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**Small Hospital. Big Medicine.**

## Financial Assistance Program for Medical Services, ORG 0006

### POLICY STATEMENT:

Witham Health Services (WHS) is a not-for profit healthcare facility that provides inpatient, outpatient and emergency services whose mission is meeting community needs to improve health through excellence and personalized care and to be the community's healthcare provider of choice. The policy sets forth the policy, process, and guidelines by which such patients can access Financial Assistance. It is the policy of WHS that patients seeking emergency or medically necessary services that can be provided by WHS will not be denied access to those services regardless of race, creed, color, sex, national origin, sexual orientation, handicap, age or any other classification or characteristic set forth by EMTALA or regardless of patient's inability to pay.

### BLOOD BORNE PATHOGEN EXPOSURE CATEGORY:

II (Involves no exposure to blood, body fluids, or tissues)

### FUNCTION:

Patient Rights and Organizational Ethics

### POINTS OF EMPHASIS:

- This policy applies to the granting of financial assistance to patients who are residents of Boone County, adjacent counties or whose physician is on active medical staff at WHS for emergency and medically necessary services and to ensure that reasonable efforts are made to determine whether a WHS patient is responsible for payment of all or a portion of a patient account and whether the patient is eligible for assistance under the Financial Assistance Policy (FAP) offered by Witham Health Services (WHS)
- This policy refers to emergency or medically necessary services rendered to a patient who claims, or their guarantor claims, they are not able to pay for all or any of the costs of care either when services are rendered or at a later date. No individual will be denied medically necessary hospital services based on a demonstrated inability to pay for those services. It is not the intent of the hospital to collect amounts that exceed an individual's ability to pay or prevent an individual from seeking or receiving medically necessary services.
- This policy includes:

- Eligibility criteria for Financial Assistance—free and discounted (i.e., partial Financial Assistance) care;
- Describes the basis for calculating amounts charged to patients eligible for Financial Assistance under this policy;
- Describes the method by which patients may apply for Financial Assistance;
- Describes how WHS will widely publicize the policy within the community served by WHS.
- Limits the amount WHS will bill the patient for emergency or other medically necessary care provided to individuals eligible for Financial Assistance to amounts generally billed by WHS for commercially insured or Medicare Patients

**Exceptions:**

- The following services are not eligible under the financial assistance program:
  - Hearing aids
  - Tubal ligation or Vasectomies
  - Allergy drops
  - Adult and Aquatic Fitness
  - Cosmetic Surgeries
  - Services that do not meet Medicare's medical necessity guidelines
  - Special pricing test/procedures paid at time of services such as, but not limited to: Heart score, Lung CT, Carotid U/S, \$49 Screening Mammograms
- For accounts with no insurance excluding most of the services listed above, a 30% uninsured discount will automatically be added at the time of final billing. If insurance is added at a later date, the uninsured discount will be put back on the account automatically.
- This policy is for services rendered and billed by Witham Memorial Hospital, some services received at Witham Memorial Hospital are provided by outside vendors, including, but not limited to non-employed physicians.
- The following providers will accept financial assistance applications submitted to Witham Memorial Hospital; however, the approval percentage could be different than what Witham Memorial Hospital approved and you will need to contact other providers to advice of financial assistance approval and/or processing. Financial Assistance must be approved by other providers before those accounts have been forwarded to an outside collection agency.
  - Witham Health Services Physicians
  - Boone Emergency Physician (ER physicians)
  - Northwest Radiology
- See Appendix A for list of providers that provide medical care/treatment at Witham, but do not honor Witham Financial Assistance Program.

**PROCEDURE:**

The following approval guidelines have been established. This is based on the total balance of all outstanding account balances per application being processed through the Financial Assistance Program for all family members listed on the application.

