Manual: Patient Accounting

Aspire Financial Assistance Policy

Statement of Purpose:

Aspire Rural Health System is committed to providing Financial Assistance to persons who have health care needs and are uninsured, under insured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Aspire Rural Health System strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Without discrimination, care to individuals regardless of their eligibility for Financial Assistance, government assistance or ability to pay.

Statement of Policy:

Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Aspire Rural Health System procedures for obtaining financial assistance or other forms of payment, 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.

Procedure:

I. Definitions-
   A. For the purpose of this Policy, the terms below are defined as follows:
      1. Amounts Generally Billed (AGB): means the amounts generally billed for any emergency or other medically necessary care using the look back method. Generally, this is calculated by multiplying the gross charge for the service and supplies charged by the annual self-pay discount. The AGB is the average reimbursement rate from a sample of our Medicare traditions and Commercial non-governmental payers. Information regarding the AGB rate and calculation is available upon request by contact one of our collection specialist at 989-912-6800.
      2. Charged: The amount a Financial Assistance Policy eligible individual is personally responsible for paying, after all deductions, discounts (including discounts available under this Financial Assistance Policy), and insurance reimbursements have been applied.
      3. Financial Assistance: Health care services that have or will be provided but are never expected to result in cash inflows. Financial Assistance results from a provider's policy to provide health care services free or at a discount to individuals who meet the established criteria.
      4. Extraordinary Collection Actions (ECA): Actions taken by Aspire Rural Health System or its agents against a patient or Guarantor related to obtaining payment

of a bill for care covered under this Financial Assistance Policy that require a legal or judicial process, involve selling a patient's outstanding patient responsibility to another party, reporting adverse information about the patient to a consumer credit reporting agent or credit bureau or deferring, denying or requiring payment prior to providing medically necessary care because of an individual's nonpayment of one or more bills for previously provided care under the hospital's Financial Assistance Policy.

5. Federal Poverty Level: guidelines developed by the U.S. Department of Health & Human Services on an annual basis. Levels are determined by the number of members in an individual's household and their annual income.
6. Financial Assistance: total or partial reduction in the amount billed to a patient or his/her Guarantor(s), who is eligible for assistance under this policy.
7. Financial Assistance Application: information and accompanying documentation that an individual submits to apply for financial assistance under this Financial Assistance Policy.
8. Financial Assistance Committee: internal review panel comprised of one or more hospital representative(s) responsible for making determinations of Financial Assistance eligibility under this Policy.
9. Financial Assistance Determination: an approval or denial of an individual's application for financial assistance under this Policy.
10. Financial Assistance Policy: the terms and conditions found in this document
11. 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.
    a. 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.
12. Guarantor: individual responsible for the financial obligations of a patient and may be used interchangeably with the patient.
13. Hospital Facility: any facility owned or operated by Aspire Rural Health System that is licensed/registered or similarly recognized as a hospital by the State of Michigan, including all buildings operated under the State of Michigan license.
14. Household: includes all individuals listed on a patient or guarantor's federal income tax filing. Guarantor's of a minor dependent who do not claim the dependent on their federal taxes may submit a court decree as proof of the dependent's household status. In the event the patient's (except for minor patients) income does not warrant the filing of a federal tax statement, the patient/Guarantor may submit a notarized affidavit attesting to the foregoing.
15. Income: any interest, dividends, wages, compensation for other services, tips, pensions, fees for earned services, price of goods sold, income from rental property, gains on sale of other property, alimony, or royalties.
16. Plain Language Summary: written statement that notifies an individual that the hospital facility offers financial assistance under a Financial Assistance Policy.
17. Policy: this financial assistance policy
18. Under-insured Patient: a patient who; despite having insurance coverage, finds the obligation to pay insurance co payments, coinsurance and deductibles is such a financial burden that he or she delays or does not receive medically necessary health care services due to the health care cost.
19. Uninsured Patient: a patient who lacks a commercial insurance product, a government insurance/assistance product, whose injury is not a compensable injury through worker's compensation, automobile insurance or other insurance

and/or a previous contract or agreement negotiated with Aspire Rural Health System to which the patient is a contemplated party or beneficiary.

B. Family Income: Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:
    1. Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplement Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trust, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
        a. Non-cash benefits (such as food stamps and housing subsidies) do not count;
        b. Determined on a before-tax basis
        c. Excludes capital gains or losses; and
        d. If a person lives with a family, includes the income of all family members (non-relatives, such as house mates, do not count).

C. Uninsured:
    1. The patients have no level of insurance or third party assistance to assist with meeting his/her payment obligations.

D. Under insured:
    1. The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

Procedures:

A. General
    1. Aspire Rural Health System will not refuse, delay or discourage emergency and/or medically necessary services based on a patient's ability to pay for the cost of such services in accordance with the Emergency Treatment and Active Labor Act (EMTALA).

