

St. Joseph Health Services of Rhode Island HOSPITAL POLICY AND PROCEDURE		TITLE:		Number
Coverage For Uninsured & Under-Insured Patients Receiving Services at St. Joseph Health Services of Rhode Island		Financial Assistance Policy		01-950-92
				Source Administration
Date Issued 4/1/07	Date Effective 4/1/07	Supersedes 05/02	Distribution See Below	Approved
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It is the policy of St. Joseph Health Services of Rhode Island, a voluntary not-for-profit corporation, to provide medically necessary/essential health services to any person regardless of his/her ability to pay in full or in part for those services provided by the Hospital.

Purpose:

St. Joseph Health Services of Rhode Island provides Financial Assistance to patients who meet specified financial criteria and request such assistance. Consideration will be given to a patient's financial status, including indebtedness for existing medical bills, pursuant to state regulation. St. Joseph Health Services of Rhode Island will provide public "Notice of Hospital Financial Aid" (Attachment A) on the Hospital's website, at appropriate intake/registration locations, and make notice of availability to patients on patient bills. St. Joseph Health Services of Rhode Island shall provide its "Financial Aid Criteria" (Attachment B) for qualifying patients/guarantors for financial assistance including partial assistance. St. Joseph Health Services of Rhode Island will make these notices available in other languages in accordance with the "Standards for Culturally and Linguistically Appropriate Services in Health Care" (Standards 4 & 7, based on Title VI of the Civil Rights Act of 1964).

Financial Assistance may be extended when a review of a patient's individual financial circumstance has been conducted and documented. This should include a review of the patient's existing medical bills (including any accounts that have gone to bad debt within twelve (12) months of application date).

Procedure:

Patients who qualify for Financial Assistance should be identified as soon as possible in the revenue cycle. Patients requiring medically necessary/essential healthcare services, who are identified through the registration process as being without federal, state, local, or private healthcare coverage, shall receive the following:

A packet of information that addresses the Financial Assistance policy and procedure, including an application for assistance.

- Financial Assistance counseling along with a packet of information that addresses the Financial Assistance policy and procedure, including an application for assistance.

This information packet shall clearly indicate that St. Joseph Health Services of Rhode Island provides medically necessary/essential care to all patients including those with limited financial resources without regard for a patient's ability to pay and explains the procedure patients should follow to apply for financial assistance.

1. An evaluation for Financial Assistance can be initiated in a number of ways.

For example:

- A patient with a self-pay balance due notifies the Financial Counselor, Self-Pay Collector, Customer Service Representative, or applicable vendor of St. Joseph Health Services of Rhode Island.
- A patient presents at a clinical area without insurance and states that he/she cannot afford to pay the medical expenses associated with current or previous medical services.
- A physician or other clinician refers a patient for financial assistance evaluation.

2. The Hospital will designate a person(s) who will be responsible for taking Financial Assistance applications. These staff members can be Financial Counselors, Self-pay Collectors, Customer Service Representatives, etc.

3. The following criteria must be met in order for there to be a review for a Financial Assistance adjustment:

The patient must apply for Medical Assistance in their State of residence, unless the financial representative can readily determine that the patient would fail to meet the state requirements for Medical Assistance. In cases where the patient has active Medical Assistance pharmacy coverage or Qualified Medicare Beneficiary (QMB) coverage, it is not necessary for the patient to reapply for Medical Assistance, unless the financial representative has reason to believe the patient may be awarded full Medical Assistance benefits.

a. The Hospital representative must consider other possible methods of payment:

- Investments that could be converted to cash within one (1) year
- Savings
- Certificates of deposit
- Money-market accounts
- Property (real estate or other assets) that is not the primary residence

b. All insurance benefits have been exhausted.

4. A patient can qualify for Financial Assistance either through lack of sufficient insurance or excessive medical expenses. Once a patient has submitted all required information, the Financial Counselor will review and analyze the application and forward it to the Patient Financial Services Department for final determination of eligibility based on applicable guidelines. Financial Assistance will be denied to patients/guarantors who do not fully cooperate in applying for available coverage, or who fail to provide the information and documentation necessary to apply for financial assistance; with the exception of Presumptive Charity Care Eligibility is evident. In such cases where the patient/guarantor is not cooperative, St. Joseph Health Services of Rhode Island may place the outstanding account in bad debt status and pursue collections accordingly.

a. If the patient's application for Financial Assistance is determined to be complete and appropriate, the Financial Counselor will complete the Financial Assistance Calculation Cover Sheet and recommend the patient's level of eligibility.

b. If the patient's application for Financial Assistance is based on excessive medical expenses, or if there are extenuating circumstances identified by the Financial Counselor or designated person, the Financial Counselor will forward the application, calculation cover sheet, and attachments to the Financial Assistance Evaluation Committee. This committee will have decision-making authority to approve or reject applications for financial assistance. It is expected that an application for Financial Assistance that has been reviewed by the Committee will have a final determination within fourteen (14) days from the date it was considered complete.

