

Title: Financial Assistance Policy	Document #: 4383 Version: 5
Facility: St. Charles Bend, St. Charles Madras, St. Charles Prineville, St. Charles Redmond	Page 1 of 8
Owner: Schostalo, Kristie, Revenue Cycle Management	Effective Date: 3/8/2017

Policy Statement/Purpose:

St. Charles Health System (St. Charles) is committed to protecting the dignity and rights of our patients, to establish fair and equitable guidelines for determining eligibility for financial assistance, consistent with responsible financial stewardship.

St. Charles is a tax-exempt charitable organization, committed to providing both “emergency” or “medically necessary services” on a non-profit basis to patients without regard to race, creed or ability to pay. The beneficiaries of the Financial Assistance policy are intended to be patients.

St. Charles is committed to publicizing this policy at no charge, widely in the communities we serve. St. Charles advises patients and those directly involved in their care of St. Charles’s Financial Assistance Program through information provided on the hospital website the Conditions of Registration, the patient bill, brochures and signage. The Financial Assistance Program information that is widely publicized and available free of charge includes the Financial Assistance Policy, the Financial Assistance Application, the Plain Language Summary (“About Your Bill” brochure) and the Credit and Collections Policy (hyperlinks provided on last page of this policy). A Financial Assistance Application will be available upon request. Patients may also be advised of the Financial Assistance Program at the time of pre-registration, registration, during insurance verification procedures, when visiting with a Financial Counselor and when communicating with Patient Financial Services.

Definitions: *(Definitions of acronyms or specialized terminology) – Refer to end of document for Definitions*

Instructions:

Financial assistance provided by St. Charles is intended to aid the resident members of communities served by St. Charles. Patients, regardless of their ability to pay, insured or uninsured, may request to be considered for financial assistance under this policy. Eligibility and criteria are intended to provide for those with greatest financial need.

Eligibility Criteria for Financial Assistance

In general, patients are eligible for financial assistance under this policy if:

1. Family Income (plus Qualified Assets, if applicable) is not more than 400% of the Federal Poverty Level (FPL)
2. Residency requirements are met
3. Services are considered emergency or/and Medically Necessary

Patients who are eligible the date the Medically Necessary Services are given, for entitlement-based coverage (such as Medicaid, Veterans Affairs, or injury settlements), but who choose not to enroll in coverage or cooperate with St. Charles team members attempting to assist with the enrollment or claims process that may have paid for Medically Necessary Services may not be eligible for Financial Assistance.



St. Charles will follow deposit, coinsurance, co-pay and point of service collection practices pending a financial assistance determination and in compliance with insurance contracts. If patients are not deemed eligible for financial assistance and are unable to make appropriate pre-service financing arrangements, services that are not emergent or medically necessary will be rescheduled.

Financial assistance is the last payer after all other financial resources available to the patient, including insurance, government programs, health savings accounts/flexible savings/spending accounts (HSA/FSA) and third-party liability.

Attorney Settlement Offers

The patient/guarantor should complete a Financial Assistance Application and submit the required supporting documents if the settlement offer is not sufficient to pay for the medical bills. Information from the application will be used to determine if reduced cost care is applicable. St. Charles does not accept letters of protection.

Confidentiality

St. Charles keeps all Financial Assistance Applications and supporting documentation confidential. The Financial Assistance Application and determination applies only to services billed by St. Charles. Visit our website for a list of local providers/practices that honor our financial assistance determinations.

Documentation Requirements

In order to verify family income, copies of substantiating documents will be required. These documents may include but are not limited to:

- Proof of income (see “Income” under “Definitions”) for all family members 18 years of age and older. (In the absence of income, a written statement indicating how persons with no income are meeting their day-to-day basic living needs.)
- Most recent Federal tax return filed
- Bank/Credit Union, Flexible Spending Account, Health Savings Account, Stock/bond and Reliacard statements
- Financial Aid Award letter for students
- Proof of State or Federal assistance
- Other documentation required to support the application for financial assistance

Payment Options for Balances after Financial Assistance Determination

Payment options include interest free short-term payment plans (24 months or less), long-term financing with interest (greater than 24 months) and other prompt-pay discounts are available. The responsible party may contact the Patient Financial Services Customer Service department for details.

