

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
	PAGE: 1 OF: 8
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 5/15/91
APPROVED BY: <i>Kim M. Marcus</i>	REVISED: 3/5/09; 6/21/16; 8/16, 01/05/17, 10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

Policy:

Pend Oreille County Public Hospital District #1 is committed to the provision of Health Care services to all persons in need of medical attention regardless of ability to pay.

In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of Financial Assistance, consistent with the requirements of WAC 246-453 (Hospital Charity Care), are established. These criteria will assist staff in making consistent and objective decisions regarding eligibility for Financial Assistance while ensuring the maintenance of a sound financial base.

This policy is consistent with the mission and value of Newport Hospital and Health Services and shall be applied uniformly to all patients residing in the hospital's designated service area. The service area is defined as the geographic boundaries of Pend Oreille County, Washington and the additional areas of Elk (99009), Oldtown (83822), Blanchard (83804), Priest River (83856), Coolin (83821) and Nordman (83848). Non-residents of the defined service area are eligible for financial assistance consistent with WAC 246-453-060 for emergent services only. Financial assistance for uninsured non-residents of the service area for any non-emergent services is limited to the uninsured discount defined in this policy/procedure. The District shall grant exceptions to the residency requirement on a facts and circumstances basis as determined by District.

Patients must first exhaust all other funding sources for which they may be eligible before they will be eligible for Financial Assistance, including, without limitation, the following:

- Group or individual medical plans
- Worker's compensation plans
- Medicaid program (patient should have proof of denial)
- Medicare
- Other state, federal or military programs
- Third party liability (i.e., auto accidents, personal injury)
- Any other persons or entities who have legal responsibility to pay for the medical service
- Health saving account (HSA) funds. Newport Hospital and Health Services may require a responsible party to fully utilize any available funds from HSA to satisfy outstanding balances.

NHHS reserves the right to require confirmation a patient is ineligible for alternative funding sources, including, without limitation, written denials (or oral denials followed by documentation) from applicable funding sources.

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 2 OF: 8
APPROVED BY: <i>Kim M. Marcus</i>	EFFECTIVE: 5/15/91 REVISED: 3/5/09; 6/21/16;8/16, 01/05/17,10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

Procedure:

I. Communications to the Public:

Pend Oreille County Public Hospital District #1's Financial Assistance policy shall be made publicly available through the following elements:

- A. A notice advising patients that Pend Oreille County Public Hospital District #1 provides Financial Assistance shall be posted in key areas of the Hospital, including Admissions, Emergency Department and Patient Financial Services. Both the written information and the verbal explanation shall be available in any language spoken by more than ten (10) percent of the population in the hospital's service area.
- B. Written information about Pend Oreille County Public Hospital District #1's Financial Assistance policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. Pend Oreille County Public Hospital District #1's sliding fee schedule, if applicable, shall also be made available upon request. Information will also be available on the District's website at nhhsqualitycare.org.
- C. Billing statements and other written communications concerning billing or collection of a hospital bill must include a statement about charity care.
- D. Pend Oreille County Public Hospital District #1 will train front-line staff to provide a Notice of Availability for Financial Assistance to any person who indicates financial hardship, and to direct them to the appropriate department in a timely manner.

II. Description of Eligibility Criteria

Financial Assistance is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, tribal or military programs, third party liability situations (e.g., auto accidents or personal injuries), healthcare savings accounts, healthcare ministries or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services. In those situations where appropriate primary payment sources are not available, patients shall be considered for Financial Assistance under this hospital policy based on the

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
	PAGE: 3 OF: 8
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 5/15/91
APPROVED BY: <i>Kim M. Marus</i>	REVISED: 3/5/09; 6/21/16; 8/16, 01/05/17, 10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

following criteria as calculated for the 12 months prior to the date of service.

Charity care shall be limited to medically necessary” and “appropriate hospital-based medical services” as defined in WAC 246-453-010(7). Residential services (non-covered Swing and Assisted Living) are also not eligible for charity care.

The Medically indigent patient will be granted Financial Assistance regardless of race, color, sex, religion, age, national origin, or immigration status.

A. The full amount of hospital charges that are not covered by public or private sponsorship will be determined to be Financial Assistance for any patient whose gross family income is below 125 percent of the current federal poverty guidelines, consistent with the requirements of WAC 246-453-040 (Uniform criteria for the identification of indigent persons).

- The hospital will assess income based on the time the patient applies for charity, in the event the patient has been making good faith efforts to pay their bill AND applies within two (2) years of the time of service.
- The hospital will assess income based on the time the healthcare services were provided if the patient:
 - a) Applies within two (2) years of service and has been making good faith efforts to pay; or
 - b) Applies after two (2) years from the time of service
- The hospital, at its discretion, is allowed to consider applications for charity care at any time, including any time there is a change in the patient’s financial circumstances.

