

<b>Financial Assistance Program</b>		
<b>Effective Date:</b> 3/15/17	<b>Original Date:</b>	<b>Approval Date:</b> PPRC 3/8/17
<b>Number:</b> O-136		<b>Version:</b> 8
<b>Facility (Scope):</b> Organization-wide		

**POLICY STATEMENT:**

- A. Billings Clinic’s mission and values encourage reaching out to people in the community we serve to provide care to all persons, including individuals and families with financial limitations. We are committed to providing financial assistance to persons who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically-necessary care based on their individual financial situation.
- B. The Billings Clinic Financial Assistance Program is not a substitute for personal responsibility. Patients are expected to cooperate with Billings Clinic’s procedures for obtaining financial assistance and to contribute to the cost of their care based on their individual ability to pay. Billings Clinic established the following provisions to manage financial resources in a responsible manner and to assist the most persons in need.
- C. This policy allows Billings Clinic to determine eligibility for financial assistance for patients who meet the established eligibility criteria. Financial assistance is provided for medically-necessary services and medications. This policy does not apply to patients with sufficient means who refuse to pay for the medical services rendered to them or to their family members. The Financial Assistance Program is intended to be the last payment resort after exhausting all other options. The policy also identifies steps Billings Clinic takes to communicate the availability of financial assistance. Any information gathered by Billings Clinic during this process is subject to Billings Clinic’s policies on protection of confidential information.
- D. To be eligible for financial assistance patients or patient’s guarantor will 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.

**DEFINITIONS:**

- A. Assets: Property of all kinds, real and personal, tangible and intangible that is legally applicable or subject to the payment of the patient’s debts, including, but not limited to, cash on hand, checking and savings accounts, vehicles, mineral rights, stocks, mutual funds, and any other investments; provided, however, that “income,” as defined herein, are not included in determination of assets.
- B. Financial Assistance: Health care services that have or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider’s policy to provide health care services free or at a discount to individuals who meet the established criteria.
- C. Family: Defined by 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’s

rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

- D. Family Income: Income is the total annual cash receipts before taxes from all sources which includes, but is not limited to, wages and salaries before deductions, net receipts from non-farm self-employment income, net receipts from farm self-employment, social security payments, railroad retirement, unemployment compensation, workers compensation benefits, veteran's payments, public assistance payments, Supplemental Security Income, Social Security Disability Income, alimony, child support, military allotments, private pensions, government pensions, annuity payments, college or university scholarships, grants, fellowships, dividends, interest net rental income, net payments, net gambling or lottery winnings, assistance from outside the household and other miscellaneous sources. Noncash benefits (such as food stamps and housing subsidies) do not count as income.
- E. Federal Income Poverty Guidelines: The most recent published federal income poverty guidelines for a household, which shall be revised and attached to this policy when they are published by the U.S. government.
- F. Legal Guardian: A recognized legal surrogate for the patient regarding medical and financial decisions, who would be authorized under Montana law to receive confidential health care information on the patient. This includes parents who are legally responsible for their minor children, close family members who are recognized by the patient or Montana law as having the legal ability to act on the patient's behalf regarding medical and/or financial decisions, or a legal guardian under Montana law.
- G. Medication Assistance Program (MAP): MAP helps patients afford the prescription drugs they need by connecting individuals with available patient assistance programs offering discounted or free prescription medication. MAP assists low income, uninsured or under-insured people in getting the medications they need, but can't afford. To make an appointment with a MAP representative, call 238-2501 or 1-800-332-7156.
- H. Medications: Medications are drugs that are included as part of an outpatient or inpatient visit and are covered by financial assistance. Prescription medications ("take home" medications from your local pharmacy) are *not covered* by financial assistance.
- I. Responsible Party: The patient or any individual legally obligated to pay for the patient's debts for medical care, excluding third party payers. An adult patient, living in the household of the relative other than a spouse – including an adult, unmarried child living at home – are considered the "responsible party" for purposes of this policy, without regard to the assets and income of the other relatives living in the household (except a spouse).
- J. Third Party Payer: Any financial agent or entity, such as an insurance carrier, HMO, employee benefit plan, or government payer, with a legally enforceable obligation to pay for services billed to patient by Billings Clinic. (Responsible parties, as defined herein, are not considered third party payers.)
- K. Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.
- L. Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**PROCEDURE:**

