

APPLIES TO:	JOHNSON COUNTY MEMORIAL HOSPITAL
DEPARTMENT:	COLLECTIONS DEPARTMENT
PROCEDURE NO:	
SUBJECT:	FINANCIAL ASSISTANCE POLICY
EFFECTIVE DATE:	06/01/13
REVISION DATES:1/2020;12/2021	03/17/15; 01/01/18;08/19;09/19;12/19;1/2020;12/2021
REVIEW DATE:	
OTHER BOOKS: Facility Wide	
ADMINISTRATOR'S INITIALS:	

MISSION

Johnson County Healthcare Center (JCHC) is committed to meeting the health and wellness needs of our community through all stages of life.

POLICY

This policy only applies to Johnson County, Wyoming residents receiving services provided at Johnson County Memorial Hospital (JCMH) and the Family Medical Center (FMC).

JCHC (applies to Johnson County Memorial Hospital and the Family Medical Center in this policy) is committed to providing financial assistance to persons who have healthcare needs and are uninsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. JCHC strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. JCHC will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

This written policy:

- Includes eligibility criteria for financial assistance – free and 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 the hospital and clinic will widely publicize the policy within the community served by the hospital and clinic,
- Limits the amounts that the hospital and clinic will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital and clinic for commercially insured or Medicare patients.

Financial assistance is not considered a substitute for personal responsibility. Patients are expected to cooperate with JCHC's procedures for obtaining 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 JCHC to provide the appropriate level of assistance to the greatest number of persons in need that live in Johnson County, Wyoming, the Board of Trustees establishes the following guidelines for the provision of financial assistance.

DEFINITIONS

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

Financial assistance: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider's policy to provide healthcare services free or at a reduced rate 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.

A **family is defined** by the United States **Census Bureau** for statistical purposes 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**."

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, 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 not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

Patient: Person receiving services, guarantor signing for financial responsibility or the person supporting or acting on patient's behalf.

Students: Individuals who are enrolled full-time in an accredited college or university and are receiving at least twelve (12) credit hours a semester.

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). Emergency Medical Treatment & Labor Act (**EMTALA**)

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

PROCEDURES

1. Services Eligible Under this Policy.

For purposes of this policy, "financial assistance" refers to healthcare services provided by JCMH and FMC with a reduced charge or without charge. The following healthcare services are eligible for financial assistance:

- Emergency medical services provided in an emergency room setting;
- Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
- Medically necessary services, evaluated on a case-by-case basis at JCHC's discretion.

2. Amount Generally Billed for Financial Assistance Policy.

Calculation of Amounts Generally Billed The "Amount Generally Billed" or "AGB" is the amount the Hospital generally bills to insured patients. The Hospital determines its AGB utilizing the method detailed below. The Hospital utilizes the look-back method to establish its AGB and AGB Percentage. The AGB is the Hospital's gross charges multiplied by the AGB Percentage. Patients may obtain the Hospital's most current AGB Percentage and a description of the calculation in writing free of charge by visiting the Hospital's patient financial services office or the Hospital Business Office at 497 West Lott Street, Buffalo, WY 82834, by calling either (307) 684-5521 or via email at mjespersen@jchealthcare.com or by visiting <https://www.jchealthcare.com/wp-content/uploads/documents/Financial-Assistance-Application-2021.pdf>. The Hospital calculates its AGB Percentage on an annual basis. For purposes of this policy, each new AGB Percentage will be implemented within 120 days of the 12 month period used by the Hospital to calculate the AGB Percentage.

3. Eligibility for Financial Assistance.

- Eligibility for financial assistance will be considered for those individuals who are
 - uninsured, underinsured, ineligible for any government health care benefit program and/or Gladys Worf Trust, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy;
 - have a terminal illness and who has no financial resources or sources of income;
 - have a disabling illness or injury that will prevent him/her from working and who has limited or no financial resources or sources of income; and/or
 - have special circumstances surrounding tragedies or other catastrophic events.
- The granting of financial assistance 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.
- Financial assistance is generally determined by a sliding scale of total household income based on the *Federal Poverty Level (FPL)*. If your household income is:
 - at or below 100% of the Federal Poverty Guidelines, 100% of the account balance may be written off,
 - between 101% and 200%, 75% of the account balance may be written off,
 - between 201% - 250%, 50% of the account balance may be written off, and
 - between 251% - 275%, 25% of the account balance may be written off.
- Patients with only Social Security or Disability Income may apply for financial assistance yearly with proof of annual income. Financial assistance will be based on the sliding scale above.

