

Department: Administration	Policy/Procedure #: 9110-05
Policy/Procedure Title: Financial Assistance Policy	

Purpose of Policy: This Policy is intended as a guideline to define the parameters of the eligibility requirements and assistance offered under the Policy. This Policy also serves to meet the requirements set forth in the Internal Revenue Code Section 501(r).

Scope: This Policy applies Organization-wide to Southwest Health System, Inc.

1. Definitions:

SHS	Southwest Health System, Inc.
AGB	Amount Generally Billed (per Medicare Guidelines)
ECA	Extraordinary Collection Activities
Final Notice	A 30-day notification that the patient balance due will be sent to a collection agency.

2. Policy: Southwest Health System, Inc.'s (SHS) mission is to provide the highest quality health care to our community by bringing excellence and service together to promote, improve and restore health. All individuals who come to Southwest Health System's Emergency Department, or on Southwest Health System property, for an examination or treatment for a medical condition will be screened to determine whether an emergency medical condition exists consistent with Southwest Health System's SHS Description of Services Policy. Neither the initial medical screening nor life-saving treatment will be impeded by inquiries about the individual's method of payment or insurance status.

3. Procedure:

3.1. Eligibility Criteria

- 3.1.1.** Eligibility for financial assistance under this Policy will be based on a number of factors including but not limited to: income level and household size.
- 3.1.2.** Patients who are self-pay, or who have an outstanding bill after all insurance payments have been received, may qualify for financial assistance.
- 3.1.3.** Patients who are determined to be financially indigent with the following gross household income percentage of the Federal Poverty Guidelines, as updated by the U.S. Department of Health and Human Services, may be eligible for the following financial assistance discount:

%FPL	0%-250%	251%-300%	301%-350%	351%-400%
PLAN	Plan 1 Patient Copay	Plan 2 Patient Copay	Plan 3 Patient Copay	Plan 4 Patient Copay
Clinic Services	\$ 0.00	\$ 15.00	\$ 20.00	\$ 25.00
Hospital Services	\$ 0.00	20% of Patient Statement	30% of Patient Statement	50% of Patient Statement
Discount	100%	80%	70%	50%

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3.1.4. Patients with income exceeding 400% of the Federal Poverty Guidelines may qualify as Medically Indigent if their outstanding bill amount is more than a special percentage of their income. Discounts are as follows:

If Balance Due is:	Discount is:
Equal to or greater than 100% of yearly income	90% of balance due
90-99% of yearly income	85% of balance due
80-89% of yearly income	80% of balance due
70-79% of yearly income	75% of balance due
60-69% of yearly income	70% of balance due
50-59% of yearly income	65% of balance due

3.1.5. Patients determined Presumptively Eligible under 3.7.3.d may be eligible for a financial assistance discount of 100% from gross charges (full write-off).

See Schedule A of the Financial Assistance Discount Guidelines for current Federal Poverty Guidelines.

3.2. Services Not Covered Under this Policy

- 3.2.1.** Southwest Health System reserves the right to limit the services covered by the Policy. Services not covered by this Policy include, but are not limited to: non-medically necessary treatment.
- 3.2.2.** Medical necessity will be determined based on Colorado Medicaid guidelines for coverage.

3.3. Limitation on Charges

3.3.1. In the case of emergency or other medically necessary care, a patient who is eligible for assistance under this Policy will not be charged more than the amounts generally billed (AGB) for a Medicare fee-for-service beneficiary.

3.4. Method for Applying for Financial Assistance

- 3.4.1.** Information about the Financial Assistance Policy and assistance with the application process can be obtained by a patient in person at the Emergency Department Admissions, at the Registration Department, Patient Financial Coordinator's Office, SMG Clinic Locations, or online at <http://swhealth.org/>.
- 3.4.2.** It is ultimately the patient's responsibility to provide the necessary information to qualify for financial assistance. There is no assurance that the patient will qualify for financial assistance.

