

Comanche County Medical Center

FINANCIAL ASSISTANCE POLICY (FAP) AND CHARITY CARE POLICY AND PROCEDURES

I. POLICY

Comanche County Medical Center is committed to providing financial assistance and charity care 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, Comanche County Medical Center strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Comanche County Medical Center will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial charity) 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 the hospital will widely publicize the policy within the community served by the hospital
- Limits the amounts that the hospital will accept as payment in full for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally received by the hospital for commercially insured or Medicare patients

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Comanche County Medical Center's procedures for obtaining charity or other forms of payment or financial assistance, 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.

In order to manage its resources responsibility and to allow Comanche County Medical Center to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient charity.

II. DEFINITIONS

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

Charity Care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family: Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- 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, gross farm income, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;

- Noncash benefits (such as food stamps and housing subsidies) do <u>not</u> count;

- Determined on a before-tax basis;

- Excludes capital gains or losses; and

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

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.

Gross charges: The total charges at the organization's full established rates for the

provision of patient care services before deductions from revenue are applied.

Emergency medical conditions: Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

Medically necessary: As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURES

A. **Services Eligible Under This Policy**. For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by Comanche County Medical Center without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

1. Emergency medical services provided in an emergency room 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 room setting; and

4. Medically necessary services, evaluated on a case-by-case basis at Comanche County Medical Center's discretion.

B. **Eligibility for Charity**. Eligibility for charity 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 charity 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. Comanche County Medical Center shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities on a case-by-case basis.

C. Method by Which Patients May Apply for Charity Care.

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 Comanche County Medical Center to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;

d. Take into account the patient's available assets, and all other financial resources available to the patient; and

e. 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 charity and a determination of financial need occur prior to rendering of non- emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. Comanche County Medical Center's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and Comanche County Medical Center shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. **Presumptive Financial Assistance Eligibility**. There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation.

For uninsured patients who have not paid or otherwise satisfied their bill, by a payment plan or submission of financial data under our charity and financial assistance policies, we will make a presumptive determination using data from PARO Decision Support, LLC. This determination is to assist the hospital in accurate internal classification and financial presentation, and does not convey an entitlement for future services. For the purpose of internal classification, we use 300% of Federal Poverty Level as a cutoff for financial assistance under this system. We do not disclose the presumptive determination nor do we have access to the decision data utilized by PARO Decision Support.

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 is provided as a valid address; and

8. Patient is deceased with no known estate.

9. Historical significance of non-payment that establishes a justification of future non-payment and lack of ability to pay.

10. Employment Status

11. Citizenship Status

E. **Eligibility Criteria and Amounts Charged to Patients**. 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. Once a patient has been determined by Comanche County Medical Center to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts Comanche County Medical Center will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income is at or below 150% of the FPL are eligible to receive free care;

2. Patients whose family income is above 150% but not more than 300% of the FPL are eligible to receive services at amounts no greater than the amounts generally received by the hospital for Medicare patients; and

3. Patients whose family income exceeds 300% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Comanche County Medical Center; however, the discounted

rates shall not be greater than the amounts generally received by the hospital for commercially insured patients.

F. **Communication of the Charity Program to Patients and Within the Community**. Notification about charity available from Comanche County Medical Center, which shall include a contact number, shall be disseminated by Comanche County Medical Center by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, in the Conditions of Admission form, at urgent care centers, admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as Comanche County Medical Center may elect. Comanche County Medical Center also shall publish and widely publicize a summary of this charity care policy on facility websites, in brochures available in-patient access sites and at other places within the community served by the hospital as Comanche County Medical Center may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Comanche County Medical Center. Referral of patients for charity may be made by any member of the Comanche County Medical Center staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

G. **Relationship to Collection Policies**. Comanche County Medical Center management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from Comanche County Medical Center, and a patient's good faith effort to comply with his or her payment agreements with Comanche County Medical Center. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, Comanche County Medical Center may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. Comanche County Medical Center will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;

2. Documentation that Comanche County Medical Center has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;

3. Documentation that the patient does not qualify for financial assistance on a presumptive basis;

4. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

5. Any patient who has qualified for Financial Assistance or Charity Care will have their billing history reviewed and based on the level of qualification will have their bill properly adjusted from the date of qualification back through any outstanding amounts.

H. **Regulatory Requirements**. In implementing this Policy, Comanche County Medical Center management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.