5. A department can continue to use a government-sponsored application process and associated income scale, as required by the terms of a program grant or other outside authority governing that program.

6. Once a patient is approved for Financial Assistance, it is expected that the patient/guarantor will continue to meet his/her required financial commitments to St. Joseph Health Services of Rhode Island. If a patient is approved for a percentage allowance (partial charity) due to financial hardship the full balance due is expected within thirty (30) days unless other arrangements have been made with the hospital.

7. Any payment schedule developed through this policy will ordinarily not exceed two (2) years in duration. In extraordinary circumstances a payment schedule may extend to three (3) years in duration with the approval of the CFO. If the patient/guarantor complies with a payment plan the account shall not be referred to an outside bad debt collection agency. However, if a patient/guarantor does not make three (3) consecutive payments then they may be referred to collections. Two (2) separate incidents of missed scheduled payment within one (1) year may also result in the account being referred to an outside collection agency.

8. If the patient/guarantor has a change in financial status, the patient/guarantor should promptly notify the Hospital. The patient/guarantor may request and apply for financial assistance or a change in their payment plan terms.

Eligibility for full financial assistance discounts shall be determined using a baseline of 200% of the Federal Poverty Levels taking into consideration family unit size (Attachment B). Eligibility for partial financial assistance discounts shall be determined using a baseline between 200% and up to and including 300% of the Federal Poverty Levels taking into consideration family unit size (Attachment B). The Federal Poverty Levels shall be adjusted annually as updated by the Federal Government.

Medical Indigence:

A patient's medical indigence is determined by St. Joseph Health Services of Rhode Island by giving exclusive consideration to a patient's income level in relation to the amount of their medical bills. Medically indigent patients are those who do not have appropriate insurance coverage that applies to services related to their significant or catastrophic health care requirements. Such patients may have a reasonable level of income but a low level of liquid assets and payment of their medical bills would be seriously detrimental to their basic financial well-being and survival. St. Joseph Health Services of Rhode Island shall make a decision regarding a patient/guarantor's medically indigent status by reviewing formal documentation for any circumstance in which a patient is considered eligible for a financial assistance discount on the basis of medical indigence.

In addition to the required information to be considered for financial assistance the following documents may be required to support medical indigence:

- Copies of all patient/guarantor medical bills.
- Information related to the patient's prescription drug costs.
- Multiple instances of high-dollar patient co-pays, deductibles, and/or other medical liabilities.
- Other evidence of high-dollar amounts related to healthcare costs such as documentation of a HSA that has been fully expended.

Presumptive Charity Care Eligibility:

There are instances when a patient may appear eligible for charity care discounts; however, a financial assistance form cannot be completed due to a lack of supporting documentation. Often there is adequate information provided by the patient or other sources that could provide St. Joseph Health Services of Rhode Island with sufficient evidence that the patient would otherwise qualify for a financial assistance discount. Once eligibility has been determined, due to the inherent nature of the presumptive circumstances, a financial assistance discount of 100% of the account balance will be granted.

Presumptive eligibility may be determined on the basis of a patient's life circumstances that may include the following:

- Homeless or living in a shelter.
- No income.
- Participation in Women's Infant's, and Children's programs (WIC).
- Food stamp eligibility.
- Eligibility for other state or local assistance programs that are unfunded (e.g.; Medicaid spend-down).
- Documentation provided by family or friends of the patient establishing the patient's inability to pay for medical care (e.g.; letter of support).
- Low income/subsidized housing is provided as a valid address.
- Patient and spouse are deceased with no known estate.
- If the patient is mentally or physically incapacitated and has no one to act on his/her behalf.
- Participation in the SSTAR Program.

St. Joseph Health Services of Rhode Island will utilize the Financial Assistance Presumptive Eligibility Form for such cases. This form can be filled out by the patient/guarantor, legal representative, or Financial Counselor indicating the patient's qualification for presumptive eligibility. Additional documentation other than that described above will not be required.

Charity Care Policy Exception Review:

Members of the St. Joseph Health Services of Rhode Island Financial Assistance Evaluation Committee shall meet monthly or as needed to evaluate and approve or deny financial assistance applications that do not clearly qualify under the basic financial assistance discount eligibility criteria (e.g., Medically Indigent, Presumptive Eligibility, etc); other than those where the patient/guarantor has failed to return a fully completed financial assistance application. The Financial Assistance Evaluation Committee will also evaluate patient appeals for final determination within forty-five (45) days of receiving a written appeal from a patient/guarantor.

