

Salem Health Policy

Due Date: January 1, 2018

Financial Assistance Administrative House-wide Policy and Procedure		
Applicable Campus	Department Name	Approval Authority
Salem Health West Valley Hospital	Revenue Cycle	Board of Directors
Final Approval Date	Effective Date	Next Review Date
For use by Policy Coordinator	For use by Policy Coordinator	For use by Policy Coordinator
List Stakeholders Position or Committee	Document Status	Date of Approval
Revenue Cycle Director	Revised	11/22/2016
Chief Financial Officer	Reviewed	12/02/2016
Board of Directors	Reviewed	01/05/2017

Describe briefly the most recent revision made to this policy, procedure or protocol & why:

The Financial Assistance Policy (FAP) has been updated to comply with Oregon Association of Hospitals and Health Systems recommendations, IRS 501(r) requirements, and recommended best practices. Specific changes include the following key points:

1. Formatted using current policy template
2. Revised threshold for 100% Financial Assistance from 200% of the Federal Poverty Level(FPL) to 300% FPL
3. Moved Catastrophic Discount and Uninsured Discount to Other Self-pay Discounts Policy
4. Added Workers Compensation and Third Party Liability to Screening Patients for Paying Funding Sources
5. Added Russian and Vietnamese translations to the English and Spanish versions of Financial Assistance documents
6. Added Emergency Medical Care section affirming compliance with EMTALA
7. Added contact Information including: website address, phone number, physical address, mailing address.
8. Added Application Period section
9. Added clarifying language to Eligibility Criteria section
10. Supporting Documentation section was updated to include Probate Estates determination
11. Financial Matrix was updated to current criteria
12. Added required language describing Amounts Generally Billed (AGB) methodology.

Purpose/Policy Statement:

This policy is written to ensure an equitable and comprehensive system of distributing financial assistance to the financially burdened within the available resources of Salem Health while ensuring that Salem Health is financially capable of providing the highest quality healthcare to the community.

Policy Content
Salem Health will attend to the needs of those that are financially disadvantaged and act with integrity in all endeavors; treating all patients with dignity, respect, and compassion.
Actions that may be taken in the event of non-payment are described in the Billing and Collections policy.

Revenue Cycle staff will work to improve cash flow and efficiency related to patient liabilities by collecting co-payments, co-insurances, and uninsured balances/prior balances by establishing flexible and equitable payment arrangements, when needed, without placing an undue burden on patients/guarantors.

Salem Health provides a variety of options to assist patients/guarantors in resolving their accounts, including screening patients for eligibility for viable funding sources, financial assistance, other discounts, and extended payment plans.

Patients/guarantors who are determined to be at or below 300% of the poverty level based on the processes listed in the procedure section are eligible for 100% financial assistance on eligible services. Discounts may be available on the net balance for patients/guarantors between 300 - 400% of the federal poverty level. Patients above 400% of the federal poverty level may qualify for other discounts as provided for in the Other Self-pay Discounts Policy.

Steps/Key Points Procedure

Screening Patients for Paying Funding Sources

Uninsured patients are screened for eligibility through the Oregon Health Plan (OHP/Medicaid), Workers Compensation, Third Party Liabilities, Consolidated Omnibus Budget Reconciliation Act (COBRA), or any other potential funding source at the point of scheduling, patient registration or while inpatient. Salem Health or its representative will review the patient's current resources and work with him/her to gain eligibility for any of these programs as appropriate.

Patients that are not eligible for OHP or the other programs listed above, and have financial constraints that inhibit their ability to pay, will be assessed for a financial discount as outlined below.

Communications to the Public

Information on the Hospital's Financial Assistance shall be made publicly available in the following manner:

1. Notices are posted in key areas of the Hospital, including Admitting, the Emergency Department, Outpatient Department registration areas, and Patient Financial Services.
2. The Conditions of Admission Form informs the patient of their right to apply for financial assistance.
3. Written information shall be available in English, Spanish, Russian and Vietnamese. The Hospital will provide the appropriate interpretation services for patients/guarantors who do not speak English.
4. Front-line staff will be trained to answer financial assistance questions effectively and will direct any that cannot be answered to Financial Counselor's in a timely manner.
5. This policy will be posted on Salem Health's web site. Written information about this policy will be made available upon request.
6. All patient billing statements will include a notice that financial assistance is available and contact information if they want to learn more.

