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Policy #:	<i>Financial Assistance Policy</i>	
Facility(s):	Infirmary Health System; Hospitals	
Department:	Patient Business Services	Hospitals, Patient Accounts
Original Date	Sept. 29, 2011	
Revision Date	October 1, 2023	

Policy & Procedure Description (Policy):	Define the Financial Assistance Policy for each of Infirmary Health’s (IH) not-for-profit hospitals. The Financial Assistance Policy describes the Financial Assistance Program available to patients provided hospital services at any of IH’s not-for-profit hospitals: Mobile Infirmary, Infirmary LTAC Hospital, North Baldwin Infirmary, and Thomas Hospital.
Purpose:	As part of our mission to serve the community, IH will provide hospital services to uninsured or under-insured persons who may not have the personal resources to fully or partially cover such services. The IH Financial Assistance Policy defines the program through which IH attempts to identify/qualify such hospital patients for Financial Assistance. The Policy includes: <ol style="list-style-type: none"> 1) Communication/Publication of the Financial Assistance Policy, 2) Determination of Eligibility under the Policy, and 3) Administration of the Policy.
Approved By/ Date:	

I. Policy

IH is committed to providing financial assistance to patients who require emergent or other medically necessary hospital care, are uninsured or underinsured, and have demonstrated that they are otherwise unable to pay for such care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, IH strives to ensure that the patient’s financial situation does not prevent them from seeking emergent or other medically necessary hospital care. Each hospital’s emergency medical screening, or resulting treatment if an emergency medical condition is found, will never be delayed to determine insurance coverage, the patient’s method of payment, or the patient’s eligibility for financial assistance.

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Financial assistance is not considered a substitute for personal responsibility. Patients are expected to cooperate with IH's procedures for obtaining financial assistance or other forms of payment, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets. Individuals, with access to assets which can reasonably be liquidated to cover all or a portion of their hospital services, are expected to liquidate such and apply the proceeds toward their care. The financial assistance guidelines herein exist so that IH may provide an appropriate level of assistance to the greatest number of persons in need, while also allowing IH to responsibly manage its resources.

Definitions

Financial Assistance (FA): Healthcare services that have or will be provided to qualified patients, and which are not expected to result in full payment. FA results from each hospital's policy to provide healthcare services free or at a discount to patients who meet established criteria under the Financial Assistance Program.

Financial Assistance Policy (FAP): The Financial Assistance Policy of Infirmary Health System's not-for-profit hospitals. While the FAP is administered by IH, it is approved by the respective governing board of each IH not-for-profit hospital.

Financial Assistance Program (FA Program): The program hereunder where patients apply for FA and their application is evaluated using certain eligibility criteria, and through which their eligibility for Financial Assistance is determined. The FA Program does not include other discounts that IH may offer, e.g. prompt pay discounts, single case discounts, or uninsured discounts.

Financial Assistance Committee: The Committee consists of the Senior V.P. Business Services, Executive Director Revenue Cycle, Director Patient Access, Manager Patient Business Services, and Financial Assistance Coordinator. The Committee reviews and evaluates FA applications, determines and documents eligibility/qualification (or non-eligibility/qualification) there-under. FA approval is evidenced by the approval of either the Senior V.P. Business Services or Executive Director Revenue Cycle and either the Director Patient Access or Manager Patient Business Services.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent family member.

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Family Income: Family Income, under the U.S. Census Bureau definition, is determined using the following components/guidelines for all members of the family:

- Earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor 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;
- Non-cash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all related family members (Non-relatives, such as housemates, do not count).

Family Income is used to measure, as a percentage, the family's indigence relative to the U.S. Census Bureau's "Federal Poverty Guidelines."

Uninsured: The patient has no level of insurance or third party assistance to assist with meeting their payment obligations.

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed their payment abilities.