B. The following sliding fee schedule shall be used to determine the amount which shall be written off for patients that are under-insured and/or have a primary payment source, with incomes between 125 percent and 200 percent of the current federal poverty level:

<u>INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL</u>	<u>% DISCOUNT</u>
125% - 135%	75%
136% - 166%	50%
167% - 200%	25%

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
	PAGE: 4 OF: 8
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 5/15/91
APPROVED BY: <i>Kim M. Marcus</i>	REVISED: 3/5/09; 6/21/16;8/16, 01/05/17,10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

C. In order to comply with the “Washington Hospital Voluntary Effort on Billing to the Uninsured”, the additional procedure will be followed (Uninsured means no third party insurance. Health Savings Accounts are considered insurance). The following process shall be used to determine the amount which shall be written off for patients that are uninsured and do not have a primary payment source, with incomes between 101% and 300% of the current poverty level:

- No uninsured patient with income under 200 percent of the federal poverty level is required to pay more than the estimated cost of their care. Cost of care is defined as the charge times of Pend Oreille County Public Hospital District #1’s average cost-to-charge ratio. The cost-to-charge ratio is based on the previous year’s Year End Report as filed with the Washington State Department of Health. Individual patients will be charged the lower of this amount or the amount calculated in item “B” above.
- No uninsured patient with income under 300 percent of the federal poverty level will be required to pay more than 130 percent of the estimated cost of their care. Cost of care is defined as the charge times of Pend Oreille County Public Hospital District #1’s average cost-to-charge ratio. The cost-to-charge ratio is based on the previous year’s Year End Report as filed with the Washington State Department of Health.

D. Catastrophic Charity: Pend Oreille County Public Hospital District #1 may write off as Financial Assistance amounts for patients with family income in excess of 200 percent of the federal poverty level when circumstances indicate severe financial hardship or personal loss. Eligibility under this special criteria will be based on approval from the District representative assigned administrative authority under current District guidelines.

E. COBRA: It is the responsibility of the patient to actively participate in the financial screening process and in providing requested information on a timely basis, *including without limitations* providing Pend Oreille County Public Hospital District #1 with information concerning actual or potentially available health benefits coverage (including available COBRA coverage), financial status and any other information necessary for Pend Oreille County Public Hospital District #1 to make a determination regarding the patient’s financial and insured status. In addition, if Pend Oreille County Public Hospital District #1 reasonably determines that COBRA coverage is available to the patient, the

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
	PAGE: 5 OF: 8
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 5/15/91
APPROVED BY: <i>Kim M. Marcus</i>	REVISED: 3/5/09; 6/21/16; 8/16, 01/05/17, 10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

patient shall provide Pend Oreille County Public Hospital District #1 with information necessary to determine the monthly premium due for said coverage and identify the patient's need for financial assistance from Pend Oreille County Public Hospital District #1 to make any such premium payments. The Chief Financial Officer will be required to sign for all approved COBRA payments made by Pend Oreille County Public Hospital District #1.

F. If Pend Oreille County Public Hospital District #1 reasonably determines that the patient would qualify for State Medicaid assistance and needs assistance with obtaining a certified birth certificate for the purpose of filing for state coverage, Pend Oreille County Public Hospital District #1 will assist with this cost. The Chief Financial Officer will be required to sign for approval to provide funding to obtain a certified birth certificate for the purpose of obtaining medical coverage.

III. Collection practices (applies to all patients):

- Pend Oreille County Public Hospital District #1 will have their governing board or commissioners receive and review an annual summary report on collection actions taken.
- Pend Oreille County Public Hospital District #1 will have a written policy as to when and under whose authority an account is sent to collections.
- Pend Oreille County Public Hospital District #1 will have a written policy as to when a lien is placed on a primary residence.

IV. Process for Eligibility Determination:

Identification of Potential Charity Care Patients:

A. Initial Determination:

- Pend Oreille County Public Hospital District #1 shall use an application process for determining eligibility for Financial assistance, see Attachment A. Requests to provide Financial Assistance will be accepted from sources such as: physicians; community or religious groups; social services; financial services; personnel; and patient, provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act Privacy Regulations and Pend Oreille County Public Hospital District #1's Privacy policies.

