

DOSHER MEMORIAL HOSPITAL

SECTION: PATIENT ACCOUNTS POLICY	POLICY/PROC #	NO. OF PAGES: 3
SUBJECT: FINANCIAL ASSISTANCE/ABILITY TO PAY	ORIGINAL DATE: JAN 1, 1997, Dec 4, 2015	DATE REVISED: September 29, 2022
REVIEWED: Linda Conner – Patient Accounts Manager	APPROVED: Victor Flores – Director of Revenue Cycle 09/29/2022	

I. Policy:

J. Arthur Doshier Memorial Hospital is a not-for-profit hospital that provides the highest quality medical services to any one, regardless of the patient’s ability to pay. Doshier Memorial Hospital and Doshier Medical Clinics are committed to providing financial assistance to patients who meet financial criteria based on the Federal Poverty Guidelines as defined in G.S. 131E-214.14(b)(3); and can be found at www.Doshier.org/FinancialAssistance. The purpose of this policy is to establish a conventional method within the hospital, and with each patient, the extent to which the patient is expected to pay for services, based on the patient’s ability to pay. This policy applies to all patients with a remaining patient liability balance. The patient has 240- days to apply for the Financial Assistance after the post discharge statement date as defined by the IRS Billing and Collections 501(r) 6 requirements.

Application of this policy will occur only after the patient has exhausted all possible sources of sponsorship. This includes Medicaid and all federal, state and county sponsored programs.

Patients with self-pay balances (after insurance and true self-pay patients with no insurance) remaining will be classified into two groups as follows:

<u>Group</u>	<u>Identification Criteria</u>	<u>Account Resolution</u>
A. Indigent	Income below 200% of Federal Poverty Guidelines based on number of family in household.	Full charity discount
B. Partially Indigent	Income below 300% of Federal Poverty Guidelines based on number of family in household.	Discount of self-pay balance based on percentage of income over 200% of Federal Poverty Guidelines.

In order to qualify for financial assistance, the patient will be expected to complete a financial aid application to provide the number of people in the home and household income. The patient must also supply verification to support the reported income. Any of the following forms will be accepted as income verification: tax return, W2 statements, pay check stubs, Social Security letters, and/or written statements from private employers.

- Number of People in the Home – is defined as Adults and Children that reside in the home residence
- Household Income – is defined as the total gross income, of all Adults over the age of 18, that is claimed under the household income federal tax return.

Once a patient has been determined to be eligible for financial assistance, an individual will not be charged more than the amounts generally billed (AGB) for emergency or other medically necessary care provided to individuals. The AGB is determined through the “*Look-back method.*” Financial Assistance approval may cover up to 12 months in arrears and 3 months go-forward on future service dates of the approved financial assistance application date.

II. Full Discount:

A full financial assistance discount write-off of an account is available to those with incomes below 200% of the Federal Poverty Guidelines and no other available sponsorship.

Guidelines:

1. Establish family size in the household
2. Confirm if household income is at or below Federal Poverty Guidelines based on family size.

If Yes - go to step 3.

If No - determine if patient qualifies for partial discount.

3. Determine if other sponsorship is available.

If Yes - Have patient apply for other sponsorship.

If No - Process full indigent discount.

III. Partial Indigent Discount:

A partial discount is available to those patients with family household income that are above 200% of the Federal Poverty Guidelines but not greater than 300% of the guidelines per family size. Guidelines:

1. Is household income per family size between 200% and 300% of the poverty guidelines?

If Yes - Patient qualifies for discount.

If No - Go to step 3.

2. Using the Sliding Scale Fee Guideline below calculate the discount. The percentage above the poverty guideline for the family size is the percentage of the bill the patient will be responsible for.
- Refer to Appendix I for the summary of the Sliding Scale Fee Guideline and Federal Poverty Level Guideline
3. If the household income is over 300% of the poverty guidelines, then the patient does not qualify for a partial discount.
Refer to payment policy guidelines.

