

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

## Policy

Thayer County Health Services (TCHS) is committed to providing financial assistance to patients who have medically necessary health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for medically necessary care provided at TCHS. TCHS will provide, without discrimination, care for emergency medical conditions regardless of the patient’s financial ability to pay, ensuring compliance with EMTALA. Financial assistance will be offered to patients based upon the criteria outlined in this policy.

### Definitions

**Amounts Generally Billed (AGB)** - The amounts generally billed for emergency or other medically necessary care to individuals who have insurance for such care. TCHS will use the look back method for determining AGB over the previous 12 month period. AGB will be updated at least annually. TCHS may change methodology for calculating AGB in the future.

**Application Period** - The time provided to patients by TCHS to complete the financial assistance application. It begins on the first day care is provided and ends on the day the encounter goes to formal collections.

**COBRA Coverage** - The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives individuals who lose their health benefits the right to elect continuation of group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, and other life events

**EMTALA/Emergency Care** – Any patient seeking urgent or emergent care [within the meaning of Section 1867 of the Social Security Act (42 U.S.C. 1395dd)] at TCHS is to be treated without discrimination and without regard to a patient’s ability to pay for care. TCHS will not take any action that discourages patients from seeking emergency medical care, including, but not limited to, demanding payment before treatment or permitting debt collection and recovery activities that interfere with providing emergency medical care. TCHS will operate in accordance with all federal and state requirements for the provision of urgent or emergent health care services, including screening, treatment and transfer requirements under EMTALA (Emergency Medical Treatment and Labor Act) and in accordance with 42 CFR 482.55 (or any successor regulation).

**Family** - Is defined, per the Census Bureau, as a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service, if the patient claims someone as a dependent on his or her income tax return, that person may be considered a dependent for purposes of financial assistance. If IRS tax documentation is not available, family size will

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

be determined by the number of dependents documented on the Financial Assistance application and verified by the Hospital Facility.

**Family Income** - Is calculated, per the Census Bureau, by using the following:

- Includes earnings, unemployment compensation, Worker’s Compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, disability benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources, on a before-tax basis
- Excludes noncash benefits (IE housing subsidies)
- Excludes capital gains or losses
- Includes the income of all family members, if a person lives with a family, but excludes nonrelatives.

**Federal Poverty Guidelines (FPG)** - Updated annually in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current guidelines can be referenced at <http://aspe.hhs.gov/poverty-guidelines>.

**Financial Assistance** - Assistance provided to patients for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for medical necessary care provided and who meet the eligibility criteria for such assistance. Financial Assistance is offered to insured patients to the extent allowed under the patient's insurance carrier contract.

**Guarantor** - An individual, other than the patient, who is legally responsible for payment of the patient’s bill.

**Medically Necessary Care** – Services provided that are reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

**Uninsured** – An individual who has no third-party coverage by a commercial third-party insurer, an ERISA plan, a Federal Health Care Program, Worker’s Compensation, or other third-party assistance to assist with meeting payment obligations.

**Underinsured** - An individual with private or public insurance coverage, for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for medically necessary care provided.

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

---

## Procedure

---

Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, or are otherwise unable to pay for their care. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account any potential discriminatory factors such as age, ancestry, gender, gender identity, gender expression, race, color, national origin, sexual orientation, marital status, social or immigrant status, or religious affiliation or on any other basis as prohibited by federal, state, or local law.

Financial assistance is not available for care deemed not medically necessary or emergent. Services performed and billed by outside entities or non-employed TCHS providers (IE-specialty clinic physicians, anesthesiologists, pathologists, etc.) will not be considered for TCHS financial assistance.

### Application Process

TCHS has established the following criteria for a guarantor/patient to be considered for financial assistance:

- The patient must have a minimum balance of \$25 with TCHS. Multiple account balances can be combined to reach the amount.
- Have exhausted all other payment options, including private coverage, federal, state and local medical assistance programs, and other forms of assistance provided by third parties.
- The patient’s family income must be at or below 300% of FPG.
- Complete the TCHS’ Financial Assistance Application and provide requested documentation within the defined application period.
  - If a completed application is provided within the first 60 days of the account(s) being placed with TCHS’ collections agency(s), and the account(s) have not been placed in a legal status, then TCHS will process the application.