B. Services Eligible under this Policy. For purposes of this Policy, financial assistance refers to health care services provided without charge or at a discount to qualifying patients. The following health care services are eligible for assistance:
    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 left-threatening circumstances in a non-emergency room setting; and
    4. Medically necessary services, evaluated on a case-by-case basis at Aspire Rural Health Systems' discretion.

C. Eligible for Financial Assistance. Eligibility for assistance will be considered for those individuals who are uninsured, under insured, ineligible for any government health care benefit program, and who are unable to pay for any their care, based upon a determination of financial need in accordance with this Policy.
    1. Free copies of this Policy, the Financial Assistance Application and Plain Language Summary will be provided to every patient and/or Guarantor requesting Financial Assistance. These forms are found on the Aspire website.
    2. The granting of 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, religious affiliation or insurance status.
    3. All Uninsured Patients and Under insured Patients presenting for services that are determined to be eligible under this Policy will not be charged more than the Amounts Generally Billed (AGB), as detailed in below in Subsection D of this Section.

4. Services rendered by Individual Providers
    a. This Policy may not cover services rendered by some individual providers. A full listing of providers and services covered and not covered by this Policy are available at www.aspirerhs.org and updated on a regular basis.

D. Services Excluded under this Policy: The following healthcare services are not eligible for Financial Assistance under this Policy:
    1. Long Term Care services at Marlette Regional Hospital Skilled Nursing Facility - Long Term Care Unit.
    2. Independent Physician services
    3. Elective Procedures (i.e. cosmetic, experimental, or non-covered procedures)

E. Calculation of Amounts Billed to Patient.
    1. Aspire Rural Health System limits the amounts billed to all Uninsured and Underinsured Patients/Guarantors to not more than the AGB to patients undergoing the same care and treatment who have insurance coverage for such care. Charging amounts in excess of AGB to patients/Guarantors qualifying for assistance under this Policy is prohibited.
    2. Aspire Rural Health System employs the look back method.
    3. The AGB is calculated annually.
    4. Any patient or Guarantor may request a description of methodology used to calculate AGB under this Policy or AGB assigned to Aspire Rural Health System any treatment or care provided to the patient. Such requests must be submitted by or on behalf of the patient in writing to Attention: Patient Accounting Director. A response to all properly submitted and qualifying requests will be provided to the requesting party free of charge within seven (7) days of receipt of such request.

F. Determination of Financial Need.
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 or the patient's Guarantor is required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need. The application and documentation shall be completed and submitted within time lines established by Aspire Rural Health System.
    1. Include reasonable efforts by Aspire Rural Health System to explore appropriate alternative sources of payment programs, and to assist patients to apply for such programs;
    2. Take into account all other financial resources available to the patient; and
    3. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
    4. Aspire Rural Health System shall provide the patient or Guarantor with a Financial Assistance determination within 10 days of receiving a completed Financial Assistance Application and all requested documentation.
    5. If a patient or Guarantor Aspire Rural Health System is granted less than full assistance and the patient or Guarantor provides additional information for reconsideration, may amend a prior Financial Assistance Applications.
    6. All Financial Assistance determinations are final unless amended pursuant to (E)(1) above.

G. Qualified Accounts and length of approval.
    1. Each patient has the opportunity to apply for financial assistance prior to treatment and throughout the application period.
    2. Financial assistance application approvals made under the Financial Assistance Policy will be effective for a period of one year from the approval date and include subsequent emergent or medically necessary care. A change in financial situation or the addition of third party eligibility may alter the approval period and require further review.

3. Financial assistance application approval will not include those accounts currently at a bad debt/collection agency in which is beyond the two hundred-forty (240) day application period.

H. Additional Considerations.
   1. Aspire Rural Health System will deny or revoke Financial Assistance for any patient or guarantor who falsifies any portion of a Financial Assistance Application.
   2. In rare instances, Aspire Rural Health System may entertain a discretionary discounting of charges to assist the uninsured patient. Patients ineligible for coverage under the FAP should contact a Patient Financial Liaison to discuss current applicable policies on discounting.

I. Patient Charity Guidelines. Services eligible under this Policy will be make 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, as follows:
   1. Patients whose family income is at or below 100% of the FPL are eligible to receive free care;
   2. Patients whose family income is between 100% and 250% of the FPL will be eligible for a percent off discount.
   3. See Appendix B for sliding scale which will be used for the current year's FPL to determine eligibility and the applicable discount.

