

Title: Financial Assistance Program Policy, English - 7485 (Spanish - 8081)	Document #: 7485 Version: 9
Facility: St. Charles Bend, St. Charles Madras, St. Charles Medical Group, St. Charles Prineville, St. Charles Redmond	Page 1 of 10
Owner: Kristie Crowl (Director - Single Billing Office)	Effective Date: 04/02/2020

Policy Statement / Purpose:

St. Charles Health System (St. Charles) is committed to protecting the dignity and rights of our patients, to establish fair and equitable guidelines for determining eligibility for financial assistance, consistent with responsible financial stewardship.

St. Charles is a tax-exempt, charitable organization committed to providing emergent and medically necessary services to patients without regard to race, creed, religion, sexual orientation, disability, citizenship, or ability to pay. The St. Charles Financial Assistance (FA) program is designed to assist patients with medical bills that present a significant financial hardship. The St. Charles FA program follows the Federal 501r regulations as defined in <https://www.irs.gov/charities-non-profits/financial-assistance-policies-faps>.

St. Charles makes every effort to identify and extend FA to patients who may need assistance. The FA program information is shared, including this policy, widely and without charge. Information includes but is not limited to the following: FA policy, Credit and Collections policy, FA program brochure (plain language summary), and the FA application. St. Charles provides FA information to the community and to patients through the St. Charles website, Conditions of Registration, patient bill of rights, brochures and signage. Information may also be provided at time of registration, during insurance verification, or while working with a financial counselor or a patient financial services representative. FA applications are available on the St. Charles website or by request.

Definitions: *(Definitions of acronyms or specialized terminology) – Refer to end of document for Definitions*

Accountability:

St. Charles Board of Directors will approve the Financial Assistance Program Policy (policy#7485) and any substantive changes to the policy.

Single Billing Office (SBO) leadership will prepare and submit a change report when applicable to the Board of Directors to gain approval prior to implementing policy changes.

Instructions:

Financial assistance is provided by St. Charles with the intent to aid members of the communities served by St. Charles. Patients, regardless of their ability to pay, insured or uninsured, may apply for financial assistance under this policy. Eligibility and benefit criteria is set to provide assistance for those with the greatest financial need.

Reasonable Efforts to Identify Individuals who may qualify for the St. Charles Financial Assistance Program

Every effort will be made to identify patients who may qualify for financial assistance as early as possible during their episode of care. Patients may be identified as a candidate for financial assistance



at any time before, during or after services are delivered. St. Charles may run, at its discretion, unpaid balances through scoring technology software which will be used to determine the household Federal Poverty Level. Accounts placed with a collection agency more than 240 days after the first billing statement will not be eligible for financial assistance.

It is the responsibility of the patient or their representative to provide current contact information including a valid mailing address. If St. Charles is unable to contact a patient due to an invalid mailing address, St. Charles considers that the reasonable effort requirement has been met (<https://www.federalregister.gov/documents/2012/06/26/2012-15537/additional-requirements-for-charitable-hospitals>).

Scope of the St. Charles Financial Assistance Program

The St. Charles financial assistance application and determination applies solely to St. Charles hospitals, clinics, and providers. A full listing can also be found on the St. Charles website (<https://www.stcharleshealthcare.org/~media/12506E2251EA4F309E8DC4C0ADAB9C6E.pdf>).

The St. Charles financial assistance program does not apply to non-St. Charles hospitals, clinics, or providers. Other providers and practices may have their own financial assistance programs. St. Charles encourages patients to contact these providers for further details. Please note that the emergency providers at the St. Charles Bend hospital are non-contracted providers who bill their services separately through Central Oregon Emergency Physicians (COEP). The St. Charles FA program does not apply to COEP providers.

How to Apply for the St. Charles Financial Assistance Program

Any patient or patients' authorized representative may apply to receive financial assistance. A patient seeking financial assistance must provide the documentation specified in the application unless St. Charles indicates otherwise. The application form may be obtained online, by telephone, from the St. Charles website, at any clinic location, or from a financial counselor at any St. Charles hospital. The financial counselor's office locations can be found on the St Charles website: <https://www.stcharleshealthcare.org/For-Patients/Billing-and-Insurance/Patient-Financial-Assistance-Guidelines>.

