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Owner: *Ed Keough: Chief Financial Officer*

Policy Area: *Financial Services-Business Office*

References:

Private Pay Services Policy

Policy:

Private Pay Services includes individuals who do not have insurance or have a balance remaining after insurance has paid.

Insurance companies may determine that a service is not medically necessary and will not be covered by insurance. In these cases, the balance will be patient responsibility. Prepayment may be required prior to services rendered. Non-medically necessary services are not eligible for financial assistance through the hospital.

There are various discounts and help for this type of patient and they are listed below:

1. Private Pay Discount (15% if paid 30 days after initial statement)
2. Monthly Payment when all other options have been exhausted. (See minimum payment guidelines)
3. OB/Newborn Pre-Payment Discount Policy (15% if paid within 90 day of initial statement)
4. Financial Assistance Program (FAP) (See Financial Assistance Guidelines)

Private Pay Discount:

Lake District Hospital offers a 15% private pay discount program for patients who do not have health insurance. A 15% discount is offered on all patient balances when paid in full within thirty days of the initial statement being mailed out.

Online Bill Pay

Lake District Hospital offers the opportunity to make payments through our secure website. Payments are posted within 48 hours.

Monthly Payment Guidelines:

Lake District Hospital will accept extended payments on accounts that have balances on patient accounts. The minimum monthly payment amount is based on the scheduled guidelines adopted by the Board of Directors.

In order to participate in the electronic Funds Transfer (EFT) program through Lake Health District, the guarantor must have valid bank account, provide a voided check, and sign both the EFT Payment Plan

Guidelines and the EFT Authorization form, available from the Patient Services Representative. Please note that all information given to us is kept private and confidential.

Monthly EFT's can be made on the 5th, 15th, and 25th of every month. On the assigned date of payment, there will be an automatic withdrawal from the provided bank account. If the chosen day (s) falls on a weekend or bank holiday the transfer will be made on the next business day.

There will be a maximum of one default per calendar year allowed. This will be subject to an insufficient funds fee of \$35. Should there be two defaults in one calendar year the account may be taken off of the EFT Monthly Payment Plan and/or may be transferred to a collection agency.

(See EFT Guidelines, Appendix A)

Lake District Hospital will accept monthly payments when all other payment options have been exhausted. The minimum monthly payment amount is based on the scheduled guidelines below. Each visit is set up on a separate monthly payment plan account and minimum monthly payments are calculated on each account.

ACCOUNT BALANCE	MINIMUM MONTHLY PAYMENT/MONTHS FOR PAYOFF
Up to \$50.00	Payment in Full
\$51 to \$2000	12 Months
\$2001-\$6,000.00	24 Months
\$6,001.00-\$15,000.00	48 Months
\$15,000.00 and up	60 Months

A initial payment of 10% of balance is required to meet monthly payment guidelines

*PLEASE NOTE: Because Lake District Hospital is supported by county tax dollars, the Board of Directors established the minimum payment guideline policy in an effort to remain impartial. The Patient Services Representative does NOT have the authority to deviate from the established minimum payment schedule. If your minimum payment creates a financial hardship for your or your family you are advised to complete an application for financial assistance. You can obtain an application online or from the Business Office.

OB/Newborn Pre-Payment Discount Policy:

Lake District Hospital offers a discount program for expectant mothers who pre-register for delivery and newborn visits. A pre- payment of 50% of estimated patient balance is recommended. A 15% discount on patient balance will be applied if the patient balance is paid within 90 days of initial statement. For patients who have insurance coverage, the 15% discount is applied after the insurance has paid.

Financial Assistance Guidelines

Completion of Application

- a. The Financial Assistance Application may be printed from the Lake District Hospital website or received from the Business Office. Applications may be requested via mail.
- b. The completed application is required to be submitted within 120 days of initial statement. Incomplete applications will be returned with request of additional information. To continue application process additional information must be received within 14 days. If completed application is not received within 120 days of initial statement financial assistance will be denied and normal collection process will continue.

- c. Lake District Hospital will make determination on applications within 30 days of receipt of completed application. Determination letters will be sent via mail.
- d. All information relating to the application for financial assistance will be kept confidential.

Eligibility Criteria

a. Income Level Requirement

- I. Patient eligibility for financial assistance is determined by measuring household income from all sources (i.e. gifts, housing allowances, sale of goods, etc.) against the income poverty guidelines established by the U.S. Department of Health and Human Services. A sliding fee scale will be used to determine financial assistance discounts when gross family income is at or below 250% of federal income poverty guidelines. Patients will be held responsible to pay balances based on this determination.

b. Determination

- I. Considerations for assistance include a review of responsible parties' annual income based on previous year's tax returns and other verifiable proof of income (pay stubs, bank statements ...). Federal guidelines also consider number of people living in household.
- II. Employment status should consider the likelihood of future earnings sufficient to meet the healthcare related obligation within a reasonable amount of time. Other financial obligations may be considered.
- III. Should a patient require additional treatment without the ability to pay, the patient must request an additional review of their financial assistance application. Determinations may be valid up to 6 months beyond determination date.
- IV. If requested, the district may require patients to provide verifiable proof that they have first applied for assistance with a State assistance agency (such as, State Health Plan, SSI or SSD) and have been denied.
- V. Any account pending eligibility determination by another payer source will be excluded from consideration until such determination is made.
- VI. Determination for assistance is based on applicant's current financial situation.
- VII. Applications for the Financial Assistance Program are not restricted because of race, creed, sex, national origin, age, handicap or sexual orientation.
- VIII. Non-medically necessary services are not eligible for financial assistance
- IX. Collection policies regarding debt can be found on our website under document "Private Pay Services Policy"
- X. This financial assistance application can be found at www.lakehealthdistrict.org and on site at Lake District Hospital

FAP Application and guidelines are available in Spanish.

See Financial Assistance Application, Appendix B

References:

Pre PolicyStat Number: 9-895-203

All revision dates:

6/6/2016

Attachments

A: EFT Guidelines

B: Financial Assistance Application

Approval Signatures

Step Description	Approver	Date
Chief Executive Officer	Charlie Tveit: Chief Executive Officer	5/18/2022
Chief Financial Officer	Ed Keough: Chief Financial Officer	3/30/2022
Business Office Director	Blanca Hudson: HIM Director	3/21/2022
Business Office Director	Ed Keough: Chief Financial Officer	1/19/2022