4. Method by Which Patients May Apply for Financial Assistance.

Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may:

- Include an application process, in which the patient, the patient's guarantor or supporting person/persons are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need (such as but not limited to tax returns, bank statements, proof of assets, etc.);
- Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring, tax and property records, etc.);
- Include reasonable efforts by JCHC to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to provide information for patients to apply for such programs;
- Take into account the patient's available assets, and all other financial resources available to the patient; and
- Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
- Patients will be asked to certify all information provided is true. If any information is determined to be false or the patient fails to cooperate with any alternative source of payment all discounts afforded to the patient may be revoked, making the patient or patient's guarantor responsible for the full charges for services rendered.

The determination of the need for financial assistance may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated after each subsequent time of service if the last financial evaluation was completed more than three (3) months prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.

Each financial assistance application will be reviewed and signed off by the Financial Assistance Committee. If financial assistance eligibility is determined and the financial assistance adjustment is applied to the patient's account, JCHC Hospital Business Officer Manager, Collection Manager or designee will review each collective batch of accounts and adjustments and then sign off on the top of the batch page indicating review and approval. A summary sheet of the monthly financial assistance write-off totals will be forwarded to the administrator for notification and review. These actions will suffice that all requirements under this policy have been met.

Requests for financial assistance shall be processed promptly and JCHC shall notify the patient or applicant in writing within 30 days of receipt of a completed application and list the reason for the denial, if applicable.

All patient payments received before the account was deemed eligible for financial assistance will be refunded for that episode of care.

5. Eligibility Criteria and Amounts Charged to Patients.

Once a patient has been determined by JCHC to be eligible for financial assistance, that patient shall not be responsible for future bills for that date of service, based on undiscounted gross charges. If a patient is determined to be eligible to receive financial assistance, then the charges will be reduced as per the JCHC sliding scale herein attached. Patients must reapply every ninety (90) days for financial assistance.

6. Financial Assistance for Students

- Students are not eligible for the Financial Assistance set forth in this Policy. Instead, Students with at least 12 credit hours a semester, may apply for an interest-free, \$50 per month payment plan for four years or until they graduate, whichever occurs first. If a patient's spouse or significant other is a student, the patient is only eligible for the student Financial Assistance program as described in this section.

- The patient will be required to provide verification of current enrollment from the institution before a student payment plan will be initiated. The patient must provide this verification for each semester he or she is in school.
- Each semester, letters will be sent to patients who have failed to provide verification of their enrollment in school. These patients will be given a three-week period to return the required documentation. If this paperwork is not received by the end of that three-week period, the student payment plan will become void, and the patient will be responsible for the full balance due.
- The student repayment plan will remain in effect for three months following graduation. At that time, the patient is responsible for payment in full, setting up a standard payment plan or applying for Financial Assistance.

7. Communication of the Financial Assistance Program to Patients and Within the Community.

Notification about financial assistance available from JCHC, which shall include a contact number, shall be disseminated by JCHC 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. JCHC also shall publish and widely publicize a summary of this policy on the facility website. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by JCHC, which is English. Referral of patients for financial assistance may be made by any member of the JCHC staff or medical staff, including physicians, nurses, social workers, and religious sponsors. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

8. Relationship to Collection Policies.

JCHC 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 financial assistance from JCHC, and a patient's good faith effort to comply with his or her payment agreements with JCHC. JCHC 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 financial assistance under this policy.

- *Reasonable efforts shall include:*
 - Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
 - Documentation that JCHC 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;
 - Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

9. Regulatory Requirements.

In implementing this Policy, JCHC 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.

10. Providers Covered Under This Policy.

See Appendix A.