II. Procedures

A. Services Eligible under this Policy. For purposes of this policy, "financial assistance" refers to hospital healthcare services provided without charge or at a discount to patients who apply and are eligible under the FAP. Services eligible for financial assistance are emergent or other medically necessary hospital care. The FAP does not cover non-hospital services or physician services (e.g. Ambulance, Emergency Room Physician, Radiologist, Pathologist, or Anesthesiologist services, etc.)

B. Eligibility for Financial assistance. Eligibility will be considered for all applicants who submit a complete "Financial Assistance Application Form," (FAA). The FAA is accompanied by "Financial Assistance Instructions" (FAI). The FAA and FAI indicate the information and documentation which are required by the FA program. Collectively, the FAA and FAI are considered the "Financial Assistance Application." Hospital registration and business office personnel will attempt to provide Financial Assistance Applications whenever requested by patients or their representatives. In addition, Financial Assistance Applications are available via the IH hospital internet websites.

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1. Financial need will be determined by the FA Committee in accordance with procedures that involve an individual assessment of financial need; and
 - Will include an application process, in which the patient or the patient's guarantor is required to supply personal, financial and other information and documentation relevant to making a determination of financial need;
 - May include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
 - Will include reasonable efforts by IH to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
 - Will take into account the patient's available assets, and all other financial resources which may be available to the patient; and
 - Will include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. Generally, Family Income as a percentage of Federal Poverty Guidelines (FPG) <https://aspe.hhs.gov/poverty-guidelines> will be used as a guideline in making determinations of financial need. However, other criteria will also be considered when applicable: 1) the availability of cash, liquid assets, or other assets that may be converted to cash, and/or 2) any excess of monthly net income over monthly household expenditures.

Generally, patients are eligible for "**full**" Financial Assistance when their monthly Family Income is at or below 200% of FPG. For these patients, financial assistance is granted at a 100% discount from gross charges, which is always less than amounts generally billed to insured patients (AGB).

Generally, patients are eligible for "**partial**" Financial Assistance when their monthly Family Income is between 201% and 350% of FPG. For these patients, financial assistance is granted at a less-than-100% discount, in sliding amounts, which will not exceed AGB.

Patients eligible for FA are never to be billed at full (Gross) charges. It is the intent of this policy to insure that billed services for all eligible financial assistance patients are discounted below Gross charges.

The AGB is determined annually based on the IRS' "Look-back" method, using each IH hospital's respective Medicare paid-claims allowable percentage for the following applicable patient types: "Inpatient" (includes Acute, Rehab, Psych, and LTAC), and "Outpatient" (all other patient types). *For annual AGB calculation period is the most recent 12-month period of March 1 to February 28.* The AGB percentages for each IH

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hospital may be obtained free of charge, by calling the IH Patient Business Services Department at 251-435-3541.

3. The determination of FA may be done at any point in the billing collection cycle, or after an account has been written off to bad debt and referred to a collection agency.
4. ***Complete applications*** for FA shall be handled promptly, with the FA Coordinator insuring that the following steps are performed:
 - a. Submit complete applications to the FA Committee.
 - b. The determination of FA eligibility or ineligibility is documented.
 - c. Provide the patient with a written notice of the FA eligibility/ineligibility determination (as applicable), the amount thereof, any remaining amount billed, the basis of the amount billed, and where applicable, the AGB percentage for the particular services which were provided.
5. For ***incomplete applications***, the Financial Assistance Coordinator will provide the patient with a written notice that:
 - a. Describes the additional information and/or documentation required under the FAP,
 - b. The deadline for the additional information/documentation, and
 - c. The collection actions that may be taken by IH if the additional information is not received by the deadline, and the account remains unpaid.
6. If financial assistance applications are not completed (or not completed by the deadline in 5. above), the account will continue through the normal billing collection cycle and be placed with an outside collection agency for collection. Any billable amounts which remain unpaid after FA has been granted and communicated to the patient may likewise be placed with an outside collection agency. Collection activities may include civil legal action, wage garnishment and/or reporting to a consumer credit reporting agency. Collection activities for non-applicants may begin 120 days after the first billing date. For those submitting complete financial assistance applications (with billable amounts due), collection activities may begin 120 days after the financial assistance eligibility notification date. Collection activities for those submitting incomplete applications will commence 30 days after the incomplete financial assistance application notification date, (provided a minimum of 120 days have elapsed since the first billing date.) However, to avoid any collection activities, IH encourages patients to take advantage of the FAP, consistent with this Policy, and to pay the amounts due (if any) which remain after FA has been granted.