TOTAL BALANCE PER APPLICATION	APPROVAL BY
UP TO \$250.00 If application was previously approved by manager and using same income documentation	Customer Service Representative who processes Financial Assistance Applications
UNDER \$2,500	Manager, Patient Accounts

**Eligibility:**

1. Eligibility for Financial Assistance will be considered for those individuals who are underinsured, uninsured and ineligible for any government health-care benefit program and who are unable to pay for their care based upon the determination of financial need in accordance with this policy. The granting of Financial Assistance shall be based upon an individualized determination of financial need, and shall not take into account age, gender, race, immigrant status, sexual orientation or religious affiliation.
2. WHS may make available services free and discounted, based on the patient/guarantor ability to pay as determined by the financial guidelines. The financial assistance guidelines shall be the most current published Federal poverty level tables.
3. Patients who believe they may be eligible for financial assistance will consult with a representative from Patient Financial Services to determine eligibility in accordance with the established financial assistance guidelines. The financial assistance application must be completed and income verification provided before determining eligibility. It is recommended that patients/guarantor apply within 60 days from date of service or initial statement for balance due. Financial assistance will be considered on current accounts. As a courtesy if eligible for financial assistance older accounts that are with collection agency will be considered back to beginning of prior year. (January 1st of prior year to current). For older accounts not yet with collections, such as on an in-house payment plan accounts will be reviewed for financial assistance consideration on remaining balance if assistance not previously applied to accounts. Review of current financial situation and financial situation at time of service may need to be considered on aged accounts.
4. Patients with no insurance and requesting financial assistance are required to have Medicaid eligibility verified by Claimaid or patient account representative prior to receiving financial assistance. A claimaid representative is onsite at Lebanon location, Monday-Friday 8am to 4:30 pm to assist with the process at no cost to the patient/guarantor. If a patient/guarantor is being non-compliant, who is eligible for state or federal programs, financial assistance could be denied.
5. Patients with insurance, but fails to comply with insurance request or guidelines in such that a denial of claim has incurred, financial assistance can be denied.
6. Accounts related to a Motor Vehicle accident or third party injury, proof of non-coverage or proof no other party at fault will be required before financial assistance can be processed. If there is a law suit pending or in the works related to any accounts, no financial assistance can be provided until there is a resolution, you may want to set up payment plan on accounts until a resolution is made to avoid accounts going to outside collection agency.
7. If you have healthcare coverage through Samaritan Ministries, MediShare, other Christian Insurance Alternative or other Insurance Alternatives this is the same as your healthcare insurance and all claims must be submitted through the alternative coverage you or your family chose before any financial assistance can be considered. A letter of approval/denial will be required before consideration for financial assistance can be made.
8. If a patient is in need of a medically necessary, non emergent procedure and inability to pay, patient may be required to be screened for Medicaid/HIP eligibility and turn in a completed financial assistance application prior to the procedure being scheduled.
9. Financial Assistance application must be completed by the patient, guarantor, spouse, POA or patient Representative along with necessary documentation before financial assistance can be reviewed for

Approval. The following documents include but not limited to:

- Prior year Federal Taxes, W2's and schedules that apply,
- Last 3 months Bank Statements,
- Current paystubs
- Social Security/pension, SSI, or proof of other source of income or resources
- If not working, wage verification for proof of unemployed and a letter of support from individuals providing for the patient's basic living needs,
- A letter of Hardship in extenuating circumstances

10. Patient Financial Services representatives may investigate and inquire as to the guarantor/patient's available assets, income and other factors which would assist WHS in making a determination of this individual's ability to pay for medically necessary services. If unable to provide requested documentation, consideration will be made on a case by case basis.

11. Presumptive eligibility for Financial assistance will be awarded to anyone that meets the following criteria and is for services that qualifies under the financial assistance program:

- Is eligible for Medicaid in another state that Witham is not a network provider with
- Patient is homeless
- Patient is deceased and no estate or living spouse
- Patient receives Medicaid or other forms of state assistance such as food stamps, housing assistance, etc.

12. The following financial guidelines have been established by WHS and approved by the Board of Trustees. The assistance is based on federal poverty levels and is updated and/or reviewed yearly.

<b>FEDERAL POVERTY LEVELS</b>	<b>PERCENTAGE REDUCTION FOR FINANCIAL ASSISTANCE</b>
Up to 200% FPL	100% Assistance
201% - 250% FPL	80% Assistance
251% - 300% FPL	60% Assistance
301% - 350% FPL	40% Assistance
351% - 400% FPL	20% Assistance

13. Once the approval/denial is determined, a letter will be submitted for each account that assistance has been applied to or denied within 60 days of receipt of completed application. The application will be good for 12 months, if family size/income has changed, new application may be necessary. Future assistance is not automatic, so if additional service/balance due is after the initial approval, patient accounts will need to be notified to process future accounts.

