

Patient Financial Assistance Policy

Affected Departments:

Patient Financial Services, Patient Access

Purpose:

To outline Hospital-wide policy regarding patient's eligibility for Financial Assistance. Cottage Hospital is committed to providing financial assistance to persons who have healthcare 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. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services, and to advocate for those who are poor and disenfranchised, Cottage Hospital, under a program called Cottage Care, strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Cottage Hospital will not charge eligible patients more for emergency or other medically necessary services than the amount generally billed (AGB) to patients who have insurance. See appendix A for the hospital's calculation of the amount generally billed.

Financial assistance is not considered a substitute for personal responsibility. Patients are expected to cooperate with Cottage Hospital'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.

All patients may apply for the Hospital Financial Assistance Program. The individuals must apply for Medicaid to be considered for financial assistance. A Medicaid application must be completed, and any denial resulting from a withdrawal will be grounds for denial of patient's application for Financial Assistance. Individuals who have applied and have a pending application for a public assistance program are not eligible until a decision is reached.

All individuals eligible for insurance under the Healthcare Exchange must apply and obtain coverage to receive the full benefits of the Financial Assistance Program.

In order to manage its resources responsibly and to allow Cottage Hospital to provide the appropriate level of assistance to the greatest number of persons in need, the hospital establishes the following guidelines for the provision of financial assistance.

Definitions

For the purpose of this policy, the terms below are defined as follows:

A. Financial Assistance: Financial assistance results from a provider's policy to provide medically necessary healthcare services at a discount to individuals who meet the established criteria.

B. Household: A household consists of members in the household who have a legal union (blood, marriage, adoption), as well as unmarried parents of a shared child or children.

A household member is defined as:

The patient or individual

A spouse

A dependent child

Unmarried couples with a mutual child dependent living under the same roof
Parents claimed on adult child's tax return

When the applicant is claimed as a dependent on any household member's tax return, that household member(s) income must be counted, regardless of whether or not there is a blood, legal, or shared child relationship. An exception is when a child who was claimed as a dependent on their parents' tax return the previous year moves out after graduation and sets up their own household.

In that case, the child may be counted as a household of one pending the next year's tax return. Becoming an independent child – an independent child is one that is no longer claimed on another person's tax return and will file independently for tax purposes.

In the case of pregnancy, the fetus is not counted as a household member until birth. In the case of an unwed couple expecting a child, they are not considered a household until after the baby is born.

In the case of divorced parents with dependent children, household size is determined by who counts the children as dependents. For example, when both parents have joint custody, household size is determined by who counts the child, children as a dependent on the most current tax return.

An applicant stating that he/she is "separated" must show proof of either 1) a court-documented legal separation, or 2) legal documentation of a restraining order or domestic violence protection. Otherwise, the spouses are still considered a household, and both incomes need to be considered.

In the case of applicants who earn income by caring for disabled adults in their homes, Cottage Hospital will count the disabled adults as household members. In order to be consistent, Cottage Hospital will count foster children as household members.

C. Definition of Household Income

Household income is the total combined income during the past 12 months of all members of the household, as described above, who share financial responsibility in a household. This includes money from jobs, net income from business, farm or rent, pensions, dividends, interest, social security payments, workers compensation, and other income received by members of the household.

The income received for caring for foster children is added to household income; the same pertains for the care of disabled adults living in the applicant's home (not required on Federal Tax Return).

Social Security survivor benefits for minor children should be included in the household income.

- D. Uninsured: The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.
- E. 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.
- F. Amounts Generally Billed: This is the gross amount of charges for the services being rendered. This will be the amount against which any Self Pay uninsured discount will be applied. See appendix A for calculation of this amount.

Procedures for Cottage Care (Cottage Hospital's financial assistance program)

- A. Services Eligible under this policy: for purposes of this policy, "financial assistance" refers to healthcare services provided at a discount to qualifying patients. The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency department 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 department setting
4. Medically necessary services, evaluated on a case-by-case basis at Cottage Hospital's discretion

B. *Services not eligible for Financial Assistance (See appendix B)*

C. Eligibility for financial assistance

1. Eligibility for financial assistance will be considered for those individuals, who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care based upon a determination of financial need in accordance with this Policy. The granting of financial assistance shall be based on an individualized determination of financial need and shall not take into account age, gender, race, social or immigrant status, sexual orientation, or religious affiliation. Cottage Hospital shall determine whether patients are eligible to receive financial assistance for deductibles, co-insurance, or co-payment responsibilities and self admin drugs that are non-covered by third party payer.
2. Cottage Care offers five (%) levels of fee reduction. See appendix C.
3. Patients approved for assistance under NHHAN or NH Access Plus

D. Patient Eligibility Guidelines: patients with limited financial resources may apply for Cottage Care. Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination, see appendix E.