J. Aspire will not discriminate in the provision of health care services to an individual:
   1. Because the individual is unable to pay for the health care services;
   2. Because payment for those services would be made under Medicare, Medicaid, or the Children's Health Insurance Program (CHIP); or
   3. Based upon the individual's race, color, sex, age, national origin, disability, religion, gender identity or sexual orientation

Procedure Statements

A. Financial Assistance Policy Publication
   1. Aspire Rural Health System will broadly publicize the availability of this Financial Assistance Policy within the communities it serves by take the following actions:
      a. Post this Financial Assistance Policy, a Plain Language Summary of this Policy, and its Financial Assistance Application on the hospital's Website (free of charge) and provide patients with a Plain Language Summary of this Financial Assistance Policy during registration and/or discharge.
      b. Post conspicuous public displays in appropriate acute care settings such as emergency departments and patient's registration areas description the available assistance and directing eligible patients to the Financial Assistance Application.
      c. Include a conspicuous written notice on all patient billing statements that notifies the patient/Guarantor about the availability of this Policy, the telephone number of its Customer Service Department which can assist patients with any questions they may have regarding this Policy and the direct website address where copies of the Financial Assistance Policy, Financial Assistance Application, and Plain Language Summary are available.
      d. Make hospital financial representatives available via telephone Monday through Friday, excluding holidays. Upon request, hospital financial representative will also mail copies of this Financial Assistance Policy, a Plain Language Summary, and a Financial Assistance Application to patients or their Guarantor free of charge.
      e. Make paper copies of the Financial Assistance Policy, Financial Assistance Application, and Plain Language Summary available upon request and without

charge in public locations of the Hospital: including the emergency room and patient registration areas.

2. Aspire Rural Health System will broadly communicate this Policy as a part of its general community outreach efforts.
3. Aspire Rural Health System will educate its staff on this Financial Assistance Policy and the process for qualifying for benefits under this policy.

B. Financial Assistance Application
   1. Patients applying for assistance under this policy will be required to complete a Financial Assistance Application
      a. Patients must include the following documentation with their Financial assistance Application:
         i. Copy of most recent signed federal tax return (including all pages and schedules)
         ii. Copy of most recent pay stub showing year to date income
         iii. Copies of documentation, income-generating statements or award letters to verify additional Household income such as:
            a. Disability
            b. Social Security
            c. Unemployment/Severance Pay
            d. VA
            e. Retirement/Pension Amounts
            f. Alimony or Child Support
            g. Rental or Estate Income
            h. Work Comp
            i. Trust
            j. Interest/Dividend
            k. Other
         iv. Copy of the most recent bank statement. This will be used to strictly verify income. Balance will not affect financial assistance write off amount. (Used for Hospital Services only, not required for RHC clinics)
   2. Patients or their Guarantors wishing to apply for Financial Assistance are encouraged to submit a Financial Assistance Application within ninety days (90) of their discharge. Patients or their Guarantor may submit an application up to two – hundred and forty (240) days from the date of the patient's first post-discharge billing statement. However, accounts may be subject to ECA collection efforts as defined in Section D of this Policy as soon as one hundred and twenty (120) days after patients or their Guarantor(s) have been provided the first post-discharge billing statement.
   3. Patients or their Guarantors submitting an incomplete application will receive written notification of the application's deficiency, the additional information or documentation necessary to complete the application and contact information for the collection specialists within thirty (30) days after the date upon which application was first submitted. The application will be held open for a period of sixty (60) days from the date the deficiency notification was mailed.
      a. Aspire Rural Health System will suspend any ECA defined in Section D of this policy until the application is complete or the patient/guarantor fails to cure any deficiency in the application prior to the end of the allotted sixty (60) days period described in section B(3) above.
      b. Deficient application(s) which are not corrected within the sixty (60) day period following the hospital's written notification to the patient/guarantor of such deficiency shall be deemed withdrawn and shall require no further action on the part of Aspire Rural Health System.

4. The patient, and/or their representative, such as the patient's physician, family members, Guarantor, legal counsel, community or religious groups, social services or hospital personnel may request a Financial Assistance Application to be mailed to a patient's or Guarantor's primary mailing address free of charge.
5. Aspire Rural Health System keeps all applications and supporting documentation confidential.

C. Refunds

1. Patient/Guarantor who are determined to be eligible for assistance under this Policy and remitted payment to Aspire Rural Health System in excess of their responsibility will be alerted to the overpayment as soon as practicable after discovery of the overpayment.
2. Patient/Guarantor with an outstanding account balance on a separate account not eligible for assistance under this Policy will have any refund amount applied to that separate account.
3. Patient/Guarantor with no outstanding account balance will be issued a refund check for their overpayment as soon as reasonably possible.

Please note; Any attachments to forms or reference materials in this policy can also be found on the Aspire Rural Health System website for patient access.