The guarantor/patient is responsible for applying to public programs for available coverage and pursuing public or private health insurance payment options. TCHS financial counselors are available to assist the patient/guarantor in applying for public or private programs. If available, the guarantor/patient must apply for COBRA coverage. If TCHS determines that COBRA coverage is potentially available, and the patient does not have Medicare or Medicaid coverage, the guarantor/patient will provide TCHS with information necessary to determine the monthly COBRA premium for the patient. TCHS will review the COBRA information and determine if the patient

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

qualifies for COBRA premium assistance, which may be offered by TCHS for a limited time to assist in securing insurance coverage.

#### **Eligibility Determination**

TCHS will review the completed financial assistance application and calculate the total household income based on the documentation provided. Annual household income will be calculated from the prior three-month period and/or the prior tax year as shown by recent pay stubs or income tax returns and other information.

At least one piece of supporting documentation that verifies household income is required; however additional documents may be requested. Supporting documentation may include, but is not limited to:

- Most recently filed federal income tax return
- Three months current paystubs
- Signed letter of support

TCHS may, at its discretion, rely on evidence of eligibility other than described in the financial assistance application. Other evidentiary sources may include:

- External publicly available data sources that provide information on a guarantor/patient’s ability to pay.
- A review of patient’s outstanding accounts for prior services rendered and payment history;
- Prior determinations of the guarantor/patient’s eligibility for assistance under this policy.
- Evidence obtained as a result of exploring appropriate alternative sources of payment and coverage from public and private payment programs.

In the event no income is evidenced on a completed financial assistance application a written document is required which describes why income information is not available and how the guarantor/patient supports basic living expenses (IE- housing, food and utilities).

For situations in which patients have considerable assets, the assets will be calculated as cash available to meet essential living expenses, which includes healthcare expenses. Assets will be converted to income for comparison of poverty guidelines, however THCS will exclude the below assets in that conversion:

- Assets held in a tax-deferred or comparable retirement savings account
- College savings accounts
- House/property that the patient currently resides
- Two vehicles
- Other Assets at TCHS’ discretion that is believed to be in the patient’s best interest to exempt.

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

The patient’s eligibility for financial assistance will be based upon the FPG for the current year. TCHS will use total household income as calculated above, compare it to the FPG Sliding Scale, and award financial assistance based on the financial assistance table. The patient will not be charged more than AGB for the services covered under the financial assistance.

Percentage of FPG Sliding Scale	Discount %
0%-150%	100%
150%-200%	80%
200%-225%	60%
225%-250%	40%
250%-300%	20%
>300%	0%

Upon request from the guarantor/patient, TCHS will grant financial assistance to individuals assistance based on a prior eligibility determination within the past six months.

### Presumptive Eligibility Determinations

In the event the guarantor/patient is unable to provide requested documentation, TCHS may presumptively determine that a patient is eligible for financial assistance based on certain individual life circumstances, which may include, but are not limited to:

- Homelessness
- Qualification and effective date for Medicaid after the service dates
- Military-special circumstances
- Recipient of state-funded prescription programs
- Participation in Women, Infants and Children programs
- Low income/subsidized housing is provided at a valid address
- Patient is deceased with no known estate

This information will enable TCHS to make informed decisions about the financial needs of patients, utilizing the best estimates available in the absence of information provided directly by the guarantor/patient.

If a guarantor/patient is determined to be presumptively eligible, they will be granted financial assistance for retrospective dates of service only. The guarantor/patient will not be notified of presumptive eligibility.

<b>Policy Title:</b>	Financial Assistance Policy		
<b>Effective Date:</b>	06/06/2019	<b>Last Review/Revision Date:</b>	5/26/22; 06/01/2020
<b>Policy Location:</b>	Revenue Cycle		
<b>Approved By:</b>	CFO; Policies & Procedure Committee; Board of Trustees		
<b>Ownership:</b>	CFO		
<b>Regulation Reference:</b>			

### Notification

Notification about the availability of Financial Assistance from TCHS shall be disseminated by various means, such as the TCHS website.

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

TCHS will provide financial counseling to patients about their bills related to medically necessary care. It is the responsibility of the patient/guarantor to schedule consultations with a financial counselor. The provision of financial assistance may now or in the future be subject to additional regulation pursuant to federal, state or local laws. Such law governs to the extent it imposes more stringent requirements than this Policy. If such law directly conflicts with this policy, TCHS, after consultation with legal, will revise this policy or adopt a separate policy.

### Responsibility for Interpretation

The CFO will be responsible for interpretation of this policy.

---

## Policies Referenced

---

*Current Year's Federal Poverty Guidelines Spreadsheet – Internal Document*  
*Financial Assistance Application Document – Internal Form*