



HILL COUNTRY MEMORIAL
1971 - 2021

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Owner: Susan Neves: Chief
 Financial Officer
 Revenue Cycle
Area:
Standards & Regulations:
References:

Financial Assistance (Includes Charity and Uncompensated Care) Policy

Charity Care and Financial Assistance Policy

Approved Date: August 7, 2018

Revision Date: October 2, 2018; February 4, 2020; November 2, 2020, November 9, 2021

Effective Date: January 1, 2018; January 1, 2020, October 1, 2021

Owner: Chief Financial Officer

Approved by: Hill Country Memorial Board of Directors, August 7, 2018; October 2, 2018; February 4, 2020; November 2, 2020, November 9, 2021

Committee Approval to Recommend: Hill Country Memorial Audit and Finance Committee, July 31, 2018; January 30, 2020; October 27, 2020

SCOPE:

The scope of this policy encompasses, Hill Country Memorial Hospital (HCMH). Changes reflected in this Charity Care Policy are a formalization of procedures which have been followed to qualify a patient for charity care.

PURPOSE:

The HCMH provides inpatient, outpatient, and emergency services. HILL COUNTRY MEMORIAL's mission includes improving the overall health status of the area in which it serves. HCMH may provide charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for government programs, or otherwise unable to pay, for medically necessary care based on their individual financial situation. HCMH strives to ensure that the financial capacity of people who need healthcare services does not prevent them from seeking or receiving care. HCMH will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial or government assistance.

DEFINITIONS:

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

Charity Care: Discounted care provided to patients who are uninsured or underinsured for the relevant medically necessary service, ineligible for government or other charity health care benefit, and unable to pay. HCMH maintains two types of charity care for the purposes of this policy, Financially Indigent and Medically

Indigent

Financially Indigent: The patient is uninsured or underinsured and yearly household income is less than or equal to 300% percent of the Federal Poverty Guidelines (FPG) based on the number of person(s) in their household.

Medically Indigent: The patient's medical or hospital bills from HCMH and related providers, after payment by all third parties, exceeds 10 percent of his or her yearly household income, whole yearly household income is greater than 300% but less than 500% of the federal poverty guideline (FPG), and patient is unable to pay the outstanding patient account balance.

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.

Household: The applicant, spouse/partner and dependents. All such related persons are considered as members of one household. The income of the members of the household is considered when making the financial assistance determination. If applicant qualifies for assistance, the household members are considered to be covered for the same time period.

Amount Generally Billed: The amounts generally billed are calculated using the 'look-back' method based on actual past claims paid to Hill Country Memorial Hospital, as applicable, in the prior fiscal year by Medicare fee-for-service together with all private health insurers. The amount generally billed should be recalculated annually. This calculation is available upon request from a HCMH Financial Counselor at no cost.

Medically Necessary: Health care services a physician, exercising prudent clinical judgment, would provide to a patient. The service and supplies must be for the purpose of evaluating, diagnosing, or treating an illness, injury, disease, or its symptoms and meet accepted standards of medicine. Services not covered under Charity/Financial Assistance include elective or cosmetic services, surgical weight loss procedures, sleep lab procedures, elective sterilizations, reversals of sterilizations, and services not considered medically necessary by most insurance companies.

History of non-payment: No patient payment made or the amount of patient payment made is less than \$750.

POLICY:

Overview

This written policy:

- Includes eligibility criteria for financial assistance –full or partially discounted 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 HCMH will widely publicize the policy within the community served by HCMH
- Limits the amount HCMH will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed to commercially or Medicare insured patients.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with

HCMH'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 responsibly and to allow HCMH 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.

Eligibility Criteria and Amounts Charged to Patients

Eligibility for charity care and/or uninsured discounts 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 care and/or uninsured discounts may 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.