Reasonable Efforts to Identify Individuals Eligible for Financial Assistance

Every effort will be made to identify patients who may need financial assistance at the earliest point during the patient’s experience with St. Charles. Patients may be identified as a candidate for financial assistance at any time before, during or after services are delivered. St. Charles may run, at its discretion, unpaid balances through charity advisor software which will be used to determine the household federal poverty level. In some instances patients may not be identified as a candidate for financial assistance until they are assigned to a collection agency. Accounts placed with an agency more than 240 days after the first billing statement will no longer be eligible for financial assistance consideration.

Undocumented Aliens



Undocumented aliens will be evaluated in the same manner as all other applicants for financial assistance.

Medically Indigent / Catastrophic Medical Bills

A family may be considered to be medically indigent or have catastrophic medical bills if their combined medical bills are equal to or greater than their gross annual family income for family members 18 years of age and older. The ability of these individuals to pay any portion of their bill will be determined after evaluation of their application for financial assistance. The sliding scale for discounted services may not apply to these families. Financial responsibility will be equal to the lesser of: 1) 20% of the family's gross annual income, or 2) the Amounts Generally Billed for the services.

Visits Eligible for Financial Assistance Determination

Financial assistance determinations will be in effect for three (3) months following the date the application for assistance was received and will be applied to all visits with an outstanding balance due that meet program criteria.

- a. If a minor/dependent turns 18 during a previously approved three (3) month determination period the patient will not need to submit his/her own application for assistance until after the three month determination period expires.

Pro Bono Services

Some physicians may be willing to provide their services free of charge (pro bono). In these cases St. Charles will bill the guarantor for services delivered and the responsible party/guarantor may apply for financial assistance for St. Charles balances. The financial assistance application will be subject to the same requirements outlined in this policy.

Timely Completion of a Financial Assistance Application

INSTRUCTIONS

1. *Completion of an Application*

- a. The patient (18 years of age and older) or the responsible party/parties (for patients less than 18 years of age) submits a completed application for financial assistance and the supporting documentation to the Financial Assistance Office.
- b. If additional information is needed to complete the application for financial assistance, the responsible party will be contacted by a St. Charles representative.
- c. St. Charles provides a determination of financial assistance to the patient within 21 days of receiving the final and completed documentation.

2. *Eligibility Criteria*

a. *Residency Requirement*

- i. The responsible party must be a resident of the St. Charles primary service area.
- ii. Exceptions:
 - 1. There is no residency requirement for emergency care.
 - 2. If a responsible party lives within the State of Oregon, and St. Charles is contracted with the insurance plan being billed, the residency requirement may be waived.
 - 3. If the requested services are not available in the patient's own service area, the residency requirement may be waived.

b. *Income Level Requirement*

i.

Income as a Percentage of the Federal Poverty Level	Percentage of discount after AGB is applied to balance
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0-300%	100%
301-350%	75%
351-400%	50%

3. *Eligibility Determination Procedures*

- a. Considerations for financial assistance are based on the current financial situation of the responsible party and include a review of the family gross income, family size, existing healthcare debts and other indicators of the party's ability to pay. The history of past service and the need for future service may be considered.
- b. Reconsiderations are available if financial circumstances change and an application was previously awarded less than 100% coverage or a denial.
- c. *Denials*
 - i. Incomplete applications for financial assistance may be denied after one (1) requests for additional information have been mailed to the responsible party.
 - ii. Financial assistance will not be granted if information submitted on the application is determined to be false or intentionally misleading.
 - iii. Family Income (and Qualified Assets, if applicable) are higher than 400% of the Federal Poverty Guidelines.
 - iv. Medical necessity criteria is not met.
 - v. Residency requirements are not met.

4. *Approval Process*

- a. All financial assistance write-offs must be approved at the appropriate level of control.

Signature Approval Levels for Financial Assistance Determination	
\$ 0 - \$ 1,000	Specialist
\$ 1,001 - \$ 10,000	Supervisor
\$ 10,001 - \$ 20,000	Manager
\$ 20,001 - \$100,000	Director, Revenue Cycle
\$100,001+	CFO/Executive Leadership

5. *Notification of Determination*

- a. St. Charles will make every attempt to make a financial assistance determination within 21 days of receiving a completed financial application.
- b. The responsible party will be notified of the financial assistance determination by mail.
- c. If family circumstances have changed you may reapply.

