

LEADERSHIP

ORGANIZATION PLANNING

Patient Financial Assistance

700.17

05/03/05

05/19/10

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POLICY:

To identify patients that may qualify for financial discounts due to limited income and insurance coverage.

PURPOSE:

To identify uninsured or underinsured medical indigent patients along with accurate recording of the information that may qualify for discounts on patient co-pays, deductibles, co-insurance and non-covered services.

PROCEDURE:

- I. The distinction between qualifying for discounted rates and charity care is the minimal ability to pay versus the inability to pay the patient portion of their account.
- II. Full or partial patient assistance may be provided to the patients with low incomes and/or with catastrophic medical bills. They may be medically indigent even though they are able to meet their basic living expenses. Medically indigent is defined as an inability to pay for needed medical care, whether through insurance, savings, current income, or borrowing against future income. A discount guidelines (See Form E 9) will be used to determine the percentage of financial assistance available to the patient. Financial assistance may be used for co-pays and deductibles, and when the patient is not able to pay for the entire amount of their account.
- III. The following areas will be considered as eligible for financial assistance classification within the financial statements.
 - A. Denied Medicaid (or other publicly sponsored program) services when there is no other coverage source (non-covered charges/services).
 - B. Medicare deductible and co-insurance dollars otherwise not reimbursed by other insurance programs.
 - C. Settlement arrangements with patients at less than full amount due because of patient's inability to pay full balance (amount forgiven would be classified as charity).
 - D. Patient bankruptcies
- IV. It is recognized that not all patients will be willing or able to provide complete financial and/or social information. Therefore, some charity cases may be determined based on available resources.
 - A. Patient is homeless or unemployed.
 - B. Family/friend provides undocumented information establishing the patient's inability to pay.
 - C. Members of religious organizations who have taken the vow of poverty.
 - D. Patients with current eligibility under county or state medical indigent services administered by county or state facilities or private sector entities.

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- V. Patient financial assistance is secondary to all other payment sources and must be investigated and eliminated before a discount rate is authorized. Other payment sources may include, but be not limited to, Medicaid, bank accounts, a personal loan, the victims of violent crimes program or other insurance.
- VI. Gross income should fall between 100% and 200% of the poverty guidelines published annually by the Health and Human Services automatically qualify for a discount, amount of assistance will be determined by the discount guideline chart. Patients with income above 200% must complete a financial application to determine the amount of their disposable income. Patients whose income is at or less than 100% of Federal Poverty Guidelines should be referred to the Business Office Collections policy to determine indigent care qualifications.
- VII. All patients desiring consideration for Parkside, Inc.'s Patient Financial Assistance Program must apply by completing the Financial Evaluation Worksheet (See Form E 10), which includes documenting outstanding bills and expenses. Recent electric, phone or cable bill may be asked for to establish expenses as well as a current address. Employment status, along with potential future earnings, is considered as well. The patient will need to provide a paycheck stub or letter of employment, which includes amount of wages and hours to work, and/or the most recent income tax return. A pictured ID is preferred to insure the identity of the patient, however a birth certificate can also be used.
- VIII. When a third-party payment is expected, the discounted amount will be applied only after the payment is received.
- IX. When the discounted allowance is applied and a third-party payment is later received, the discounted allowance will be reversed by the amount of the additional payment.
- X. After the discounted allowance is applied the financial obligation which remain must be payable in payments established by the pay agreement signed by the patient. Failure to keep the established pay agreement negates the discount and the patient must re-establish his/her qualifications.
- XI. In connection with Federal guidelines, the following definitions are utilized by Parkside, Inc. to determine the size of the family unit.
 - A. Family a group of two or more persons related by birth, marriage or adoptions that reside together; all such related persons are considered as members of one family. (If a household includes more than one family and/or more than one unrelated individual, the poverty guidelines are applied separately to each family and/or unrelated individual and not to the household as a whole).
 - B. Family unit of size one: an unrelated individual who may be the sole occupant of a housing unit, or may be residing in a housing unit in which one or more persons also reside who are not related to the individual by birth, marriage, or adoption.

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- C. Students: The student qualifies as dependent on the parent's income tax (current year) return.
 - D. Dependent status on income tax return of responsible party (ies) will be used to determine whether that person will be counted as part of the family unit.
- XII. The patient must reapply annually if subsequent services are rendered and there is still an inability to pay for them.
- XIII. Determination of eligibility should be made prior to discharge or as close to the date of service as possible. However, retroactive determinations are also eligible.
- XIV. All application must receive signed approvals that will stay with the original application.
- XV. Parkside, Inc. will notify the patient of the final determination within five (5) working days of receipt the financial application with related documented materials (proof of income, etc.). The notification will include a determination of the amount for which the responsible party will be financially accountable. Denials will be written and include instructions for appeal or reconsideration.
- XVI. The responsible party may appeal a denial of eligibility for patient assistance by providing additional verification of income or family size to the Business Office Manager within 30 calendar days of receipt of notification. The CFO will review all appeals for final determination. If the determination affirms the previous denial of patient assistance, written notification will be sent to patient/guarantor.
- XVII. No one will be denied services at Parkside, Inc. based on their ability to pay for emergency services.

Reviewed by:

APPROVALS:

Medical Director

Date

Chief Executive Officer

Date