Emergency Medical Care

Salem Health has a dedicated emergency department and provides care for emergency medical conditions (as defined by the Emergency Medical Treatment and Labor Act) without discrimination consistent with available capabilities, without regard to whether or not a patient has the ability to pay or is eligible for financial assistance.

Application Process & Eligibility Determination

A request for financial assistance may be made before, during, or after the provision of care. The Hospital has developed an application process for determining initial interest in and qualification for financial assistance. Requests for financial assistance will be accepted from the patient directly, or others on the patient's behalf. This could include but is not limited to, the patient's representative, or hospital staff. Patient Financial Services staff are available to provide assistance with completing a financial assistance application at the address listed below.

- Financial Assistance Policy, plain language summary, billing and collections policy, and applications may be downloaded from our website: <http://www.salemhealth.org/about/charity-care-and-financial-policy>
- Paper copies of the Financial Assistance Policy, plain language summary, billing and collections policy, and applications are available in the Emergency Department, in registration areas and at Patient Financial Services, 550 Hawthorne Ave SE, Suite 200, Salem OR 97301

- Paper copies of the Financial Assistance Policy, plain language summary, billing and collections policy, and applications may be requested by mail from: Financial Counseling, Salem Health, PO BOX 14001, Salem OR 97309-9976 or via telephone by calling 503-562-4357.

The hospital will make a determination based upon verbal and/or written information received from the patient, the patient's representative, or a 3rd party charity scoring vendor. The determination can be made at any time prior to resolution of the account. Hospital personnel will communicate this initial determination to a patient or the patient's representative. A subsequent determination can be made if patient provides sufficient documentation to meet eligibility criteria for a different level of financial assistance.

To obtain financial assistance, the application must be complete. If a determination cannot be made with documents provided, a denial letter will be sent which will state the denial reason and the right to appeal if the necessary documents are submitted.

A "Notice of Determination" will be sent to all applicants within 21 days of receipt of a completed application and supporting documentation. If additional information is required to process the application, patients/guarantors will be informed of those requirements and or their rights to appeal in the "Notice of Determination" letter. Financial Assistance determinations are valid for 6 months from the date of determination.

Application Period

The financial assistance application period begins on the date medical care is provided and ends 240 days after the first post-discharge billing statement and 30 days after the hospital or authorized third party provides written notice of Extraordinary Collection Actions (ECAs) the hospital plans to initiate. If a patient submits a complete hospital financial assistance application during the application period, Salem Health will suspend any ECAs and make an eligibility determination before resuming applicable ECA activity. If an individual is found to be eligible for financial assistance, any ECAs will be reversed.

Eligibility Criteria

Unpaid balances on all emergent and other medically necessary services are eligible for financial assistance.

Services not covered are cosmetic and/or elective procedures that are not medically necessary. Self-pay package pricing is also not eligible for Financial Assistance. (e.g., a pre-determined package pricing for a procedure would not be eligible for Financial Assistance)

Financial Assistance is based on the determination of a patient's ability to pay, not his or her willingness to pay. In order to capture total 'allowable medical expenses' or those expenses that qualify to be totaled and assessed against a patient's ability to pay, financial counselor's will total the outstanding balances on all hospital accounts less any services not meeting pre-defined medical necessity. Salem Health abides by the government's published standards for medical necessity. Eligibility for Financial Assistance will be determined regardless of race, color, sex, religion, age, national origin, sexual orientation, or immigration status. Circumstances where a patient has declined enrollment in an insurance program requiring premiums will not be a basis for denying financial assistance. If COBRA or other insurance benefits are available and it is determined the patient is not financially capable of paying the premium then the hospital may choose to pay the premium. If the patient has insurance, all insurance benefits, including co-op community programs, should be exhausted and only the patient liability is eligible to receive discounts or adjustments.

