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Policy Area:	<i>Financial Services-Business Office</i>
References:	

Financial Assistance Policy 1. With Attachments

Financial Assistance Policy POLICY

Lake Health District (LHD) is committed to providing financial assistance to people who have healthcare needs and are uninsured, under-insured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. LHD provides financial assistance for people with financial need by waiving all or part of the charges for medically necessary services provided by LHD. LHD will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

This Financial Assistance Policy (FAP):

- Includes eligibility criteria for financial assistance
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the Health District will publicize the policy within the community served by the Health District
- Limits the amounts that the Health District will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to the amount generally received by LHD for Medicare patients

Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with LHD's process for obtaining financial assistance or other forms of payment, and to contribute to the cost of their care based on their individual ability to pay.

In order to manage its resources responsibility and to allow LHD to provide the appropriate level of assistance to the greatest number of persons in need, the hospital establishes the following guidelines for the provision of patient financial assistance.

Definitions

For the purpose of this policy the terms below are defined as follows:

Financial Assistance: Healthcare services that have been or will be provided for free or at a discount to individuals who meet established criteria.

Household: A single individual; or Spouses, domestic partners, or a parent and child under 18 years of age, living together; and Other individuals for whom a single individual, spouse, domestic partner or parent is financially responsible.

Household Income: Household income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- 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 for estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Determined on a before-tax-basis
- Non-cash benefits (such as food stamps and housing subsidies) **are excluded**;
- Capital gains or losses **are excluded**; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, are **not included**).

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

Under-insured: The patient has some level of insurance or third-party assistance, but still has out-of-pocket expenses that exceed his/her financial abilities.

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.

Patient's Cost: means the portion of charges billed to a patient for care received at a hospital or a hospital-affiliated clinic that are not reimbursed by insurance or a publicly funded health care program

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

Medically necessary: Services necessary to prevent, diagnose or treat an illness, injury, condition or disease, or the symptoms of an illness, injury, condition or disease; and meeting accepted standards of medicine.

PROCEDURES

A. **Services Eligible Under This Policy.** For purposes of this policy, "financial assistance" refers to healthcare services provided by LHD for free or at a discount which is applied to patient's cost for qualifying patients. The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Other medically necessary services.

B. **Eligibility for Financial Assistance.** Eligibility for financial assistance 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 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 does not consider age, gender, race, social or immigrant status, sexual orientation or religious affiliation. LHD shall determine whether or not patients are eligible to receive financial assistance for deductibles, co-insurance, or co-payment responsibilities.

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

LHD will conduct a screening to determine if patients qualify for Financial Assistance or the Oregon's Medical Assistance Program upon request.

1. LHD requires patients to complete an Application for Financial Assistance and to provide certain documentation.

To be considered complete, a submitted Application must include the following:

- a. Completed and Signed Financial Assistance Application.
- b. Documents that verify current household income, if applicable, including the last 3 months pay stubs; statements of pension and retirement benefits, Social Security benefits, unemployment compensation, Workers Compensation, and Veteran's benefits (as applicable); and other documents reasonably requested by LHD.
- c. LHD may ask for status on Medicaid application or proof of denial from such programs to ensure every opportunity for reimbursement has been exhausted.

If an individual has no source of income, a letter of hardship and/or a letter of support will be accepted. Other documentation may be requested by Lake Health District to verify information on the Financial Assistance Application.

2. Eligibility for Financial Assistance will be determined in accordance with procedures that involve an individual assessment of financial need. Each patient or the patient's guarantor are required to cooperate and provide personal, financial and other information and documentation relevant to making a determination of financial need. Eligibility determinations by LHD also:

- a. Include reasonable efforts by LHD to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- b. Take into account the patient's available assets and all other financial resources available to the patient; and
- c. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

3. For services that are not Emergency medical conditions or medically necessary, it is preferred, but not required that a request for financial assistance and a determination of financial need occur prior to rendering of services. However, the determination may be done at any point before, during, or after receiving care. **The need for financial assistance shall be re- evaluated at each subsequent time of service if the last financial evaluation was completed more than one year prior to the date of service, or at any time additional information relevant to the eligibility of the patient for charity becomes known.**

4. Applications for Financial Assistance will be accepted up to 240 days after patients receive their first billing statement (the application period. If an individual submits an FAP application during the application period that is incomplete, the hospital will provide the individual written notice that describes the additional information and/or documentation that must be submitted. Applicants will have a window of 30 days to provide the missing documentation. Failure to respond and/or provide documentation may result in application denial. If the FAP application is subsequently completed during the application period, the individual will be considered to have submitted a complete FAP application during the application period.

