

Subject: Financial Assistance Policy	Policy Number:
Department: Administration	Origination Date: 12/1/2014 Revised: 11/14/17

## Purpose:

Harney County Health District is committed to providing financial assistance to improve access to care for patients who are unable to pay for hospital services.

It is the practice of Harney County Health District to provide emergency or other medically necessary care,<sup>1</sup> without discrimination, to all patients regardless of ability to pay.

A patient is eligible for financial assistance under this Financial Assistance Policy (FAP) based upon meeting certain income eligibility criteria that are derived from the Federal Poverty Guidelines (FPG) posted annually in the Federal Register by the Department of Health and Human Services.

(<http://aspe.hhs.gov/poverty-guidelines>)

## Policy

All patients seeking healthcare services at Harney District Hospital (the "Hospital") are assured they will be served regardless of ability to pay. No one is refused service because of lack of financial means to pay. Requests for discounted services may be made by a patient, any individual who has accepted or is required to accept responsibility for the patient's Hospital bill ("guarantor"), family members of the patient, social services staff or others who are aware of existing financial hardship.

To be considered for financial assistance, the patient and/or guarantor<sup>2</sup> must submit a complete Harney District Hospital Financial Assistance Policy application form ("FAP application form") to the Hospital's Patient Financial Services department with supporting documentation as outlined on the form. The FAP application form may be obtained by mail by calling 541-573-8638; downloaded from the Hospital web site at <http://www.harneydh.com/services/patient-financial-services/>; or picked up at the Hospital's Patient Financial Services office, emergency room, or admissions areas. By signing the FAP application form, persons authorize the Hospital access in confirming income as disclosed on the application form. Providing false information on a FAP application form will result in all financial assistance discounts being revoked and the full balance of the account(s) restored and payable immediately.

If a patient is determined to be eligible for financial assistance, such financial assistance will be secondary to all other financial resources available to the patient including insurance, government programs, and third party liability. Financial assistance amounts are based on the patient's total household/family size and family income and the patient's cooperation in applying for Medicaid or other third party payment options that may be available to the patient.

Upon receipt of the completed FAP application, the Hospital will notify patient of financial assistance determination within 21 calendar days.

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<sup>1</sup> All references to "care" in the remainder of this Financial Assistance Policy (as well as all Exhibits) shall be interpreted to be limited to emergency and other medically necessary care.

<sup>2</sup> All references to "patient" in the remainder of this FAP (as well as all Exhibits) shall be interpreted to include guarantors, where applicable.

## Eligibility

Discounts will be based on income and household/family size only. The Hospital uses the Census Bureau definitions of each.

- Family is defined as: a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
- Income includes: earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside household, and other miscellaneous sources. Noncash benefits (such as food stamps and housing subsidies) do not count.

A sliding scale will be used to determine discounts when gross family income is between 200 and 250% of FPG. Financial assistance will be granted based on the following eligibility criteria and discount percentages, which such percentages will be applied as described immediately below the chart:

Family Income as a Percent of FPG	% Discount of Total Patient Responsibility on Account
0% - 200%	100%
201% - 205%	90%
206% - 210%	80%
211% - 215%	70%
216% - 220%	60%
221% - 225%	50%
226% - 230%	40%
231% - 240%	30%
241% - 250%	20%

With respect to any Hospital care for which the first billing statement was mailed 240 or fewer days from the date that the patient submits his or FAP application and for which a separate FAP application was not submitted, the amount of the discount for which the patient is eligible will be—

- 1 The total amount the patient is or was personally responsible for paying for the care multiplied by the discount percentage set forth in the chart above for which the patient is eligible (the "Original Discount Amount"), reduced by
- 2 The excess, if any, of any payments the patient had, at the time of the application, already made for the care before any legal action was initiated to collect payment for the care, over the Original Discount Amount.

See Exhibit A for discounts applicable to care for which the first billing statement was mailed more than 240 days after the FAP application was submitted.