6. *Audit*

- a. The approver (based on above approval levels) will review the account notes and attached documentation to ensure all requirements are met.
- b. The Patient Financial Services Management will conduct a periodic review of financial assistance write-offs to ensure that the policy is being applied equitably and appropriately.

St. Charles will not engage in extraordinary collection actions (ECA) before making a reasonable effort (such as oral, written and visual communication) to determine if an individual is eligible for financial assistance. ECA includes lawsuits, liens on residences, arrests, body attachments or similar collection processes, and will include such other actions as may be set forth in guidance from the U.S Department of Treasury or the Internal Revenue Service.



Definitions: *(Definitions of acronyms or specialized terminology)***Amounts Generally Billed (AGB)**

If a visit qualifies for financial assistance and the patient balance is greater than the amount allowed by Medicare (commonly referred to as “amounts generally billed (AGB)”), the patient responsibility amount will be reduced to the AGB amount. The percentage of financial assistance award will then be applied to the remaining balance. When there is an award of financial assistance that does not cover 100% of the patient responsibility, payment options are available for the remaining balance.

St Charles uses the Lookback Method to calculate AGB, which evaluates paid accounts from the most recent 12 months that were billed to Medicare, Medicare HMO and other government carriers and which pay Medicare rates.

Application for Financial Assistance

An application for financial assistance includes a completed St Charles Financial Assistance Application and documentation to support the information in the application. Select one of the following links to download the Financial Assistance Application from the St. Charles website.

- ["Financial Assistance Application" with "Application for Financial Assistance - Frequently Asked Questions \(FAQ\)" in English](#)
- ["Financial Assistance Application" with "Application for Financial Assistance - Frequently Asked Questions \(FAQ\)" in Spanish](#)

Change Healthcare

Change Healthcare has a contractual arrangement with St. Charles (hospitals only) to identify those admitted and emergency department patients who may qualify for assistance and coverage through the following government programs, including, but not limited to:

- CAWEM (Citizen Alien Waived Emergency Medical)
- COBRA (these are referred to Financial Counselors)
- Cover Oregon (Affordable Care Act) commercial insurance plan enrollment
- Crime Victims Assistance
- Medicaid for pregnant women and children
- Medicaid, Medicare, and Hospital Presumptive Eligibility (HPE) follow-up for Medicaid
- Supplemental Security Income (SSI) and Social Security Disability (SSD)
- Temporary Assistance for Needy Families (TANF)
- Veterans

Change Healthcare will guide individuals through the process of applying and qualifying for insurance coverage until St. Charles receives reimbursement for the services rendered to these patients. If insurance coverage is not obtained within six (6) months after the services are provided by St. Charles, the responsible party will be billed for the remaining balance until insurance coverage is obtained. If insurance coverage is obtained, the services will be billed retroactively to the insurance plan.

Patients that Change Healthcare cannot help will be referred to Patient Access Services Financial Counseling for follow-up.

Emergency Care or Emergency Treatment

Care given for a medical emergency when health is in serious danger when every second counts and also includes the care or treatment for an "emergency medical condition", as defined by the Emergency Medical Treatment and Active Labor Act (EMTALA).

Elective Care

Services provided for cosmetic reasons or convenience are not eligible for financial assistance. This definition includes circumstances when a patient has insurance coverage but the carrier declines to authorize the service and the patient chooses to proceed with non-authorized care or authorization pending care and/or signs a waiver accepting financial responsibility. Elective care is subject to our Credit & Collections policy.

Family

For purposes of this policy Family includes the following household members:

- Patient
- Responsible party
- Spouse
- Natural or adopted children under the age of 18
- Live-in partner if you together have natural or adopted children under the age of 18.

Federal Poverty Level (FPL) / Federal Poverty Guidelines

St. Charles utilizes the Federal Poverty Guidelines (commonly referred to as the Federal Poverty Level or FPL) that are published by the U.S. Department of Health and Human Services. Annual guidelines are posted at <http://aspe.hhs.gov/2017-poverty-guidelines#guidelines>

Financial Assistance

Financial Assistance means free or discounted health care services provided to patients who meet St. Charles' criteria for financial assistance and are unable to pay for all or a portion of the health services. Financial assistance does not include policy discounts, administrative adjustments, contractual adjustments or bad debt. Financial assistance for medical care includes services provided to:

- Uninsured patients who do not have the ability to pay based on St. Charles criteria.
- Insured patients whose coverage leaves a balance the patient is unable to pay
- Persons with generally adequate income who are suddenly faced with catastrophically large medical bills, e.g. the AGB/patient responsibility exceeds the family's annual income.