**A. Services Eligible Under this Policy**

The following medically-necessary health care services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically-necessary services, evaluated on a case-by-case basis at Billings Clinic's discretion, **with the exception of all anesthesia services, which are billed separately.**
5. To access a list of providers, contact a Patient Financial Counselor at 406-238-2601 or access it on the Billings Clinic website; [www.billingsclinic.com/financial](http://www.billingsclinic.com/financial).
  - a) **Services eligible under this financial assistance policy include the following:**
    - i. Trauma and emergency medical services provided in an emergency setting. Care continues until the patient's condition has been stabilized prior to any determination of payment arrangements.
    - ii. Services for a condition that, if not treated promptly, leads to an adverse change in the health status of a patient;
    - iii. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and / or
    - iv. Other medically necessary services scheduled in advance and assessed and approved at the discretion of Billings Clinic.
  - b) **Services NOT eligible for financial support include the following:**
    - i. Elective procedures not medically necessary including, and not limited to, cosmetic services.
    - ii. Other care providers not billed through Billings Clinic (i.e. independent physician services, private-duty nursing, ambulance transport, transportation, pharmacy, hotel accommodations)
  - c) Patients are responsible to contact the service providers directly to inquire about assistance and negotiate payment arrangements with these practices.

## **B. Eligibility Criteria**

1. Financial assistance under this policy is available without regard to the patient's race, color, creed, religion, national origin, gender, gender identity, sexual orientation, age, marital status genetic information or disability.
2. Patient care, which is not medically necessary, including elective, cosmetic, or other care deemed to be generally non-reimbursable by traditional insurance carriers and government payers, is not considered eligible for financial assistance.
3. Minor Children/Divorced Parents – for the minor children of divorced parents, when both parents/legal guardians are responsible parties, information regarding both parents are required to complete a Financial Assistance Application. However, if after reasonable efforts, circumstances prevent the applicant from obtaining financial information for all responsible parties, information from responsible parties residing in the same household of the minor child/children are used to make the determination.
4. Financial assistance provided by Billings Clinic under this policy is secondary to all Third-Party Payers and other financial resources available to the patient. This includes, but is not limited to :
  - a) Group or individual medical insurance plans
  - b) Employee benefit plans

- c) Workers Compensation plans
  - d) Medicaid, state or county medical programs
  - e) Other state, federal or medical programs
  - f) Third party adjudged to be legally liable for a patient's medical expenses (i.e., auto accidents or personal injury claims)
  - g) Any other persons or entities that have a legal responsibility to pay for the medical services
  - h) Crime victims eligible for financial assistance
  - i) Medical care cost covered by government programs of other countries
5. To the extent that charges for medically necessary services provided by Billings Clinic are not paid for by a Third-Party Payer, a 100% financial assistance reduction may be provided to cover Billings Clinic's charges for patients who satisfy the following conditions:
- a) The net available assets of the Responsible Parties are no greater than two times the Federal Income Poverty Guidelines as adjusted for household size, and
  - b) The gross income of the Responsible Parties is up to 200% of the Federal Income Poverty Guidelines as adjusted for household size.
6. Partial financial assistance may be provided if the following conditions are met:
- a) If net available assets of the Responsible Parties are no greater than three times the Federal Income Poverty Guidelines as adjusted for household size and
  - b) The gross income of the Responsible Parties is between 200% and 400% of the Federal Income Poverty Guidelines as adjusted for household size.
7. Partial assistance is determined as a percentage of the amount owed to Billings Clinic, based upon where the application falls on the Federal Income Poverty Guidelines.
8. Billings Clinic considers the following circumstances and other similar circumstances in evaluating applicants who do not otherwise qualify for financial assistance under this policy.
- a) Catastrophic medical debt is defined as medical debt which is more than 25% of the annual income of the patient's family. All Billings Clinic debt in excess of the 25% is adjusted off to financial assistance.
    - i. For Uninsured patients, the time frame calculation for the annual income cap is based on a 12-month period.
    - ii. For Underinsured patients, the time frame calculation for the annual income cap is based on the 12-month calendar year (January – December).
9. Furthermore, other circumstances may compellingly show that full payment of outstanding medical expenses could cause serious social and financial hardship to the patient or the household. These circumstances may warrant that an exceptional financial assistance reduction be considered.

### **C. Application Process**

All persons desiring consideration for Billings Clinic's Financial Assistance Program will apply for assistance in writing and disclose financial information that Billings Clinic considers pertinent to the determination of the patient's eligibility for financial assistance. Financial assistance is available only to cover charges billed to patients by Billings Clinic for medically necessary services. Only the first and last pages of the application are required if a patient qualifies under the presumptive financial eligibility criteria outlined in E. For

medications that don't meet these criteria (such as prescription drugs), the patient is referred to the Medication Assistance Program (PCMM 253) or Case Management.

