policy, a patient may still be able to obtain financial assistance. These situations will be evaluated on a case by case basis based on the patient's specific circumstances, such as catastrophic illness or medical indigence, at the discretion of BCHC.
2. Requests for financial assistance will be honored up to 180 days after the date the first statement is remitted to the individual.
  - a. Registration and pre-registration processes notify patients of the FAP and promote identification of individuals in need of financial assistance.
  - b. Each billing statement that is sent to the individual during the 120-day period after the first billing statement will contain language notifying the individual of available financial assistance.
  - c. BCHC will make every reasonable effort to notify individual patients about the BCHC FAP in oral communications.
  - d. The individual will be provided with at least one written notice (notice of actions that may be taken) that informs the individual that the hospital may take action to forward the account to a collection agency if the individual does not submit a FAA Form or pay the amount due by a specified deadline. This deadline cannot be earlier than 120 days after the first billing statement is sent to the individual. The notice must be provided to the individual as least 30 days before the deadline specified in the notice.

**D. Presumptive Financial Assistance Eligibility**

Presumptive eligibility may be determined in certain situations based on the approval of BCHC's management and on the basis of individual life circumstances. Individuals who are uninsured and are represented by one or more of the following may be considered eligible for the most generous financial assistance in the absence of a completed Financial Assistance Application Form:

- Individual is homeless;
- Individual is deceased and has no known estate able to pay hospital debts; and
- Individual is currently eligible for Medicaid, but was not at the date of service

For any individual presumed to be eligible for financial assistance in accordance with this policy, the same actions described throughout this policy would apply as if the individual had submitted a completed Financial Assistance Application Form.

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**E. Method by Which Patients May Apply for Financial Assistance**

Applying for financial assistance can be initiated by a patient requesting assistance in person, over the phone, through the mail or via the website at [www.boonecohealth.org](http://www.boonecohealth.org). All reasonable attempts are made by BCHC Social Services to meet with uninsured patients who are admitted to the hospital in order to recommend appropriate assistance such as federal, state or local programs, or eligibility for assistance under the Policy. When applicable, BCHC provides assistance to the patients for qualifying for financial assistance under the Policy or to various government programs, such as Medicaid.

1. In order to apply for financial assistance, the individual will complete the BCHC Financial Assistance Application Form. The individual will provide all supporting data required to verify eligibility, including supporting documentation verifying income.
2. A completed BCHC Financial Assistance Application Form will be submitted to the Billing Office for processing. Proof of income and available assets will be required from the individual. A review is completed to determine individual eligibility based on the individual's total resources.

**F. Determination of Financial Assistance and Basis for Calculating Amounts Charged to Patients.**

1. Following a determination of eligibility (as set forth herein), individuals who qualify for financial assistance shall not be charged more than AGB for any emergency or medically necessary care provided.
2. BCHC will utilize an individual's Household Income compared to the current Federal Poverty Level (FPL) Guidelines to determine eligibility for financial assistance and the amount to be provided. See Schedule B for the 2015 Financial Assistance Guidelines. Please note that the amounts within Schedule B are updated annually based upon Federal Poverty Guidelines published in the Federal Register.
3. Discounts based upon the FPL provided to individuals who qualify for financial assistance shall be taken from BCHC's AGB.
4. No individual who is eligible for assistance under this Policy will be charged Gross Charges for any health care service provided by BCHC.
5. If the individual is determined to be medically indigent, they will be extended at least a 50% discount off AGB. If the individual's medical debt owing to BCHC is 75% of Household Income, they will be extended a discount of 75% off AGB. If medical debt to BCHC is 100% of Household Income, all charges will be considered charity care.

**G. Authorizations for Financial Assistance**

All financial assistance applications must be approved according to the balances listed on Schedule C.

**H. Notification to Patients**

1. If an individual submits a complete Financial Assistance Application Form during the application period, BCHC must take the following actions:
  - a. Suspend any extraordinary collection actions;

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- b. Make and document the determination as to an individual's eligibility for financial assistance;
  - c. Notify the individual in writing generally within 60 days after receiving a completed Financial Assistance Application Form of the eligibility determination and the basis for the determination;
  - d. Provide the individual with a letter that indicates the amount owed as a FAP-eligible individual and describes how the individual can get information regarding the AGB for care and how BCHC determined the amount the individual owes; and
  - e. Refund any excess payment to the individual.
2. If an individual submits an incomplete Financial Assistance Application Form during the application period, BCHC must take the following actions:
  - a. Suspend any extraordinary collection actions;
  - b. Provide the individual with written notice that describes the additional information and/or documentation required under the Policy that the individual must submit to complete the application; and
  - c. Provide the individual at least one written notice that informs the individual about the extraordinary collection actions the hospital may take or reinstate if the individual does not complete the application or pay the amount due by a date that is not earlier than the last day of the application period and thirty (30) days after the date of the written notice.

**I. Length of Eligibility**

Once financial assistance has been approved, it is effective, it is effective for all outstanding patient accounts and for all services provided within six month after approval.

**J. Measures to Widely Publicize the Policy to Patients and the Community**

The Policy is transparent and available to the individuals served at any point in the care continuum in languages that are appropriate for the BCHC service area in compliance with the Language Assistance Services Act and in the primary languages of any populations with limited proficiency in English that constitute more than 5% of the residents of Boone County.

1. Website: BCHC will prominently and conspicuously post complete and current versions of the following on its website in English and in the primary languages of any populations with limited proficiency in English that constitute more than 5% of the residents of Boone county:
  - a. Financial Assistance Policy (FAP)
  - b. Financial Assistance Application Form (FAA Form)
  - c. Plain Language Summary of the Financial Assistance Policy (PLS)
  - d. Contact information for the BCHC Business Office
2. Signage (in English and in the primary languages of any populations with limited proficiency in English that constitute more than 5% of the residents of Boone County) will be display in BCHC at all points of admission and registration areas,

including the Emergency Department. All signage denotes the following elements:

- a. BCHC website address where the FAP and FAA Form can be accessed.