E. Determination of Financial Need

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need and may:
 - a. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need.
 - b. Include the use of external, publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay.
 - c. Include reasonable efforts by Cottage Hospital to explore appropriate alternative sources of payment and coverage from public and private payment program and to assist patients to apply for such programs.
 - d. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred, but not required, that a request for financial assistance and a determination of financial need occur prior to rendering of services. However, the determination may be done at any point in the collection cycle. The need for payment assistance shall be re-evaluated in six (6) month intervals, Patients receiving Medicare SSI benefits will have their financial assistance re-evaluated every 12 months or at January/February annually (whichever comes first), or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.
3. Cottage Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination, and granting of financial assistance. Requests for financial assistance shall be processed promptly, and Cottage Hospital shall notify the patient or applicant in writing within 30 days of receipt of a completed application.
4. Applications for Cottage Care may be obtained free of charge from any hospital registrar, on the hospital web site; cottagehospital.com. Or by contacting our Patient Financial Counselor at customerservice@cottagehospital.org or calling 603-747-9220. Applications are also available in Spanish.
5. Assistance with the completion of the application is available through our Patient Financial Counselor. If you have any questions or would like to set up an appointment please email customerservice@cottagehospital.org or call 603-747-9220.

- F. Presumptive Financial Assistance Eligibility: there are instances when a patient may appear eligible for financial assistance discounts, but due to extenuating circumstances, a financial assistance form has not been completed. Often, there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, Cottage Hospital could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:
1. State-funded prescription programs
 2. Homeless or received care from a homeless clinic
 3. Participation in Women, Infants and Children programs (WIC)
 4. Food stamp eligibility
 5. Subsidized school lunch program eligibility
 6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down)
 7. Low income/subsidized housing are provided as a valid address.
 8. Patient is deceased with no known estate.
- G. Cottage hospital works closely with other Health Care providers in the area and has agreed to honor their approved financial assistance plans. Any patient from one of these Health Care providers with an approval for Financial Assistance must present documentation showing the level of assistance approved at time of registration and Cottage Hospital will honor the approved discount. For a listing of the Healthcare providers' plan we are currently accepting, see appendix D.
- H. Catastrophic Relief Guidelines: Cottage Hospital recognizes that, on occasion, a patient may experience a serious illness or injury. A catastrophic relief program is available to patients that may need substantial financial assistance for an extended episode of care. The policy provides relief to uninsured (or grossly underinsured) whose financial responsibility to Cottage Hospital exceeds \$30,000 for any single episode of care. Patients whose family income exceeds 275% of the Federal Poverty Limits and whose financial responsibility to Cottage Hospital exceeds \$30,000 for any single episode of care may be eligible for this program on a case-by-case basis.
- I. Appeals for financial assistance and / or Catastrophic Relief Program Denials: if an application is denied, the patient has the right to request a review by the Patient Account Manager and the Chief Financial Officer (CFO). The appeal must be written and submitted with any additional information that was not submitted with the original application. The CFO will make a final decision within 30-days of receipt of the written appeal.
- J. Publicizing our Financial Assistance Policy: all Patients are eligible to apply for financial assistance. Applications, along with this policy, are available online at [http://www.Cottagehospital.org/patientinfo/financial assistance](http://www.Cottagehospital.org/patientinfo/financial%20assistance). Applications and a copy of this policy are also available at the Welcome Desk, from any Registration Representative, and at all hospital-based clinics and physician practices. Applications and copies of the policy will also be mailed upon request. Patients requiring assistance with their application may request help with completing the application. Brochures explaining our financial assistance policies, including hospital discounts and other financial assistance programs, will be made available in all public areas within the hospital, hospital-based clinics and physician practices. Signs regarding the policy will be placed on all Registration desks and on all tables in waiting areas.

Patients who are admitted to our Inpatient Hospitalization unit are given information about our financial assistance program at time of Admission. Patients in our Emergency Department, Outpatients Areas and Ambulatory Surgery are given information about our financial assistance policy at time of registration.

Community-wide education regarding hospital financial assistance programs will take place through articles in the newsletter that is published by the hospital and available to the public. Patient Financial Services representatives will also be available at any community-wide health fair

type event(s) to assist community members with questions or concerns.

The Hospital will also work with local referring providers. Outreach will also take place with community action groups such as the United Way and The Agency on Aging.

1. All self-pay patients will be given information about our financial assistance process during the billing process in addition to the information given at the time of service.
 2. Such information shall be provided in the primary languages spoken by the population serviced by Cottage Hospital. Referral of patients for financial assistance may be made by any member of the Cottage Hospital 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.
- K. All sources of payment for medical services including: Medical Insurance, Public assistance, Liability, workers compensation, auto with medical payment, and any other potential sources must be exhausted before financial assistance will be awarded.
- L. Relationship to Collection Policies: Cottage Hospital shall develop policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from Cottage Hospital, and a patient's good faith effort to comply with his or her payment agreements with Cottage Hospital. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their hospital bills, Cottage Hospital may offer interest-free extended payment plans will not impose wage garnishments or liens on primary residences, will not send unpaid bills to outside collection agencies, and will cease all collection efforts.
- M. Regulatory Requirements: in implementing this Policy, Cottage Hospital shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.