1. Persons requesting financial assistance, authorize Billings Clinic to make inquiries of employers, banks, credit bureaus, and other institutions for the purpose of verifying information Billings Clinic requires in order to determine eligibility for financial assistance.
2. The completed Financial Assistance application accompanied by legible and accurate photocopies of the following documents for purposes of verifying eligibility may be requested:
  - a) Complete IRS tax returns for the most recently completed calendar year of all responsible parties;
  - b) Payroll check stubs or other documentation of monthly income sources reflecting income of all responsible parties for at least the three months prior to the application;
  - c) For self-employed individuals, a profit and loss statement for the current year to determine current income.
  - d) Written verification from public assistance agencies, such as Medicaid or State medical, reflecting denials for eligibility.
  - e) Written verification of denial for unemployment or worker's compensation benefits (upon request) and as appropriate.
3. Income is annualized, when appropriate, based upon documentation provided.
4. Confidentiality of information is maintained for all who seek and/or receive assistance, as required by Billings Clinic policy and federal and state law. Copies of the supporting documents are kept with the application form.
5. Billings Clinic may request additional documentation and/or information, which, in the exercise of reasonable discretion, Billings Clinic determines is, needed to verify eligibility for financial assistance and to complete the processing of the application.

**D. Eligibility Determination**

- a. When considering a financial assistance application, Billings Clinic may request the Responsible Party first pursue other resources of payment, including but not limited to Medicaid, county or state medical assistance, crime victims' fund, Supplemental Social Security Income or Disability Income (SSI or SSDI), or other Third-Party Payers as appropriate. If the patient is unwilling to pursue other potential Third-Party Payer sources in a timely manner, Billings Clinic will not consider the patient's request for financial assistance.
- b. The instructions required to complete the Financial Assistance application are furnished to patients and/or the Responsible Party. Billings Clinic provides personnel to assist patients and Responsible Persons in understanding the criteria for eligibility and how to fill out the application.
- c. The Responsible Party is given twenty (20) business days from receipt of an application to complete and return the Financial Assistance application. Special circumstances may warrant an extension of the twenty (20) business days allocated to complete the financial assistance application.
- d. Financial assistance may be determined at the time of application or may occur at any other time, upon request and qualifications under this policy.

- e. If Billings Clinic determines that any material documentation or information submitted is untrue or falsified, the application will be denied. Billings Clinic will not reconsider an application if Billings Clinic determines that the applicant has intentionally misrepresented material information related to eligibility criteria or documentation.

**E. Presumptive Financial Assistance Eligibility**

1. There are instances when a patient may appear eligible for financial assistance discounts, but there is not a financial assistance form on file due to lack of supporting documentation. If adequate information is provided by a patient or Responsible Party or through other sources that could provide sufficient evidence to provide the patient with financial assistance, Billings Clinic may rely on information provided by outside agencies in determining estimated income amounts for the basis of determining financial assistance eligibility. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off from the account balance. Presumptive eligibility may be determined based on the qualification for one or more of the following:
  - a) Supplemental Nutrition Assistance Program (SNAP), also called Food Stamps;
  - b) Women, Infants and Children programs (WIC);
  - c) Subsidized/low income housing assistance;
  - d) Low Income Energy Assistance Program (LIEAP);
  - e) State-funded low income prescription programs;
  - f) Homeless, or receiving care from a homeless clinic; and
  - g) Patient is deceased with no known estate.
  - i. To demonstrate presumptive eligibility, the patient or Responsible Party will provide proof of eligibility with a current copy of confirmation (such as a letter of approval or other evidence of current coverage or participation in the program).

**F. Asset Exclusions**

1. Billings Clinic may exclude the following assets for the net available household asset computation without affecting eligibility for the Financial Assistance Program:
  - a) A home that is the primary residence (home values up to \$130,000 shall be exempt)
  - b) Personal property for use in the home
  - c) Vehicle(s) up to a combined value \$15,000 with value based on the current blue book appraisal amount (excludes motor homes)
  - d) Liquid assets including cash, savings, stocks, bonds etc. up to \$1,000 for one person; \$2,000 for two people; and \$500 for each additional person in the household
  - e) Other assets directly related to the earnings and livelihood of the household may be exempt if deemed necessary and reasonable to the continued ability to earn a livelihood.

**G. Liability Limitations**

1. Billings Clinic may exclude the following liabilities from the net available household asset computation:
  - a) Credit card debt of up to \$1,500 unless documented for medical expenses
  - b) Any portion of the home or vehicle used as asset exclusions are exempted as a liability up to the outstanding amount due or the maximum asset limitation amount.

**H. Communication of the Financial Assistance Program to Patients and the Public**

Billings Clinic publicizes the availability of financial assistance, including contact information, using various means, which may include, but are not limited to, publishing notices in patient bills; posting or distributing notices in public areas on facility campus, and at other organizations as Billings Clinic may elect; on the website; and in the Conditions of Admission and/or Conditions of Registration documentation. Such information shall be provided in the primary languages spoken by the population serviced by Billings Clinic. Referral of patients may be made by any member of the Billings Clinic staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

Before considering an application for financial assistance, Billings Clinic will first make reasonable efforts to explain the benefits of Medicaid and other available public and private programs to patients, or patients' guarantors, and make available to them information on those programs that may provide coverage for services.