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- b. The telephone number and physical location that individuals can call or visit with any questions about the FAP or the application process.
3. BCHC will make paper copies of the FAP, FAA Form and the PLS available upon request and without charge, both in public locations in the hospital (i.e. admission and registration areas) and by mail. Paper copies will be available in English and in the primary languages of any populations with limited proficiency in English that constitute more than 5% of the residents of Boone County.

#### **K. Actions that may be Taken in the Event of Non-Payment**

BCHC may forward outstanding debts for care provided to individuals to collection agencies in the following situations:

1. An individual has not submitted a Financial Assistance Application Form in the 120-day period following the date after the first billing statement was sent (the notification period) to the individual (or, if later, the specified deadline date given in the written notice of actions that may be taken (see B.2.4. above)).

#### **L. Financial Assistance Disqualification**

Disqualification after financial assistance has been granted may be for reasons that include, but are not limited to one of the following:

1. Information Falsification. Financial assistance will be denied to the patient if the patient or responsible party provides false information, and
2. Third Party Settlement. Financial assistance will be denied if the patient received a third party financial settlement associated with the care received at BCHC. The patient is expected to use the settlement amount to satisfy any patient account balance.

#### **M. Record-Keeping**

1. A record, paper or electronic, will be maintained reflecting authorization of financial assistance along with copies of all application and worksheet forms.
2. Summary information regarding applications processed and financial assistance provided will be maintained for a period of seven years. Summary information includes the number of patients who applied for financial assistance at BCHC, how many patients received financial assistance, the amount of financial assistance provided to each patient, and the total bill for each patient.
3. The cost of financial assistance will be reported annually in the Community Benefit Report. Financial Assistance (Charity Care) will be reported as the cost of care provided (not charges) using the most recently available operating costs and the associated cost to charge ratio.

#### **N. Subordinate to Law**

The provision of financial assistance may not or in the future be subject to federal, state or local law. Such law governs to the extent it imposes more stringent requirement than this policy.

## **DEFINITIONS**

**Amounts generally billed (AGB)** - the amounts generally billed by BCHC for emergency or other medically necessary are to individuals who have health insurance calculated using the AGB Percentage multiplied by Gross Charges.

**AGB Percentage** - the percentage calculated by taking the average of the three (3) largest commercial insurance discounts by percentage for insured patients offered by BCHC. BCHC must calculate its AGB Percentage on an annual basis. Individuals may obtain information on the calculation of the AGB Percentage free of charge from BCHC, by contacting the Chief Financial Officer at 402-395-3213.

**Application period** - the period during which BCHC must accept and process an application for assistance under its financial assistance policy (FAP) submitted by and individual in order to have made reasonable efforts to determine whether the individual is FAP-eligible. With respect to any care provided by BCHC to an individual, the application period begins on the date the care is provided to the individual and ends on the 240<sup>th</sup> day after BCHC provides the individual with the first billing statement for the care.

**Charity Care** - health care 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 health care service free or at a discount to individuals who meet the established criteria.

**Emergency medical care** - Care provided by BCHC for emergency medical conditions.

**Extraordinary collection action (ECA)** - Actions taken by BCHC against a patient or any other individual who has accepted or is required to accept responsibility for the patient's bills that involve (i) a legal or judicial process; (ii) selling an individual's debt to a third party; or (iii) reporting adverse information about the individual to a credit bureau.

**Financial assistance policy (FAP)** - Written policy that meets the requirements described in §1.501(r)-4(b).

**Financial assistance application form** – Application form (and any accompanying instructions) that BCHC requires an individual to submit as part of his or her FAP application.

**Gross charges** – BCHC's full, established price for medical care that the hospital facility consistently and uniformly charges all patients before applying any contractual allowances, discounts or deductions.

**Household Income** – total income of patient, spouse and/or all parents of a minor child.

**Medically Indigent** – Persons whom BCHC has determined are unable to pay some or all of their medical bills because their BCHC accounts exceed twelve percent (12%) of their Household Income even though they have income that otherwise exceeds the Federal Poverty Guidelines adopted by BCHC for free or discounted care under this Policy.

**Notification Period** – Begins on the first date care is provided and ends on the 120<sup>th</sup> day after BCHC provides the individual with the first bill for care.

**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 this/her financial abilities.



## Schedule B

**Boone County Health Center  
2018 Financial Assistance Guidelines**

Percent of Federal Poverty Guideline			150.0%	187.5%	225.0%	262.5%	300.0%
Percent of Discount (off of AGB)			100%	80%	60%	40%	20%
Size of Household	1	12,140	18,210	22,763	27,315	31,868	36,420
	2	16,460	24,690	30,863	37,035	43,208	49,380
	3	20,780	31,170	38,963	46,755	54,548	62,340
	4	25,100	37,650	47,063	56,475	65,888	75,300
	5	29,420	44,130	55,163	66,195	77,228	88,260
	6	33,740	50,610	63,263	75,915	88,568	101,220
	7	38,060	57,090	71,363	85,635	99,908	114,180
	8	42,380	63,570	79,463	95,355	111,248	127,140

Source: Federal Register, Updated 1/18/18

## Schedule C

**Authorization for Financial Assistance**

All financial assistance applications must be approved according to the following matrix:

All Balances	Billing & Admissions Supervisor, Boone County Health Center
All Balances	Chief Financial Officer, Boone County Health Center