3.5. Measures to Publicize The Financial Assistance Policy

- 3.5.1.** The following measures are used to publicize the Policy to the community and patients:
- 3.5.2.** Posting the Financial Assistance Policy, Financial Assistance Application and a summary of the Policy on the SHS website at the following location: swhealth.org.
- 3.5.3.** Providing paper copies of the Policy, application and summary of the Policy upon request in the Emergency Department Admissions and the Registration Department at Southwest Memorial Hospital.

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- 3.5.4. Posting notices about the Policy in the emergency department, admitting areas and the patient financial services office of Southwest Memorial Hospital.
- 3.5.5. Distributing an information sheet about the Policy to the local United Way Office.
- 3.5.6. Offering a plain language summary of the Policy and offering a financial assistance application to patients as part of the intake or discharge process.
- 3.5.7. Informing patients about the Policy in person or during billing and customer service phone contacts.
- 3.5.8. Including a conspicuous written notice on billing statements that notifies and informs patients about the availability of financial assistance under the Policy and includes the telephone number of the department that can provide information about the Policy and the application process, and the web site address where copies of the Policy, application form and plain language summary of the Policy may be obtained.

3.6. Billing and Collections Policy

- 3.6.1. The patient has, in general, 240 days after the date of the first post-discharge billing statement to submit a Financial Assistance Application. After the patient's bill is reduced by the discounts based on the Financial Assistance Discount Guidelines, the patient is responsible for the remainder of the outstanding patient account balances. Patients will be invoiced for any remaining amounts in accordance with this Policy.
- 3.6.2. Processes, Time Frames and Notifications:
 - The hospital must refrain from initiating Extraordinary Collection Actions (ECA's) for at least 120 days from the date of the first post-discharge billing statement.
 - The hospital must notify the patient about the Financial Assistance Policy before initiating any Extraordinary Collection Actions. The hospital must make a reasonable effort to orally notify the individual about the Policy and how to obtain assistance with the process. The hospital must also provide a written statement to the individual with the following information:
 - 3.6.2..a. States availability of financial assistance;
 - 3.6.2..b. Identifies the ECA's that hospital intends to initiate;
 - 3.6.2..c. States deadline after which ECA's may be initiated, which can be no earlier than 30 days after this written notice; and
 - 3.6.2..d. Includes a plain language summary.
- 3.6.3. Southwest Health System may take the following Extraordinary Collection Actions (ECA's) in order to obtain payment of a bill for medical care:
 - Report adverse information about the individual to consumer credit reporting agencies and/or credit bureaus;
 - Place a lien on an individual's property;
 - Attach or seize an individual's bank account;
 - Commence a civil action against an individual;
 - Garnish an individual's wages
- 3.6.4. Reasonable efforts the hospital will take to determine whether the patient is financial assistance eligible before engaging in Extraordinary Collection Actions (ECA's):
 - Notify the patient about the Financial Assistance Policy;

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- Refrain from initiating ECA's for at least 120 days from the first post-discharge billing statement for the most recent episode of care included in the aggregation;
- Written notice provided at least 30 days in advance of initiating intended ECAs to be provided to the guarantor/patient.
- If the patient submits an incomplete financial assistance application, the hospital will notify the patient in writing about how to complete the application and give the patient a reasonable opportunity to do so. If ECA's have been initiated, the hospital will suspend them;
- If the patient submits a complete financial assistance application, the hospital will suspend any ECA's, make a determination as to whether the patient is eligible and will notify the patient in writing with basis for the determination;
- Refund any amount the patient paid for the care that exceeds the amount the patient is determined to be responsible for, unless it is less than \$2.99; and
- Take all reasonably available measures to reverse any ECA.

3.6.5. Patient Financial Services Management has the final authority for determining that the hospital has made reasonable efforts to determine if the patient is charity care eligible and may therefore engage in ECA's against the individual.

3.7. Determination of Financial Assistance

3.7.1. Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Southwest Health System's procedures for qualifying for financial assistance. Financial Assistance discounts are to be assessed only as a last resort, and all current or potential third party coverage is to be considered primary to a discount. This includes, but is not limited to, any coverage such as commercial insurance, Medicare, Workers Compensation, COBRA, Medicaid, Colorado Indigent Care Program (CICP), and liability or auto insurance that covers the medical service in question.