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
	PAGE: 6 OF: 8
DEPARTMENT: HOSPITALWIDE	EFFECTIVE: 5/15/91
APPROVED BY: <i>Kim M. Marus</i>	REVISED: 3/5/09; 6/21/16; 8/16, 01/05/17, 10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

- The initial determination of eligibility for Financial Assistance shall be completed at the time of admission or as soon as possible following initiation of services to the patient. The hospital will allow the patient to apply for Financial Assistance at any point from pre- admission to final payment of the bill, recognizing that the patient's ability to pay over an extended period may be substantially altered due to illness of financial hardship, resulting in a need for Financial Assistance services. If the change in financial status is temporary, the organization can choose to suspend payments temporarily rather than initiate Financial Assistance.
- All members of the family should be listed on the application. Eligibility will be considered collectively. Family is defined as two or more persons related by birth, marriage, or adoption who live together.
- Pending final eligibility determination, Pend Oreille County Public Hospital District #1 will not initiate collection efforts or request deposits, provided that the patient is cooperative with Pend Oreille County Public Hospital District #1's efforts to reach a final determination of sponsorship status.

B. Final Determination:

- Pend Oreille County Public Hospital District #1 shall use an application process for determining initial interest in and qualification for Financial Assistance. Should patients not choose to apply for Financial Assistance, they shall not be considered for Financial Assistance unless other circumstances or intent become known to Pend Oreille County Public Hospital District #1. Patients will be asked to provide verification of ineligibility for Medicaid or medical Assistance. During the initial request period, Pend Oreille County Public Hospital District #1 may pursue other sources of funding, including Medicaid.
- Financial Assistance forms, instructions and written application shall be furnished to patients when Financial Assistance is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or Pend Oreille County Public Hospital District #1 should be accompanied by documentation to verify income amounts indicated on the application form. Patients will be allowed a minimum of fourteen (14) days, or such time that is medically and reasonable feasible, to secure and present one or more of the following types of documentation that is acceptable in accordance with WAC 246-453-030 (data requirements for the identification of indigent persons) for purposes of verifying income:
 - W-2 Withholding statements for all employment during the relevant time period;

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 7 OF: 8
APPROVED BY: <i>Kim M. Marus</i>	EFFECTIVE: 5/15/91 REVISED: 3/5/09; 6/21/16;8/16, 01/05/17,10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

- Pay stubs from all employment during the relevant time period;
- An income tax return from the most recently-filed calendar year,
- Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance
- Forms approving or denying unemployment compensation; or
- Written statements from employers or welfare agencies.
- Written and signed statements from the patient or responsible party

C. Income Basis: Income shall be annualized from the date of service based upon documentation provided and upon verbal information provided by the patient. The annualization process will be determined by Pend Oreille County Public Hospital District #1 and will take into consideration seasonal employment and temporary increases and/or decreases of income.

D. Prima facie write-Offs: Pend Oreille County Public Hospital District #1 Administration may choose to grant Financial Assistance based solely on the initial determination. In such cases, Pend Oreille County Public Hospital District #1 will not complete full verification or documentation of any request.

E. Time Frame: Final determination will be within fourteen (14) days of receipt of application and all documentation material, consistent with the requirements of WAC 246-453-030.

• Approvals:

- All patients approved for Financial Assistance under WAC 246-453-020 (Uniform procedures for the identification of indigent persons) shall be provided with, in writing, the approval determination and any amount the responsible party will be held financially accountable for.
- If patient had made a previous payment toward any amount approved for Financial Assistance, Pend Oreille County Public Hospital District #1 will refund the payment within thirty (30) calendar days of the determination, in accordance with WAC 246-453-020 (Uniform procedures for the identification of indigent persons)

• Denials:

- All patients denied Financial Assistance under WAC 246-453-020 (Uniform procedures for the identification of indigent persons) shall be provided with, in writing, the denial determination, including process for appeal procedures that

SUBJECT: FINANCIAL ASSISTANCE POLICY (Charity care)	REFERENCE #
DEPARTMENT: HOSPITALWIDE	PAGE: 8 OF: 8
APPROVED BY: <i>Kim M. Marcus</i>	EFFECTIVE: 5/15/91 REVISED: 3/5/09; 6/21/16;8/16, 01/05/17,10/1/2018, 01/23/2020, 12/16/2020, 08/09/2021 RVWD: 3/3/10; 6/18/13; 4/4/14

enables the patient to correct any deficiencies in documentation or request review of the denial and results by Pend Oreille County Public Hospital District #1's Chief Financial Officer or equivalent.

- Patients will be notified that they have thirty (30) calendar days within which to request an appeal of the final determination of denied Financial Assistance status. Within the first fourteen (14) days of this period, Pend Oreille County Public Hospital District #1 may not refer the account at issue to an external collection agency. After the fourteen (14) day period, if no appeal has been filed, Pend Oreille County Public Hospital District #1 may initiate collection activities.
- All appeals will be reviewed by the Patient Accounts Manager and Chief Financial Officer. If the determination affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor. A copy of the Denial determination will also be provided to: State of Washington Department of Health at P.O. Box 47853, Olympia, WA 98504-7853 or by fax at (360)236-2870.

V. Documentation and Records

- A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.
- B. Retention: Documents pertaining to charity care shall be retained for 5 years.