St. Charles Financial Assistance Application Instructions

Financial assistance applications must be received within 240 days of the first patient billing statement. Applications received after 240 days are not eligible for financial assistance.

Completed applications will be processed within 21 days of receipt. St. Charles will provide written approval or denial determinations within the 21 day period. Approved applications are applied to services from the date the application is received through the end of that month and an additional three months.

Financial assistance will be applied to open balances for services incurred 240 days before the approval date. Any credits generated by financial assistance will be refunded. St. Charles may choose not to refund payments \$5 and under. All refunds are reviewed for accuracy.

Applications may be denied for insufficient documentation or missing information. St. Charles will not withhold financial assistance for failure to supply documentation that is not specified in the St. Charles financial assistance application. If an applicant is denied for missing documentation, the applicant has 60 days to provide additional information or appeal the decision. If the missing documentation is not provided within the timeframe provided, Extraordinary Collections Actions (ECA) will commence.

Income and Federal Poverty Levels are based on the primary applicant, defined as the applicant who signed the application. If an application is over income or outside the Federal Poverty Level screening limits, St. Charles will conduct a full review before making a final determination. If an applicant has a change in income, the applicant has 30 days to request a secondary review with new income.

The St. Charles Financial Assistance program operates under the good faith principle with the intent to provide assistance to community members in need. St. Charles reserves the right to reverse determinations at any time if an applicant falsified information to obtain financial assistance. Determinations may also be reversed or revised if third party reimbursement was made directly to the patient. Financial Assistance applications may be denied if fraudulent information is included in the application.

St. Charles Financial Assistance Program Eligibility

Financial assistance eligibility is based on the current financial state of the household, defined as a single individual; or Spouses, domestic partners, or a parent and child under age 18 years of age, living together; and Other individuals for whom a single individual, spouse, domestic partner or parent is financially responsible. St. Charles uses scoring technology software to determine the household Federal Poverty Level (FPL) on each application received. Eligibility determination factors include gross income, household size, and any other mitigating information. Applicants must meet the eligibility criteria listed below to be considered for financial assistance. Specific documentation requirements are listed in attachment B.

Eligibility criteria:

1. Income and/or assets are not more than the St. Charles income level requirements, currently defined as percentage of FPL (<https://aspe.hhs.gov/poverty-guidelines>).

Assistance will be provided based on the following criteria:

100% assistance for applicants within 0-300% FPL

Zero patient liability

75% assistance for applicants within 301-350% FPL

25% patient liability

50% assistance for applicants within 351-400% FPL

50% patient liability

Assistance will be awarded based on the FPL score of whomever signed the application.

2. Catastrophic loss and/or medically indigent, defined as a balance that is more than the household's combined annual income. Patient liability in the event of catastrophic loss will be 20% after the Amount Generally Billed (AGB).
3. Reside in the St. Charles primary service area, defined as Deschutes, Crook, and Jefferson counties.
Exceptions are made for emergent care, services not available in patients own service area, or if the primary medical insurance carrier is contracted with St. Charles.
4. Services are emergent, defined as services provided in the emergency department or urgent care. St. Charles follows Emergency Medical Treatment and Active Labor Act (EMTALA) regulations.

5. Services are considered medically necessary by the ordering and/or providing physician. Medically necessary care does not include elective services, cosmetic, non-essential or items that are solely for the comfort or convenience of a patient.
6. Patients are required to exhaust all other financial resources to qualify for financial assistance. Resources includes medical insurance, government programs, Third Party Liability (TPL), and qualified assets. Patients eligible for entitlement based coverage (such as Medicaid, VA, TPL) but chose not to enroll or provide necessary information, may not qualify for FA.
7. Patients without insurance may be asked to apply for Medicaid or provide proof that they will not qualify for Medicaid based on income or residency (<https://www.oregon.gov/oha/HSD/OHP/Pages/Apply.aspx>). This requirement may be waived if the household has applied and been denied for Medicaid in the last twelve months
8. Homeless patients who meet the following qualifications will be considered presumptively eligible under this policy. Qualifications will be verified to the best of SCHS ability.
 - No income or assets
 - No health care coverage, government coverage, or other benefit plan

Patients not eligible for St. Charles Financial Assistance program who are true self-pay/ un-insured are eligible for a self-pay discount of 20%. St Charles Health System classifies non-covered Medicaid and true self-pay discount as forms of charity care.