The Financial Assistance Evaluation Committee shall be comprised of, but not limited to:

- Patient Accounts – Manager/Director or designee
- Patient Access – Manager/Director or designee
- CFO
- Administrative Director of Finance
- Compliance Officer
- Administrator Director of Financial Planning

A minimum of three (3) Committee members will be required for a quorum.

Appeal Rights of Patient/Guarantors:

If a patient/guarantor disagrees with the denial of financial assistance decision, the patient/guarantor may request in writing an appeal within forty-five (45) business days of receiving notification. The denial letter will advise the patient that he or she has the right to appeal the decision and that the patient will be provided the information necessary to file a written appeal. The Financial Assistance Evaluation committee will review all appeals and make a final decision regarding the financial assistance. The final decision will be communicated to the patient/guarantor in writing within fourteen (14) business days. Collection activity halted as a result of the financial assistance process will continue to be halted during the appeal process until the committee makes a final determination.

Responsibilities:

It is the responsibility of the Financial Counselor, Self-Pay Collectors, Customer Service Representatives, and Revenue Cycle Managers/Directors to understand the current criteria for assistance qualification.

It is the responsibility of the Financial Counselor, Self-Pay Collectors, and Customer Service Representatives to:

- Identify prospective candidates.
- Initiate the financial assistance application process.
- Document all transactions as comments in all applicable patient accounts.

Responsibilities of the Financial Counselor:

- Maintain and understand the current guidelines qualifying patients for Financial Assistance.
- Maintain legible copies in appropriate languages of Financial Assistance Policy. Applications and current Federal Poverty Income Guidelines from the Federal Register.
- Follow-up within fourteen (14) business days of an application being sent to the patient to answer any questions and provide help, as needed
- Review applications for completeness within five (5) business days of receipt to ensure all required information is present. Contact appropriate party to obtain any missing documentation.
- Compile all supporting documentation (e.g., tax returns, pay stubs, bank statements, etc.); attach to application.
- Fill out Financial Assistance Calculation Sheet; determine level of assistance or denial of assistance. (Decisions for approval/disapproval will be made within fourteen (14) business days of receiving a completed application.)
- Forward all applications to Supervisor for approval signature.
- Initiate charity adjustment on approved applications to patient's account
- Communicate final determination in writing to the patient.
- Advise ineligible patients of the appeal process or other alternatives available to them including payment plans.
- Document all transactions in the comments section all applicable patient accounts comments via canned text.
- Retain all returned applications for ten (10) years following the end of the fiscal year in which the assistance was identified.

The Financial Counselor will not have authority to approve financial assistance.

Responsibilities of the Manager:

- Review applications for which the supervisor has signature authority or those applications forwarded because of extenuating circumstances.
- Approve/disapprove application according to signature authority; approval greater than authorized amount should be forwarded to Manager/Director.
- Forward approvals to designee to initiate charity adjustment to patient's account and communicate final written determination to patient.
- Maintain system-generated report of charity amounts written off.
- Reconcile monthly Financial Assistance write-offs per the automated report against monthly case files.
- Review applications according to signature authority or those applications forwarded because of extenuating circumstances.
- Approve/disapprove application according to signature authority; approval greater than authorized amount should be forwarded to Chief Financial Officer (CFO).
- Forward approvals to designee to initiate charity adjustment to patient's account and communicate final written determination to patient.

Financial Assistance Signature Authority:

Manager \$ 0.01 - \$2,499.99
Chief Financial Officer - \$2,500.00 - Above

Recording of Financial Assistance:

St. Joseph Health Services of Rhode Island shall provide the Rhode Island Department of Health (on an annual basis or as required by the Director) information including but not limited to:

1. The "Annual Financial-Aid Data Filing" or as determined by the Director.
2. The public "Notice of Hospital Financial Aid" (Attachment A).
3. A copy of a HIPAA compliant hospital bill including the public "Notice of Hospital Financial Assistance" (Attachment A).
4. The "Notice of Financial Aid Criteria" (Attachment B) for charity care including full disclosure of the discount schedule for partial charity care and, if applicable, how the assets criterion is evaluated in determining eligibility for partial charity care.
5. The "Application for Financial Assistance (Attachment C).
6. The Hospital's adopted Appeals Process.
7. The Hospital's adopted Collections Process.

Attachments:

- A. Notice of Hospital Financial Assistance
- B. Notice of Financial Aid Criteria
- C. Application for Financial Assistance