



Trego County Lemke Memorial Hospital

Financial Assistance Policy

Approved by

Dept. Head: Amanda Cronn

Administrator: David Augustine

TCLMH, Inc.

9/01/2011
Rev.
1/1/2016

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POLICY Business Office

To provide financial assistance for emergency and medically necessary healthcare services received as an inpatient or outpatient at Trego County Lemke Memorial Hospital (TCLMH), in a fair, consistent, respectful and objective manner to *indigent, medically indigent, uninsured or underinsured* patients.

PROCEDURE

A. Eligibility Criteria:

1. The Financial Assistance Program (Program) employs a sliding scale discount that takes into consideration a patient's household income and qualifying assets (see Appendix A).
2. Eligible patients are people who have received *emergency and medically necessary services*, and are *indigent, medically indigent, uninsured or underinsured*. The patient's Household income (as defined below) must be less than 300% of the *Federal Poverty Level (FPL)* to qualify for financial assistance discounts
3. Financial Assistance determination will be consistent among patients, regardless of sex, race, creed, disability, sexual orientation, national origin, immigration status or religious preference.
4. Financial Assistance is secondary to all other financial resources available to the patient, including employer-based insurance coverage, commercial insurance, government programs, third-party liability and household qualified assets.

B. Limitation on Charges:

1. In the case of emergency or other medically necessary care, a patient who is eligible for assistance under this program will not be charged more than the amounts generally billed (AGB) for third party fee-for-service beneficiaries (individuals who have third party insurance for care) . This discount is determined utilizing the look back method after the Medicare Cost report has been completed 5 months after the fiscal year and final settlements are added to fiscal year data for all third party fee-for-service collections to determine the AGB. The new AGB will be applied effective the first day of the seventh month after the end of the fiscal year-end.

2. In the case of all other medical care, a patient who is eligible under this Program will be charged an amount less than the gross charges.

C. Measures to publicize the financial assistance program

The following measures are used to publicize the Program to the community and patients:

1. Posting the Financial Assistance Program, Financial Assistance Application and a summary of the Policy on the Trego County-Lemke Memorial Hospital website at the following location: www.tclmh.org
2. Providing paper copies of the Program, application and summary of the Program upon request in admissions and patient financial services at TCLMH
3. Posting notices about the Program in the emergency department, admitting areas and business office of TCLMH.
4. Distributing a plain language summary of the Program and offering a Financial Assistance application to patients before discharge from the hospital.
5. Informing patients about the Program in person or during billing and customer service phone contacts.
6. Providing a summary of the Program in the patients' First monthly billing statement.

D. Application Process:

1. All qualifying applicants will be granted Financial Assistance for *medically necessary services* in accordance with the qualifications and guidelines herein set forth.
2. An application for financial assistance can be initiated by a patient in person at admissions or at patient financial services; over the phone by calling 785-743-2182; through the mail at Trego County-Lemke Memorial Hospital, 312 N 13th St, WaKeeney, KS, 67672, or at the TCLMH website www.tclmh.org.

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. The Financial Assistance process begins at the time of service.
4. The application process includes completion of a "Personal Financial Statement for Financial Assistance" and providing verification documents. Verifiable information may include, but is not limited to, the following:
 - a. Individual or family income (income tax return with copies of

earnings statements – W-2 forms, 1099 forms, etc. for past 2 years)

- b. Copies of most recent 90 days of payroll stubs, Social Security checks, or unemployment checks.
- c. Copies of most recent 60 days of bank statements
- d. Current trust fund statements
- e. Mortgage statements
- f. Annual property tax statements
- g. In the absence of income, a letter of support from individuals providing for the patient's basic living needs
- h. County tax appraisal statement
- i. Documentation of employment status
- j. Household family size
- k. Credit history reports
- l. Denial letter from Medicaid
- m. Previous or current returns from collection agencies with documentation regarding inability to pay
- n. Business Office knowledge of individual or family background
- o. Business Office previous experiences

Note: The objective is to document the need for financial assistance. If a patient or the person who has financial responsibility for emergency and *medically necessary services* is unwilling or unable to provide all necessary and pertinent information to make a conscientious and fair determination of their financial net worth financial assistance will not be granted.

5. After the application for Financial Assistance has been completed, account(s) being considered for Financial Assistance will be put in a "hold" status while the application is being reviewed (no longer than 30 days). The hold status will prevent account(s) from proceeding through the collection process, including assignment to a collection agency. Once the Financial Assistance application has been processed and approved/denied, the Hospital will send written notice to the patient and/or person having financial responsibility for the account(s).
6. The application period for completion of a financial assistance application is available for a minimum of 240 days from the date TCLMH provides the patient with the first billing statement for patient services.
7. Should a patient's account be transferred to a collection agency and subsequently a completed financial assistance application is received and approved, the Hospital will:
 - a. Suspend all extraordinary collection actions (ECA)
 - b. Make and document a determination regarding qualification
 - c. Notify the individual in writing of the eligibility determination and the basis of the determination (including the assistance for which the individual is eligible.)

8. If the Hospital determines an individual is eligible for a FAP discount the Hospital will do the following:
 - a. Provide the patient with a billing statement that indicates the amount owed and shows or describes how the patient can obtain information regarding the amounts generally billed (AGB) for the care and how the facility determined the amount that the individual owes.
 - b. If the patient or guarantor has made payments to the hospital facility (or any other party) for the care in excess of the amount he or she is determined to owe as an FAP eligible individual, a refund of the excess payments will be issued.
 - c. Take all reasonably available measures to reverse any ECA taken against the individual to collect the debt as issue; such measures shall include but not be limited to: vacating any judgments, lifting any liens or levy's on the individuals property and remove from the individuals credit report any adverse information that was reported to a reporting agency or credit bureau.
9. The Hospital Business Office will continue to work with the patient or *guarantor* to resolve remaining account balances. Patients or *guarantors* are responsible to make mutually acceptable payment plan arrangements with the Hospital within 30 days of receiving a written notice of determination regarding their Financial Assistance application.
 - a. Actions TCLMH may take, in the event of nonpayment of a bill for medical care, are described in the Collections Policy (statements section). Patients may obtain a free copy of the Collections Policy by calling 785-743-2182 or on the TCLMH web site.
10. If the patient *or* guarantor fails to initiate or complete the Financial Assistance process within 30 days, the application will be denied and the Hospital may elect to begin collection activity, including possible transfer of account(s) to a collection agency.
11. Reasons for denial of Financial Assistance include but are not limited to the following:
 - Patient or guarantor meeting household income restrictions
 - Failure of applicant to complete application process in 30 day time limit allowed
 - Failure to provide requested documentation

E. Approval & Authorization:

1. Approval and authorization of Financial Assistance discounts will be based on the following:

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| a. | \$0 to \$5,000 | Administrator or CFO |
| b. | \$5,000 or higher | Administrator |

F. Terms & Definitions:

1. *Federal Poverty Level (FPL)*: Poverty thresholds that are issued each year in the Federal Register by the Department of Health and Human Services (HHS). <http://aspe.hhs.gov/poverty>
2. *Guarantor*: Refers to person financially responsible for patient's account balance(s).
3. *Indigent*: Refers to patient that has no financial resources to pay obligation.
4. *Medically Indigent*: Refers to situation where payment of obligation will create financial hardship.
5. *Emergency and Medically Necessary Services*: Refers to inpatient or outpatient healthcare services provided for the purpose of evaluation, diagnosis and/or treatment of an injury, illness, disease or its symptoms, which if left untreated, would pose a threat to the patients ongoing health status.