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7. The FA Committee determines the need, eligibility, and amount of Financial Assistance granted commensurate with IH's internally developed sliding scale, which is based on Family Income as a percentage of Federal Poverty Guidelines, considering individual/unique/extraordinary cases, and in conformity with any applicable laws, rules, or regulations established by Federal, State or other applicable authorities. The amount of FA granted may be a 100% discount of gross charges, some lesser discount percentage (i.e. partial FA), or no FA. Where partial FA is granted, the billable amount, expressed as a percentage, will not exceed the aggregate percentage generally billed for each Hospital's Medicare patient population for the respective service provided, i.e. Inpatient or Outpatient.
8. Financial Assistance will not be denied based on an applicant's failure to provide information or documentation that is not required by the Financial Assistance application. However, if no family income is reported, supporting information will be necessary as to how the family's daily needs are met. The FA Committee makes the final determination as to whether reasonable efforts have been satisfied to determine each patient's financial assistance eligibility.

C. Presumptive Financial Assistance. IH may override the need for a formal financial assistance application in certain circumstances, and grant FA using presumptive indigence as a basis. Indigence may be presumed if: (1) the patient is eligible or has recent eligibility (within 6 months) for certain Federal, State, or local indigent assistance programs, or (2) the patient is uninsured or underinsured and qualifies for a device/service from a third-party vendor with an indigence credit program, and the total anticipated payment(s) from the patient and/or insurance is less than the device/service credit(s) offered by the third-party vendor.

D. Communication of the Financial Assistance Policy to Patients and the Public. IH will notify patients of the financial assistance policy, plain language summary, and application via the internet, patient billing statements/authorization, and signage in registration and business office areas. IH will notify the community of the financial assistance policy by circulating it to certain local public agencies and nonprofit organizations that address the health needs of the community's low-income populations, i.e. County Health Department(s) and Franklin Primary Health Clinic.

E. Summary of Financial Assistance Steps.

1. The Financial Assistance Application (in English) is available, or will be provided to the patient, free of charge. Upon request, translated-language versions of the forms will be provided to a member of any ethnic population group with limited English proficiency constituting more than 5 percent of the residents of the community served.
2. Upon receipt of all required documents (i.e. application is complete), the FA Coordinator will:
 - a) Obtain as needed, a credit report for patient/spouse (if spouse signed the FAA form),

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- b) Calculate the Federal Poverty Guideline percentage based on Family Income, and
- c) Complete the top portion of the Financial Assistance Determination form.
3. For incomplete applications, reasonable effort should be made to secure the required documents from the patient. If these attempts prove unsuccessful, the FA Coordinator should send to the patient the written notice described in section III.B.5, and treat the incomplete application as closed until the required documents are received. (Note: Closed “incomplete” applications shall be reopened and considered once the missing/required information/documents are received.)
4. Present the completed applications to the FA Committee at the next scheduled FA Committee meeting or via the systematic workqueues so the Committee may determine eligibility under the FAP.
5. Eligibility/non-eligibility and the amount of FA is determined and documented by the Committee; appropriate approvals/dis-approvals are documented via systematic electronic approvals and/or signatures.
6. Applicable adjustments are made to the account balance(s).
7. Prepare and mail a notice to the patient of the determination and amount of FA granted, following the steps outlined in section III.B.4.

III. Related Documents

- Financial Assistance Policy Plain Language Summary
- Financial Assistance Application Instructions
- Financial Assistance Application Form
- Notice of Incomplete Financial Assistance Application
- Notice(s) of Financial Assistance Eligibility Determination
- Financial Assistance Sliding Scale
- Financial Assistance Determination