The final authority for determining that all reasonable efforts have been made to determine financial assistance eligibility is the St. Charles Financial Assistance department. The Financial Assistance department can be reached by phone at 541-706-7750 Option 3 or by mail at St. Charles Financial Assistance department PO Box 6095 Bend, OR 97708.

St. Charles management will conduct regular audits of financial assistance adjustments to ensure the accuracy of financial assistance awards and compliance with St. Charles policies.

St. Charles Financial Assistance Program Approval levels

In legacy electronic medical record (EMR) systems (pre-EPIC), all financial assistance adjustments are reviewed and approved by the appropriate level of control as defined below. Legacy system approvals are completed via paper forms.

Signature Approval Levels for Financial Assistance Determinations:

\$ 0 - \$ 1,000	Financial Assistance Specialist
\$ 1,001 - \$ 10,000	Patient Financial Services Supervisor
\$ 10,001 - \$ 20,000	Revenue Cycle Manager
\$ 20,001 - \$100,000	Revenue Cycle Director
\$100,001 and up	Chief Financial Officer or other St. Charles executive

In Epic, financial assistance adjustments are automated. Manually entered adjustments follow the approval levels listed above. Adjustments are reviewed and approved through Epic work queues. Financial assistance adjustments for professional services are automatically applied and are exempt from the tiered approval criteria. New patient billing statements are automatically generated with any remaining patient responsibility.

Confidentiality



Note: Printed copies of this document are uncontrolled. In the case of a conflict between printed and electronic versions of this document, the controlled version published online prevails.

All St. Charles financial assistance applications and any supporting documentation are confidential and will not be shared without written permission from the applicant.

Collection Practices

St. Charles collection practices are defined in the St. Charles Credit and Collections policy (#4379). Collection practices may be followed until a financial assistance application is received and approved. In the event that an applicant has outstanding balances after financial assistance is applied to an eligible account, St. Charles will continue to follow standard collection practices as referenced above.

No attempts will be made to collect medical debts from children or other family members who are not financially responsible for the debt.

No interest will be charged on unpaid balances if patients qualify for financial assistance. Interest may be charged on unpaid balances if patients do not qualify for financial assistance and is referred to a debt collection agency, in accordance with Oregon H.B. 3076, Section 4, 8(a).

St. Charles reserves the right to reverse financial assistance determinations and resume collection activity if the application was falsified or fraudulent.

Extraordinary Collections Actions

St. Charles will not engage in ECA before making a reasonable effort to determine if an individual is eligible for financial assistance. Reasonable efforts may include oral, written, and visual communication. ECA includes lawsuits, liens on residences, arrests, or similar collection processes, and other actions as defined by the U.S Department of Treasury or the Internal Revenue Service (<https://www.gpo.gov/fdsys/pkg/CFR-2015-title26-vol9/pdf/CFR-2015-title26-vol9-sec1-501r-3.pdf>).

All third-party collection agents and agencies performing ECA's, are required to follow St. Charles policies and procedures.

Definitions: *(Definitions of acronyms or specialized terminology)*

Amounts Generally Billed (AGB)

A limitation on amounts charged for emergency or medically necessary care rendered to individuals eligible for financial assistance. Financial assistance awards may not be more than the amounts generally billed to individuals who have insurance coverage. To determine AGB, St. Charles uses the "look back method" based on claims previously paid to St. Charles by Medicare, Medicaid (excluding capitated plan) and private health insurers. AGB includes any patient responsibility assigned by the respective payer. AGB percentages are updated annually. Current AGB percentages may be found in attachment A.

Debt Collection Agency

A debt collection agency or collection agency, employs a team of debt collectors who specialize in collecting outstanding debts. In this scenario, the debts are outstanding medical debts. Debt collection agencies are hired by companies who seek the agencies help to collect these debts.