Notwithstanding the immediately preceding paragraph, no patient determined to be eligible for financial assistance ("FAP-eligible patient") for Hospital care will be personally responsible for having paid or paying more for the care than 84.6% of the Hospital's gross charges for the care (that is, the Hospital charges before any deductions, discounts, or insurance reimbursements or other third party payments were applied), and the Hospital will make any reimbursements of amounts previously paid by the patient necessary to ensure such a result. 84.6% reflects the amounts that the Hospital

generally bills to individuals who have insurance (“AGB”) and was determined by dividing the sum of all amounts of all of the Hospital’s claims for care that were allowed by Medicare in its fiscal year ending June 30, 2017, by the sum of the associated gross charges for those claims (i.e., using the “look-back” method described in Treas. Reg. §1.501(r)-5(b)(3)).

In addition to the discounts and AGB limitation described above, the total net amount that a FAP-eligible patient will be personally responsible for paying to the Hospital (that is, after all third party payments have been applied) may not exceed more than 20% of the patient’s annual family income in a calendar year. It is the responsibility of the patient to notify the hospital when net due exceeds 20% of gross income. This same cap at 20% of annual family income also applies to patients that are not FAP-eligible. See Exhibit A.

Hospital patients that are not FAP-eligible may nonetheless qualify for other (non-financial assistance) discounts described in Exhibit A, including a “prompt pay” discount of 15% for patients who pay in full within 30 days.

A patient’s eligibility determination will be applied prospectively for the 12 months following the date of the patient’s FAP application. If the patient believes his or her financial situation has changed such that he or she may be eligible for more generous assistance under this FAP, a new FAP application form may be submitted.

The discounts described in this FAP shall apply to all emergency and other medically necessary care provided by the Hospital. For a list of providers, other than the Hospital itself, delivering care in the Hospital that specifies which providers are covered by the Hospital’s FAP and which are not, see Exhibit B. In addition, the discounts will not be applied to services that are purchased from and provided outside of the Hospital, including reference laboratory testing, drugs, and imaging study interpretation by a consulting radiologist.

Patient net amount due after financial assistance discount is to be paid within 30 days from notice of financial assistance determination.

Harney County Health District has developed 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 government programs, and a patient’s good faith effort to comply with any payment arrangements with the Hospital. The actions that Harney County Health District may take in the event of nonpayment are outlined in its Billing and Collections policy, which may be obtained as described under “Notification” below. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their outstanding bills, the Hospital may offer extended payment plans and will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or actions that force bankruptcy.

Harney County Health District may grant extended payment arrangements for patient responsibility after financial assistance is applied to include monthly payments of at least 5% of the original patient responsibility, but no less than \$25 per month and will be documented in the patient account. All extended payment arrangements will comply with Federal and State guidelines and disclosures.

#### Notification:

This FAP, along with a plain language summary of its contents and the FAP application form, as well as Harney County Health District’s Billing and Collection Policy, will be posted on the Hospital web page at <http://www.harneydh.com/services/patient-financial-services/>. In addition, paper copies of

these documents will be provided upon request by mail and in the Hospital's emergency room and admissions areas, as well as in its Patient Financial Services office. Translations of all of these documents are available in Spanish. The Hospital will also notify patients about its FAP by posting notifications on patient billing statements and in the Hospital's emergency room and admissions areas, which such notices will inform patients of the availability of financial assistance. The Hospital will also offer a paper copy of the plain language summary of this FAP to patients as part of its intake process. Finally, the Hospital will publish an ad in a local newspaper at least twice a year that will inform its community about the availability of financial assistance at the Hospital.

## Exhibit A: Discounts Other Than Financial Assistance

### Prompt pay discount:

Harney District Hospital (the "Hospital") will provide a 15% discount to all patients who do not qualify for financial assistance but pay in full within 30 days.

### Discounts on care for which the application period has expired

If a patient is determined to be eligible for a FAP discount on care for which the first billing statement was mailed 240 or fewer days after the patient's FAP application was submitted, that same discount will be applied to all of the patient's accounts receivables for care for which the first billing statement was mailed more than 240 days after the patient's FAP application was submitted, notwithstanding the fact that the patient is not eligible for such a discount under the FAP. The Hospital will make no reimbursements of any amounts paid on accounts receivable for care for which the first billing statement was mailed more than 240 days after the patient's FAP application was submitted.

### Medical hardship discount

In the case of a patient who is not eligible for financial assistance under the FAP, the patient's financial responsibility for all amounts owed to the Hospital after third-party payments are applied may not exceed 20% of the patient's annual family income in a calendar year. It is the responsibility of the patient to notify the Hospital when net due exceeds 20% of gross income.