IV. Special Circumstances:

Extremely large accounts will be handled on a case by case basis and may represent exceptions to this policy. Each case will be handled individually when extenuating circumstances exist such as excessive medical bills in addition to the hospital bill. All Special Circumstance cases must be reviewed by the Business Office Manger and approved by the Revenue Cycle Director.

V. Referral of Accounts:

Before referral for financial assistance write-off approval, all discount cases must contain the following:

- A. All accounts for patient and other members of immediate family (i.e. spouse and minor children).
- B. Completed patient financial assistance application.
- C. Supporting patient/guarantor income verification documentation. Supporting income documents are provided on the financial assistance application.
- D. An adding machine tape showing the method of calculation.
- E. Screen print showing all open accounts and balances or written list.
- F. Comments documented on the EMR system as to the reason for the write-off.
- G. Financial Assistance write off code will be used to adjust the balance on the account(s)

VI. Financial Assistance Appeal Process

Patients may dispute their financial assistance decision through an appeal process. Patients will need to contact the Business Office to initiate the appeal review.

- A. Financial Assistance Appeal Committee will consist of a financial counselor or business office representative, a hospital volunteer, business office supervisor/manager, Clinic Representative (if needed on Clinic Accounts)
- B. Appeal Committee will review the case and recommendation to be provided to Director of Revenue Cycle and/or Chief Financial Officer
- C. Patients may file 1 Appeal for each Financial Assistance Application submitted
- D. Approved Appeal for Financial Assistance → will move through the normal process for Financial Assistance
- E. Denied Appeal for Financial Assistance → will be provided a final denial on Financial Assistance and can contact the Business Office for alternate payment arrangements

VII. Financial Assistance Program List of Covered and Non-Covered

Providers:

- A. Covered Providers: Hospital and Clinics that are owned by J Arthur Doshier Memorial Hospital
- B. Non-Covered Providers: Partnered Providers that is not owned by J Arthur Doshier Memorial Hospital – such as Providers not owned or on Payroll; American Anest; Delany Radiology; Lab Corp, and Quest Labs

VIII. Approval for Financial Assistance Write-Offs:

Approvals will be documented in the applicant's file in addition to the EMR system online comments.

Financial Assistance Write-offs will be approved using the following outstanding balance guidelines:

Business Office Representatives - up to \$1,000.00

Patient Accounts Manager – Up to \$10,000

Revenue Cycle Director - up to \$15,000.00

Chief Financial Officer - over \$15,000.00

APPENDIX I

1. The Federal Poverty Guideline will be reviewed and updated yearly, on the calendar year in January, upon the update of the FPL.

2022 Federal Poverty Guideline

Sliding Scale Fee Guideline										
% Charity People in household	100%					75%		50%	25%	
	100%	133%	138%	150%	200%	233%	238%	250%	300%	
1	\$13,590	\$18,075	\$18,754	\$20,385	\$27,180	\$31,665	\$32,344	\$33,975	\$40,770	
2	\$18,310	\$24,352	\$25,268	\$27,465	\$36,620	\$42,662	\$43,578	\$45,775	\$54,930	
3	\$23,030	\$30,630	\$31,781	\$34,545	\$46,060	\$53,660	\$54,811	\$57,575	\$69,090	
4	\$27,750	\$36,908	\$38,295	\$41,625	\$55,500	\$64,658	\$66,045	\$69,375	\$83,250	
5	\$32,470	\$43,185	\$44,809	\$48,705	\$64,940	\$75,655	\$77,279	\$81,175	\$97,410	
6	\$37,190	\$49,463	\$51,322	\$55,785	\$74,380	\$86,653	\$88,512	\$92,975	\$111,570	
7	\$41,910	\$55,740	\$57,836	\$62,865	\$83,820	\$97,650	\$99,746	\$104,775	\$125,730	
8	\$46,630	\$62,018	\$64,349	\$69,945	\$93,260	\$108,648	\$110,979	\$116,575	\$139,890	

Each Additional – Add \$4,720