Debt Collector

A person that by direct or indirect action, collects or attempts to collect a debt owed, or alleged to be owed, to a creditor or debt buyer.

Emergency Medical Treatment and Active Labor Act (EMTALA)

Patients requiring emergent or urgent medical care and pregnant women in active labor shall be treated without regard to their ability to pay

(<https://www.cms.gov/Regulations-and-Guidance/Legislation/EMTALA/index.html>).

Federal Poverty Level (FPL) / Federal Poverty Guidelines

St. Charles utilizes the Federal Poverty Guidelines (commonly referred to as the Federal Poverty Level or FPL) that are published by the U.S. Department of Health and Human Services. FPL are determined by the federal government and revised annually. They can be found at <https://aspe.hhs.gov/poverty-guidelines>.

Financial Assistance (FA)

Financial assistance is a form of charity care designed to defer the cost of care for qualified patients. The St. Charles financial assistance program follows the federal 501r regulations which can be found at <https://www.gpo.gov/fdsys/pkg/FR-2014-12-31/pdf/2014-30525.pdf>.

Medical Debt

An amount owed by a patient to a hospital or a nonprofit hospital-affiliated clinic for medically necessary services or supplies.

Medically Necessary Care

Emergency, inpatient, or outpatient healthcare services provided by St. Charles for the purpose of evaluation, diagnosis, or treatment of an injury or illness, which if left untreated, would pose a threat to the patient's health. Services must be clinically appropriate and within generally accepted medical practice standards. The services provided must represent the most appropriate and cost effective supply, device, or service that can be safely provided and readily available at a St. Charles facility. Exclusions from Medically Necessary Services are health care services that are cosmetic, or part of a clinical research program, private and/or non-St. Charles facility or professional fees and services and/or treatments not provided at a St. Charles facility.

Patient Cost

The portion of charges billed to a patient for care received at a hospital or a hospital-affiliated clinic that are not reimbursed by insurance or a publicly funded health care program, taking into account the requirements of section 501(r)(5) of the Internal Revenue Code that: "prohibit a nonprofit hospital from billing gross charges; and Limit amounts charged for emergency or other medically necessary care, to a patient who qualifies under the nonprofit hospital's financial assistance policy, to no more than amounts generally billed to a patient who has insurance that reimburses all or a portion of the cost of the care."

Plain Language Summary

St Charles publishes a brochure titled "Financial Assistance Program" which explains the assistance program, qualifications, and application process. This brochure is available in registration areas throughout the St. Charles Health System. Additional information can be found on the St. Charles web site: <https://www.stcharleshealthcare.org/For-Patients/Billing-and-Insurance/Patient-Financial-Assistance-Guidelines>.

Qualified Assets

Qualified assets will be evaluated if an applicant is denied for exceeding the established Federal Poverty Level (FPL) guidelines and a review is requested by the applicant. Qualified Assets are not used in the evaluation of financial assistance for amounts due from services provided at National Health Service Corp site (NHSC). Current NHSC sites can be found at <https://nhsc.hrsa.gov>.

For services provided at non-NHSC sites, assets that will be considered liquid include those that could be converted to cash within one year. These include checking accounts, savings accounts, retirement funds, trust funds and other investments. Additionally countable assets include the liquidated value of luxury items such as recreational vehicles and second homes. In lieu of liquidating the assets, they may be counted as current year's income in the financial assistance eligibility determination.

Qualified assets are defined as follows:

One quarter of the total value of household assets above \$75,000

EXAMPLE: \$100,000 in Household Assets would be calculated as follows:

$\$100,000 - \$75,000 = \$25,000$

$\$25,000 \times .25 = \$6,250$

\$6,250 is the amount the patient must pay before Financial Assistance is applied.

Primary Service Area

Primary service area is defined as Deschutes, Jefferson or Crook counties.

Responsible Party

Patients 18 years of age and older are a responsible party. The responsible party for patients less than 18 years of age is the natural/adoptive parent(s) or legal guardian with financial responsibility for the minor, unless the minor is legally emancipated and acting as their own responsible party. Power of attorney also constitutes a responsible party. If an applicant turns 18 during the financial assistance determination period, St. Charles will waive proof of income requirements.