Services eligible under this Policy may be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Guidelines in effect at the time of the determination. Once a patient has been determined by HCMH to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts HCMH will charge patients qualifying for financial assistance is as follows, but not limited to:

1. Patients who are uninsured and whose family income is at or below 300% of the FPG are eligible to receive a full charity care discount for medically necessary services;
2. Patients who are uninsured or underinsured and whose family income is above 300% but not more than 500% of the FPG are eligible to receive an uninsured discount for medically necessary services at an amount determined by HCMH.; and
3. Patient who are uninsured or underinsured and whose family income exceeds 500% of the FPG may be eligible to receive an uninsured discount for medically necessary services on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at an amount determined by HCMH.
4. Patients who are uninsured or underinsured but do not provide sufficient documentation at the time of service for HCMH to confirm their eligibility for discounts afforded under sections 1, 2 and 3 listed above may receive an uninsured discount for medically necessary services at the discretion of HCMH.

PROCEDURE:

Method by Which Patients May Apply for Charity Care

1. Financial need may 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 (such as credit scoring);
 - c. Include reasonable efforts by HCMH 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 may be re-evaluated at each subsequent time of service if the last financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. HCMH'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 HCMH shall notify the patient or applicant in writing.

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. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, HCMH could use outside agencies in determining estimate of income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include, but are not limited to:

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;
8. Patient is deceased with no known estate;
9. Medicaid Program participants where coverage is denied for maximum confinement, or non-covered services;
10. Bankruptcy declared and confirmed within the prior (12) months of hospital services being rendered;
11. Any uninsured or underinsured account returned from a collection agency as uncollectable with history of nonpayment implying no payment will be received in the future;
12. Eligible for charity services at the Good Samaritan Clinic;
13. Participation in Temporary Assistance for Needy Families (TANF) Program;
14. Participation in Children's Health Insurance Program (CHIP);

15. Participation in Free lunch program at children's respective school;

16. Participation in County Indigent Health Care programs.

Patients who provide false information or who do not cooperate will not be eligible for charity care or discounted care assistance.

Communication of the Charity Program to Patients and Within the Community

Notification about charity care available from HCMH, which shall include a contact number, shall be disseminated by HCMH 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 admitting and registration departments, and patient financial services offices that are located on the HCMH's campuses, and at other public places as HCMH may elect. HCMH 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 HCMH may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by HCMH.

Referral of patients for charity may be made by any member of the HCMH's staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. The patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws, may make a request for charity.

A complete list of providers delivering emergency or other medically necessary care may be found on the hospital website at <https://hillcountrymemorial.org>.

Relationship to Collection Policies

HCMH management shall develop policies and procedures for internal and external collection practices (including actions the HCMH 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 HCMH, and a patient's good faith effort to comply with his or her payment agreements with HCMH. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, HCMH may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. HCMH 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. The Director of Patient Accounts will be the final approval before sending a patient account to collections. Reasonable efforts may include, but not limited to:

1. Validating that the patient or responsible party owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;
2. Documentation that HCMH has provided written notice regarding this Policy, identifying any extraordinary collection actions that HCMH intends to initiate, and stating a deadline for initiation of the actions that is no earlier than 30 days from the date the written notice is provided and 120 after the first "post-discharge" billing statement is provided, as well as providing a plain language summary with the notice, and making a reasonable effort to orally notify the patient about this Policy and how the individual may obtain assistance with the application process;
3. Documentation that, in the event of an incomplete application, HCMH provided written notice to the individual about how to complete the application, including a description of the outstanding documents or information required and contact information for submission, as well as providing a reasonable

opportunity to complete the application;

4. Documentation that the patient or responsible party does not **qualify** for Financial Assistance on a presumptive basis;
5. Documentation that the patient or responsible party was offered a payment plan but has not honored the terms of that plan.

Regulatory Requirements

In implementing this Policy, HCMH 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.

Attachments

A: Financial Assistance Discount Calculations

Approval Signatures

Step Description	Approver	Date
L2 Mgmt: Executive	Susan Neves: Chief Financial Officer	1/31/2022
L1 Mgmt: Supervisor/Mgr/Dir	Jessica Thomas: Medical Records Director	12/28/2021
Policy Owner	Susan Neves: Chief Financial Officer	12/28/2021