Billings Clinic makes efforts to help patients, or patients' guarantors apply for public programs, such as Medicaid Expansion HELP. Once a determination is made stating the patient is not eligible for a State program, financial assistance will be based on household income and family size pursuant with the Federal Poverty Guidelines.

**I. Notification**

Billings Clinic notifies the patient and/or Responsible Party in writing of the final determination within forty-five (45) calendar days of Billings Clinic's receipt of a completed application. The notification includes a determination of the amount for which the patient and/or Responsible Party are financially accountable. Denials are written and include instructions for appeal or reconsideration. Billings Clinic may pursue collection actions against patients found ineligible for financial assistance, patients who received discounted care or medical hardship discounts but are no longer cooperating in good faith to pay the remaining balance, or patients who have established payment plans but are not in accordance with the payment plan. All collection practices follow the Fair Debt Collection Practice Act.

**J. Appeals**

1. The patient and/or Responsible Party may appeal a denial of eligibility for financial assistance by providing additional information to the Patient Accounts Department within 14 calendar days of receipt of notification of denial. Appeals are reviewed by the Patient Accounts Manager for a final determination. If the final determination affirms the previous denial of financial assistance, written notification is sent to patient, legal guardian, and/or responsible party.
2. If an appeal is filed within 12 calendar days of final determination, any collection efforts are suspended pending the final outcome of the appeals process.

**K. Collection Agency Accounts**

Accounts assigned to an outside collection agency or attorney are not eligible for financial assistance. However, in unusual situations where a patient's circumstances have changed after an account is assigned to an outside collection agency or attorney, Billings Clinic will consider exceptions to this provision of this policy. The Patient Accounts Supervisor, Patient Accounts Manager, Patient Financial Services Director, and Chief Financial Officer have the authority to grant exceptions.

**L. Discounted Charges for Eligible Patients**

Patients determined to be eligible for financial assistance are not charged more than AGB (Amount Generally Billed) for emergency or other medically necessary care. Eligible patients with insurance coverage are not personally responsible to pay more than AGB after all payments by the health insurer have been applied.

Billings Clinic uses the look-back method to determine the amounts generally billed to individuals who have insurance covering emergency or other medically necessary care. The AGB percentage is applied by the 120<sup>th</sup> day after the end of the 12-month July – June period the hospital used in calculating the AGB percentage.

The AGB percentages were calculated using all claims allowed by Medicare insurers, including Medicare Advantage and traditional Medicare, for inpatient and outpatient services over a 12-month period. Total expected payment from allowed claims was divided by the total billed charges for the same claims. The AGB percentages are updated annually. The current Billings Clinic percentage is 48.58%

**M. Policy Administration**

This policy is supervised by the **Director of Patient Financial Services** who is responsible for administering the program, assuring that determination for financial assistance meets the requirements of this policy, and notifying the patient and/or responsible party of the final determination. For presumptive eligibility financial assistance, the criteria outlined in Part E are all that are required. For other financial assistance, the Director of Billing Operations approves applications for \$7,500-\$15,000. Applications over \$15,000 require the approval of the Director of Patient Financial Services. In implementing this Policy, Billings Clinic management and facilities comply with all other federal, state and local laws, rules and regulations that apply to activities conducted pursuant to this Policy.

Additional information about the Billings Clinic Financial Assistance Program, the application form, or information about our billing and collections policy (Patient Financial Services – Admitting, Registration, Patient Representative and Business Office Guidelines, Policy #: OHA-205), are available at [www.billingsclinic.com/financial](http://www.billingsclinic.com/financial) or by request to Patient Financial Services at **(406)238-2250 or 1-800-332-7156, ext. 2250**.

**REFERENCES:**

1. 26 C.F.R. §1.501(r)-1
2. Billings Clinic. (Effective date: 2016). Medication Assistance Program PCMM- 253. Administrative Policy. Retrieved (3/2017) from: <https://secure.compliance360.com/>. Billings Clinic.

**KEY WORDS AND KEY PHRASES:** Charity care Financial Assistance Aid Assistance Help

**ADDITIONAL POLICY INFORMATION:**

<b>Type:</b> General 3 year	<b>Owner:</b> Clay Fosjord
<b>Replaces:</b>	
<b>Other required review/approval(s) (name, title, date):</b>	
<b>Regulatory or Accreditation Agency:</b> IRS 501R regulations	