References: *(Documents or Regulatory Requirements, to which this document refers, is linked to within Document Library, or from which the document was created. The following links are for St. Charles' internal use only.)*

- [Financial Assistance Program Brochure \(Plain Language Summary\) English 2503 \(Spanish - 2206\) v.7](#)
- [Financial Assistance Program Brochure \(Plain Language Summary\) Spanish 2206 \(English - 2503\) v.7](#)
- [Credit and Collections, English - 4379 \(Spanish - 8080\)](#)
- [Credito y Cobranzas, Spanish - 8080 \(Credit and Collections, English - 4379\)](#)
- [Financial Assistance Program Application - English \(2203 Spanish\)](#)
- [Solicitud para el Programa de Ayuda Financiera – Español - 2203 \(Inglés - 2204\)](#)
- IRS Requirements for 501c(3) Hospitals Under the Affordable Care Act – Section 501r - <https://www.irs.gov/charitable-organizations/requirements-for-501c3-hospitals-under-the-affordable-care-act-section-501r>

ATTACHMENT A

Amounts Generally Billed (AGB)

To determine AGB, St. Charles uses the “look back method” based on claims previously paid to St. Charles by Medicare, Medicaid (excluding capitated plan) and private health insurers. AGB includes any patient responsibility assigned by the respective payer. AGB percentages are updated annually. Current AGB amounts are as follows:

St. Charles Bend hospital	40.37%
St. Charles Madras hospital	58.10%
St. Charles Prineville hospital	51.38%
St. Charles Redmond hospital	45.18%
St. Charles Medical Group	40.66%

Updated 01/31/2020

ATTACHMENT B

Financial Assistance Application Documentation Criteria

Federal 501r regulations require that all income and/or financial documentation used to determine eligibility be substantiated by a third party. St. Charles therefore requires some or all of the following information to verify household income and/or assets. Proof of income is required for all adult family members' income. Income documentation requests may include but are not limited to:

- Federal tax return (most recent tax year), including schedules if applicable; or three months of Paystubs or W-2 with date employment started,
- Self-employed income (1099 schedule C or three months of profit and loss statements),
- Social Security allotments,
- Pension allotments,
- Retirement account distribution,
- Veteran's benefits,
- Unemployment benefits,
- Worker's compensation,
- Disability income,
- Rental income,
- Trust income,
- Child support
- Alimony,
- Federal tax return (most recent tax year),
- Approval letter of state public services such as TANF, basic food, WIC
- Approval/denial letter of eligibility for Medicaid/or state funded medical assistance
- Work study program income,
- Bank statements or other asset documentation for applicants with assets above \$75,000,
- Other documentation that substantiates income may be requested on a case by case bases.

If you are unable to provide income documentation, you may submit a written and signed statement describing your income.

If there is no income, applicants must submit a written statement explaining how they are meeting cost of living requirements without income.

Qualified household assets will be evaluated if an applicant is denied for exceeding the established Federal Poverty Level (FPL) guidelines and a review is requested by the applicant. Qualified assets will not be used in determining eligibility for NHSC sites. Asset documentation requests may include but are not limited to:

Equity in real estate other than the primary residence,
 Cash value of stocks, bonds, treasury bills, certificates of deposit, and money market accounts,
 Qualified retirement accounts (e.g. 401k, 403b, IRA, Roth IRA, etc.),
 Health Savings Account(s) (HSA),
 Flexible Spending Account(s) (FSA),
 Health Reimbursement Account(s) (HRA),
 Lump sum or one-time receipts of funds, such as inheritances, lottery winnings, insurance settlements.

ATTACHMENT B

An Access to Healthcare Crisis

An Access to Healthcare Crisis may be related to an emergent situation whereby state / federal regulations are modified to meet the immediate healthcare needs of St. Charles Health System community during the Access to Healthcare Crisis. During an Access to Healthcare Crisis St. Charles Health System may "flex" patient financial assistance policies to meet the needs of the community in crisis. These changes will be included in the patient financial assistance policy as included as an addendum. Patient discounts related to an Access to Healthcare Crisis may be provided at the time of the crisis, regardless of the date of this policy.