Financial Assistance is the option of last resort. A patient/guarantor must cooperate with the approval process of any funding solution that would pay the patient's bills in order to be eligible for Financial Assistance.

Criteria considered in determining eligibility include, but are not limited to:

- The household's* gross income.
- Household's assets other than primary residence
 1. Equity in a real estate (other than the patient/guarantor's primary residence), securities or other assets are considered available to pay the patient's medical expenses and should be included in the income calculation
 2. The income from income-producing real property should be used in the calculation rather than the equity.
 3. Individual Retirement Accounts (IRAs) or other retirement funds will not be included in household assets; however distributions from those funds will be considered income.
- Family size (persons legally responsible for the patient bill and their dependents)

- The family's monthly out of pocket expenses for medical supplies and services.
- Eligibility may be contingent upon patient cooperation with the application process.

*The definition of 'household's gross income' includes the combined gross monthly income of all persons legally responsible for patient bill or balance.

Supporting documentation may include the following:

Patient must provide two of the following documents to support the income claims on the application.

- Three months income verification in the form of pay stubs, bank deposits, etc.
- Social Security determination letters.
- The prior year's tax returns or 4506T-EZ
- A "Basic Needs" letter that indicates how persons with no income are meeting their day to day basic living needs.

"Basic Needs" letter must only be considered a secondary supporting document after the Financial Counselor or Clerk validates the information.

As outlined in Salem Hospital's Condition of Admission, a credit bureau report or a charity scoring vendor may be requested to validate information provided on the financial assistance application.

Salem Hospital may accept information provided on an OHP application, OHP eligibility, Probate Estates determination, documentation of homeless status, or reliable third party credit information as a substitute for the financial forms. OHP information will be considered valid 30 days prior to admission and 90 days post discharge. Approved sources of documentation for homeless status include chart notes, discharge plans, or discharge summaries entered into our health information system by care providers or the patient indicating they are homeless during the registration process. Financial Assistance granted based on third party information rather than a Financial Assistance Application does not extend to future dates of service and would need to be reevaluated based on information available at that time.

Household incomes up to 400% of the annual Federal Poverty Guidelines (FPG) will be eligible for Financial Assistance as outlined below and in the FPG Financial Matrix:

Financial Matrix

Income as a percentage of Federal Poverty Level	Percentage Discount
0-300%	100%
301-400%	65%**
All other uninsured	See Other Self-pay Discount Policy

*** Minimum charity discount is based on AGB as described below and will be reviewed annually and revised if necessary to comply with IRS 501(r).*

AGB or Amounts Generally Billed represents the typical reimbursement amount of patients who have insurance covering their care. A patient eligible for Financial Assistance may not be charged more than AGB for emergency or other medically necessary care. AGB has been determined using the Look-back method using the top 8 payers, including Medicare.

In all areas except in the Emergency Department and Labor & Delivery, a deposit may be required in advance of providing services.

Reasonable payment arrangements may be required for all balances not discounted under the Financial Assistance Matrix.

This will not be implemented in contradiction of any state or federal regulations including but not limited to EMTALA.

Review and Revision History		
History	Review or Revision	Date
New Policy		3/1/94
History	Reviewed/Revised	6/95, 7/96, 11/97, 2/00, 2/04, 7/04, 4/05, 3/06, 4/06, 5/06, 8/06, 10/09, 1/11, 1/12, 1/13, 1/14, 4/14, 4/15
Last Revision	Revised	11/16

Equipment or Supplies - Insert N/A if not applicable
N/A
Form Name and Number or Attachment Name - Insert N/A if not applicable
Provider Participation Appendix
Expert Consultants Position
N/A
References – Required for Clinical Documents – Insert N/A for Administrative Policies
N/A
Policy, Procedure or Protocol Cross Reference Information – Insert N/A if not applicable
Salem Health and West Valley Plain Language Summary Billing and Collections Policy Other Self-pay Discounts Policy
Definitions – Insert N/A if not applicable
N/A
Computer Search Words
Financial Assistance, Charity
Is there a Regulatory Requirement?
Yes, ORS, IRS 501 (r)