Income

For purposes of this policy a Family's household income includes:

- Earnings (wages, salaries and self-employment income), unemployment compensation, workers' compensation, Social Security, Supplemental Security Income (SSI), public assistance (includes TANF and other cash welfare, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, regular contributions from persons not living in the household, and other miscellaneous sources.
- Before taxes (gross).
- Excludes capital gains or losses.
- Noncash benefits (such as food stamps and housing subsidies) **do not** count toward income.
- Qualified Assets as defined below.

Medically Necessary Care

"Medically Necessary" refers to, emergency, in-patient, or out-patient healthcare services provided by St. Charles for the purpose of evaluation, diagnosis, or treatment of an injury or illness, if left untreated,



would pose a threat to the patient's health status. Services must be clinically appropriate and within generally accepted medical practice standards. The services provided must represent the most appropriate and cost effective supply, device, or service that can be safely provided and readily available at a St. Charles facility. Excluded from Medically Necessary Services are health care services that are cosmetic, experimental, or part of a clinical research program; private and/or non-St. Charles medical or physician professional fees; services and/or treatments not provided at a St. Charles facility.

Medicare Financial Assistance

Medicare patients who are unable to pay co-pay and/or deductibles or other out of pocket expenses will need to apply for financial assistance in the same manner as any other patient.

Plain Language Summary

St Charles publishes a brochure titled "About Your Bill, A Plain Language Summary" to assist patients with understanding their bills and advises patients about our financial counseling options, including payment plans and financial assistance programs. This brochure is available in registration areas throughout St Charles Health System.

Qualified Assets

The amount determined by calculating one-quarter of the amount that remains after \$75,000 is deducted from the total value of a patient's Household Assets (defined below). Qualified Assets = [Household Assets - \$75,000] x .025. Qualified Assets may be evaluated only when a patient's Income exceeds 100% of the established Federal Poverty Level (FPL). Qualified Assets will not be used in the evaluation of Financial Assistance for amounts owing for visits to any St. Charles site that is a National Health Service Corp Approved Site. For purposes of the Qualified Asset calculation, Household Assets include:

- Equity in real estate *other than the primary residence*;
- Cash value of stocks, bonds, treasury bills, certificates of deposit, and money market accounts, *except those held in qualified retirement accounts (e.g. 401k, 403b, IRA, Roth IRA, etc.)*
- Health Savings Account(s) (HSA);
- Flexible Spending Account(s) (FSA);
- Health Reimbursement Account(s) (HRA);
- Lump sum or one-time receipts of funds, such as inheritances, lottery winnings, insurance settlements.

Resident of St. Charles Primary Service Area

People that live or are employed within Deschutes, Jefferson or Crook counties are considered residents of our primary service area.

Responsible Party

Patients 18 years of age and older are considered to be his/her own responsible party. The responsible party for patients less than 18 years of age (a minor) is the natural/adoptive parent(s) or legal guardian with financial responsibility for the minor, unless the minor patient is legally emancipated and acting as their own responsible party.

Service Areas for St. Charles

- Primary Service Area: Deschutes County, Jefferson and Crook Counties
- Secondary Service Area: other counties in Oregon. If the medical needs of the patient cannot be served in their home county, and St Charles is determined to be the most appropriate facility to serve the medical care needs of the patient, the secondary service area will be considered part of the St Charles community.



References: *(Documents or Regulatory Requirements, to which this document refers, is linked to within Document Library, or from which the document was created.)*

- [About your bill. A plain language summary. - English brochure \(2206 Spanish\)](#)
- [About your bill. A plain language summary. - Spanish brochure \(2503 English\)](#)
- [Credit and Collections](#)
- [Financial Assistance Application, English \(Spanish 2203\)](#)
- [Financial Assistance Application, Spanish \(English 2204\)](#)