14. If there is a balance after financial assistance has been processed remaining balance will be due immediately, if assistance applied to account, no additional adjustments will be applied to account such as payment in full discount. If unable to pay balance due, arrangements will need to be made thru patients accounts immediately to avoid accounts being referred to outside collection agency if account is not agency yet.

15. Although designated as partial or fully uncompensated medical care, when WHS believes that the patient/

guarantor who has requested financial assistance has assets usable for payment of services rendered, WHS's policy is to make every reasonable attempt to collect payment for medical services.

16. Although a reduced charge is made for emergency and medically necessary services rendered a particular patient as qualified according to the financial assistance program, WHS reserves the right to pursue all possible remedies to collect all or as much of the charges for those services as possible.
17. In the event the patient dies, WHS reserves the right to pursue all possible claims against the decedent's estate or against any other person or entity having a legal obligation to pay for the decedent's medical services to recover all or as much as possible amounts owed to WHS by the decedent for Hospital services rendered which were unpaid at the time of decedent's death.
18. Extraordinary Collection Actions:  
WMH will not impose Extraordinary Collection Actions without first making reasonable efforts to determine whether that patient is eligible for Financial Assistance. Documentation that reasonable actions have been taken is defined as:
  - Validating that the patient owes the unpaid bill and that all insurance sources have been billed by WMH subject to timely filing of insurance information by the patient;
  - Documentation that WMH has offered or attempted to offer the patient the opportunity to apply for assistance and that the patient has not complied with WMH's application requirements;
  - Documentation that the patient does not qualify for Financial Assistance on a presumptive basis;
  - Documentation that the patient has been offered a payment plan but has not honored the terms of that plan or has refused the payment plan option.

## APPEALS

- If patient/guarantor is not in agreement to the financial assistance determination, a letter of appeals as to why you think the financial assistance determination should be reconsidered and any backup documentation/financials to support your appeal. This should be submitted to patient accounts within 60 days of financial assistance determination.

## DEFINITIONS

- Annual Family Income - Includes but is not limited to wages, social security income, assets such as bank account balances, trusts and investments but excludes primary residence.
- Assets - These include checking accounts, savings accounts, trust funds and other investments. Additionally, countable assets include the liquidated value of land (including farmland), equity in recreational vehicles, boats, second home, etc. Assets included in the formula for financial assistance consideration will be the amount in excess of two months normal living expenses.
- Application period (26 CFR Part 1 §1.501(r)-(1)(b)(3)) means the period during which WHS must accept and process an application for Financial Assistance under the FAP submitted by an individual in order to determine whether the individual is FAP-eligible under §1.501(r)-6(c). The application period begins on the date the care is provided and ends on the later of 240<sup>th</sup> day after the date that the first post-discharge billing statement for the care is provided or per the exceptions listed in 26 CFR Part 1 §1.501(r)-(1)(b)(3)(i) and (ii).
- Billing and collections policy (26 CFR Part 1 §1.501(r)-(1)(b)(5)) means a written policy that includes all required elements of (§1.501 – 4(b)(4)(i)).