5. LHD's respect for human dignity and responsibility for stewardship shall be reflected in the application process, financial need determination and granting of financial assistance. Requests for

financial assistance shall be processed promptly and LHD shall notify the patient or application in writing within 30 days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for financial assistance discounts, but no completed Financial Assistance Application is on file due to lack of supporting documentation. Often there is adequate information provided by the patient through other sources, which could provide sufficient evidence to award financial assistance. In the event there is insufficient evidence to support a patient's eligibility for financial assistance, LHD may use information from outside agencies in determining eligibility. If determinations have been based on information from outside agencies, due to the inherent nature of the presumptive circumstances, a 100% write-off of the account balance will be granted. Presumptive eligibility is 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 Woman, Infants and Children's 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. Discounts will be made available to eligible patients 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 determination. Once a patient has been determined by LHD to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts LHD will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income is at or below 200% of the FPL are eligible to receive full financial assistance (free care);
2. Patients whose family income is above 200% but not more than 400% of the FPL are eligible to receive services discounted on a sliding fee schedule. Discounts will be applied to patient's cost. Services will be discounted to an amount no greater than the amounts generally received by LHD for Medicare patients (the Amounts Generally Billed, AGB). No patients eligible for Financial Assistance will be billed more than the AGB amount.
3. See Appendix A for the FPL Chart

F. Communication of the Financial Assistance Policy to Patients and Within the Community.

Notification about financial assistance available from LHD shall be disseminated by LHD by various means, which will 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 LHD campuses, and other public places as LHD may elect.

Patient billing statements will include notice regarding the availability of financial assistance, contact information for health district staff that can provide information about obtaining financial assistance, and

the direct internet address for this policy.

LHD will publish the FAP, FAP Application Form, and the Plain Language Summary of the FAP on the LHD website. LHD will make available and without charge, copies of the FAP, FAP Application Form, and the Plain Language Summary of the FAP in public locations in the hospital as well as by mail. LHD will widely publicize the FAP, FAP Application Form and Plain Language Summary of the FAP within the community served by the hospital as LHD may elect. The FAP, FAP Application Form, and the Plain Language Summary of the FAP shall be provided in the primary languages spoken by the population served by LHD. These documents are available in English and Spanish.

A copy of the Plain Language Summary of the FAP is included in the discharge packets provided to the patients. Information regarding the FAP and how to obtain copies of the FAP materials is included on each billing statement.

Referral of patients for financial assistance may be made to any member of the LHD staff or medical staff, including physicians, nurses, financial counselors, social workers and case managers. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

- G. **Relationship to Patient Billing and Collection Policies.** LHD management shall maintain policies and procedures for internal and external collection practices (including actions the health district may take in the event of non-payment) that take into account the extent to which the patients qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from LHD, and a patient's good faith to resolve their discounted hospital bills.

No interest will be charge on unpaid balances if patients qualify for financial assistance.

It is the guarantor(s) responsibility to provide a correct address at the time of service or upon moving. If the address on the account is invalid or otherwise undeliverable to the individual, the determination for "reasonable effort" will have been made.

LHD will publish the Patient Billing and Collection Policy on the LHD website. LHD will make available and without charge, copies of the Patient Billing and Collection Policy in public locations in the health district.

A copy may be requested by mail, free of charge, by calling Patient Financial Services at (541) 947-2114, or in person at: 700 South J Street, Lakeview, OR 97630.

- H. **Regulatory Requirements.** In implementing this Policy, LHD shall comply with all other federal, state, and local laws, rules, and regulations that apply to activities conducted pursuant to this Policy.

Provider Participation List

For a list of Providers who participate in Lake Health District's Financial Assistance Program, please reference **Appendix B – LHD FAP Providers**.

This institution is an equal opportunity employer and provider

References

Issue Date: 6/7/2017 Revision Dates: 7/26/2018; 3/4/2019; 1/22/2020, 1/8/2021

HB 3076; 26 CFR 1 & 53 & 602; 501(r)(3) through (6)

All revision dates:

1/21/2021

Attachments

Appendix C Financial Assistance Application.pdf

Appendix A - Chart.pdf

Appendix B - FA providers.pdf



image1.png

image2.png

Approval Signatures

Step Description	Approver	Date
	Charlie Tveit: Chief Executive Officer	1/21/2021
Owner	Susan Pointere: Revenue Cycle Manager	1/21/2021

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