3.7.2. The patient is required to apply for all applicable programs for which he/she may be eligible as a condition for applying for financial assistance discounts, and failure to seek eligibility from these sources may result in a denial of financial assistance under this Policy.

3.7.3. Financial Assistance Discount Guidelines

Determination of financial assistance will be made in accordance with procedures that may involve:

- 3.7.3..a.** An Application process, in which the patient or patient's guarantor is required to supply information and documentation relevant to making a determination of financial need;
- 3.7.3..b.** A review of household size and the household gross income for the twelve months prior to the date of service;
- 3.7.3..c.** Response from Credit Inquiry;
- 3.7.3..d.** A presumptive eligibility determination in unusual or extenuating circumstances when a patient is unable to submit a complete application. Presumptive eligibility may be determined on the basis of individual life circumstances which may include, but is not limited to:
 - Homelessness or receipt of care from a homeless shelter;
 - Eligibility for out of state or out of area medical assistance programs;
 - Patient is deceased with no known estate;

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- Eligibility for Food Stamps
- Patient who has filed bankruptcy and whose bill has been fully discharged by the court.

3.7.4. Definition of Household Size. For purposes of this Policy, the household can consist of the following family members, but some may require proof of financial support:

No proof of support required:

- Patient/Guarantor
- Spouses (including Common Law)
- Civil Union Partners
- Minor Children
- Minor Grandchildren
- Adopted Minor Children
- Parents
- Unborn Children

Proof of support via tax return required:

- Step-Children
- Adult Brothers and Sisters
- Sons and Daughters-In-Law
- Nephews and Nieces
- Cousins
- Parents-in-Law
- Brothers and Sisters-in-Law
- Step-Parent

3.7.5. Definition of Household Income

Household income includes, but is not limited to:

- Earned income
- Unemployment compensation;
- Workers' compensation;
- Social Security benefits;
- Supplemental Security Income;
- Cash assistance from outside the household
- Veterans' payments;
- Survivor benefits;
- Pension or retirement income;
- Interest, dividends, rents, royalties;
- Income from estates, trusts and businesses;
- Educational assistance;
- Alimony;
- Child support
- Monetary gains from selling an asset
- Capital gains;
- Self-Employment Income

Household income does not include:

- Non-cash benefits such as food stamps and subsidies.

3.7.6. Income Verification

Income verification will be documented with the financial assistance application through one or more of the following mechanisms;

3.7.6..a. Payroll stubs showing gross income;

3.7.6..b. Copies of all income checks;

3.7.6..c. Signed letters from employers on business letterhead stating gross income for the specified time;

3.7.6..d. Letter from a state or federal agency showing amount of income received from that agency;

3.7.6..e. Bank statements showing direct deposits;

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- 3.7.6..f.** If self-employed, a Profit and Loss statement verifying gross income, including a list of expenses, then net income.
- 3.7.6..g.** Interest statements from banks, savings and loans or other investment sources;
- 3.7.6..h.** IRS Income Tax Return forms;
- 3.7.6..i.** W2 forms.

3.8. Length of Eligibility

- 3.9.** Once financial assistance has been approved, the discount is effective for the current dates of service and for emergent or medically necessary services received within 12 months of the date of the approval notice, with consideration to income and expense variations within the 12-month period. Patients are responsible for notifying SHS Financial Coordinator of significant income or expense changes within the year of eligibility.

3.10. Notification of Eligibility Determination

- 3.10.1.** Patients/Guarantors will be notified by letter of the final determination of eligibility for financial assistance and the basis for the determination.

4. Materials & Equipment:

5. Revision Description:

Review Date	Revised? Yes or No	Revision #	Description of Change	By:
4/14/17	Yes	1	New Format and Policy	A. Sanders, Controller

6. Keyword Search: Financial Assistance Policy; FAP; Charity;

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