- Date Provided 26 CFR Part 1 §1.501(r)-(1)(b)(6)), means, in the case of any billing statement, written notice or other written communication,(including electronic, or hand delivered) that is mailed, the date of mailing. The date that a billing statement, written notice, or other written communication is provided can also be the date such communication is sent electronically or delivered by hand.
- Discharge (26 CFR Part 1 §1.501(r)-(1)(b)(7)) means to release from a hospital facility after the care at issue has been provided, regardless of whether that care has been provided on an inpatient or outpatient basis. Thus, a billing statement for care is considered “post-discharge” if it is provided to an individual after the care has been provided and the individual has left the facility.
- Extraordinary Collection Action (ECA) (26 CFR Part 1 §1.501(r)-(1)(b)(11) means any action against an individual related to obtaining payment of a Self-Pay Account that requires a legal or judicial process or involves selling of a Self-Pay Account to another party or reporting adverse information about the patient or Responsible Individual to consumer credit reporting agencies or credit bureaus or deferring a medically necessary care because of non-payment for previously provided care. ECAs do not include an action to perfect the statutory lien on claims of liability or indemnity granted to health care provided under Indiana Law.
- Financial Assistance Policy (FAP) (26 CFR Part 1 §1.501(r)-(1)(b)(12)) means WHS’S Financial Assistance Policy. It consists of a two-part program which is for (1) uninsured individuals who, based upon their insured status, will be given the uninsured AGB assistance and (2) individuals who wish to apply for further assistance by completion of a Financial Assistance Application (which is assistance based on 400% of the Federal Poverty Level of income and/or assets).
- FAP-Eligible Individual (26 CFR Part 1 §1.501(r)-(1)(b)(15)) means an Individual eligible for Financial Assistance under the FAP without regard to whether the individual has applied for assistance
- Gross Charges, or the Charge Master Rate (26 CFR Part 1 §1.501(r)(1)(b)(16)), means WHS’s full, established price for medical care that WHS consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions.
- Hospital Plain Language Summary of the FAP (26 CFR Part 1 §1.501(r)(1)(b)(24) means a written statement that notifies an individual that WHS offers Financial Assistance under the FAP for inpatient and outpatient hospital services and contains the information required to be included in such statement under the FAP. Copies of the policy are available free of charge to the public. Copies of the policy are available in the hospital’s Patient Financial Services Office and Registration Office. FAP information is included on each billing statement, on the WHS website and may be requested by mail.
- Investments: Additionally, countable assets include the liquidated value of land (including farmland), equity in recreational vehicles, boats, second home, etc. Assets included in the formula for financial assistance consideration will be the amount in excess of two months living expenses.
- Emergency Care or Emergency Treatment - An acute medical condition that, if not given immediate medical attention, could reasonably be expected to result in a) Placing the health of the individual in serious jeopardy; be) serious impairment of bodily functions; or c) serious dysfunction of any bodily organ or part.
- EMTALA - The Emergency Medical Treatment and Active Labor Act.
- Family - The patient, patient’s spouse (regardless of whether they live in the home) and all of the patient’s children, natural or adoptive, under the age of eighteen who live at home. If the patient is under the age of eighteen, the "family" shall include the patient, the patient’s natural or adoptive parent(s) (regardless of whether they live in the home), and the parent(s)’ children, natural or adoptive under the age of eighteen who live in the home. In the case of unmarried adults living together, all adults’ income could be considered as income in financial assistance determination.
- FPG - The Federal Poverty Income Guidelines (FPG) that are published from time to time by the U.S. Department of Health and Human Services and in effect at the date of service for award of financial

assistance under this Policy.

- FAP - Witham Memorial Hospital Financial Assistance Policy.
- Medically Necessary Care - Medically necessary care are those services reasonable and necessary to diagnose and provide preventive, curative or restorative treatment for physical conditions in accordance with professionally recognized standards of health care generally accepted at the time services are provided.
- Under-insured - means persons who have large deductibles where minimal or no payment is received for their insurance plan, will be eligible for the uninsured or underinsured discount equal to 30%. (The difference between their Insurance Contractual and 30%) These individuals may also apply for Financial Assistance.
- Uninsured Patients - Individuals who do not have governmental or private health insurance or whose insurance benefits have been exhausted.

## APPENDIX

A. The following providers may not accept application submitted to Witham Memorial Hospital, you will need to contact outside provider for any assistance or payment plan options:

- Care Group physicians (Cardiology)
- Anesthesiology of Indianapolis
- Physicians seen in suite 130, 2505 N. Lebanon
- Cancer Institute Physicians
- Hematology/Oncology Physicians
- Other non-Witham physicians that may not be listed previously.

All revision dates:

07/2018, 03/2016, 02/2016, 03/2010, 02/2010, 09/2007, 07/2005, 08/2001

## Attachments:

[Plain Language Summary - ATTCHMT to Financial Assistance Program.pdf](#)

## Approval Signatures

Step Description	Approver	Date
	Carla Gwinn: Executive Assistant, Administration	07/2018
	Diane Feder: MBA, DNP, RN, NEA-BC,FACHE, Sr. VP/COO	06/2018
	George Pogas: Senior Vice President/CFO	06/2018
	Dana Burton: Executive Director/Controller	06/2018
	Darla Thompson: Manager, Collections	06/2018

## Applicability

Witham Health Services