



**POLICY AND PROCEDURE**

<u>DEPARTMENT:</u> Revenue Cycle		<u>DATE ORIGINAL EFFECTIVE:</u> 01/01/2008
<u>TITLE:</u> Financial Assistance Program (FAP) and Discount Policy		<u>DATE REVISION APPROVED:</u> 01/03/2020
VERSION NUMBER: 2	<u>Regulatory Standard #:</u>	<u>DATE OF LAST REVIEW:</u> 01/03/2020
Date of last revision prior to Policy Tech: 02/27/2017		

**PURPOSE:**

Barton Memorial Hospital seeks to deliver consistently exceptional care while managing its resources responsibly. This allows Barton Memorial Hospital to provide financial assistance to those persons in need. Barton Memorial Health has established this policy regarding the Financial Assistance, FAP, and Discounts for services rendered by Barton Memorial Hospital.

**SCOPE OF SERVICES:**

This policy does not create an obligation for Barton Memorial Hospital to pay for patient services rendered by physicians or other medical providers including, but not limited to, anesthesiologists, radiologists and pathologist charges which are not included in the hospital's facility bill.

Barton Memorial Hospital's Charity Care and Discount Policy, also known as the Barton Memorial Hospital Financial Assistance Program (FAP), and Discount Policy will provide financial assistance in the form of free or discounted fees for service rendered to eligible patients. All open accounts within the first 12 months of initial billing statement shall be considered for Charity Care and/or discounted payment once the Financial Assistance Program application has been approved or denied.

*\*medically unnecessary services, such as those purely cosmetic in nature are excluded from the hospital's Financial Assistance Programs*

## **DEFINITIONS:**

**Patient:** person who has been formally admitted to Barton Memorial Hospital or registered or accepted as an outpatient.

**Patient Family:** for patients 18 years of age or older, the family includes patient's spouse, domestic partner and dependent children under 21 years of age that are living or not living at home. For patients under 18 years of age, the family includes the patient's parent(s), caretaker relative and other children (under the age of 21 years of age) of the parent(s) or caretaker relative.

**Financial Qualified Patient:** A patient who has a family income that does not exceed 400 percent of the current year Federal Poverty Level (FPL).

**Self-Pay Patient:** Patients that are self-pay do not have any other source to cover medical services. The patient does not have third-party coverage from a health insurer, health care service plan, Medicare, or Medicaid, and whose injury is not a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by the hospital.

## **APPLYING FOR FINANCIAL ASSISTANCE:**

Barton Memorial Hospital's standardized application form will be used to document each patient's overall financial status. This application will be available in the primary languages of the Barton Memorial Hospital service area.

The Barton Memorial Hospital Financial Assistance Program application can be obtained at any Point of Service/Registration area within the hospital or by contacting the hospital's Customer Service department at 530-543-5930, located at 1111 Emerald Bay Road, South Lake Tahoe, California 96150. The Barton Memorial Hospital's Financial Assistance Program policy and application can be found on the Barton Healthcare System website at [www.bartonhealth.org](http://www.bartonhealth.org) and the public California Office of Statewide Health and Planning and Development (OSHPD) web site <https://syfphr.oshpd.ca.gov/>.

## **FINANCIAL ASSISTANCE DETERMINATION AND NOTICE:**

### **1. Documentation and Filing FAP Application**

Barton Memorial Hospital will consider each applicant's Financial Assistance Program (FAP) application when completed with required documentation. Documentation of income for the purpose of determining eligibility for Charity Care is limited to recent pay stubs or income tax returns. A patient must "make every reasonable effort" to provide documentation of income and health benefit coverage.

Barton Memorial Hospital's Customer Service Department will assist the patient to qualify for private or public health insurance or sponsorship that may fully or partially cover charges for care rendered by the hospital by providing applications to government programs and access to hospital financial counselors. Programs include private or public health insurance or sponsorship

but not limited to; private health insurance, including coverage offered through the California Health Benefit Exchange (Covered California), Medicare, Medi-Cal, Health Families, California Children's Services (CCS), and "other state-funded programs designed to provide health coverage".

A patient may continue with FAP application process for Charity Care while any application for private or public health funding is pending.

Barton Memorial Hospital Customer Service Department may deny the patient's application if the necessary documentation is not provided that is required when making determination of eligibility under the Financial Assistance Program guidelines.

Timely filing of the Financial Assistance Program (FAP) application is required for consideration of eligibility. The amount of time for a patient to comply with timely filing of the application is 150 days after the initial patient billing statement is sent to the patient. Barton Memorial Hospital Customer Service Department may consider the circumstances surrounding a patient's failure to provide the requested documentation.

If the patient/guarantor does not complete the application form within 30 days of receipt of the FAP application, Barton Memorial Hospital Customer Service Department will notify the patient and may approve an additional 60 days to complete the FAP application. After an additional 60 days have elapsed, a final notice to return the FAP application to Barton Memorial Hospital for processing. Failure to follow the timeline could result in denial of financial assistance.

## **2. Notification of Eligibility**

Financial assistance eligibility will be determined as close to the time of service as possible but there is no rigid time limit due to application requirements.

In some cases, a patient eligible for financial assistance may not have been identified prior to initiating external collection action. Barton Memorial Hospital's external agency shall be made aware of this policy and may return the patient account (s) back to the hospital's Customer Service department if eligible. An external collection agency will be required to comply with the hospital's definition of a financially qualified patient, including the hospital's definition of a "reasonable payment plan".

Barton Memorial Hospital has a written policy defining standards and practices for the collection of debt and shall obtain a written agreement from any agency that collects hospital receivables that it will adhere to the hospital's standards and scope of practices. The policy shall not conflict with other applicable laws and shall not be construed to create a joint venture between the hospital and the external entity, or otherwise to allow hospital governance of an external entity that collects hospital receivables.

Once Charity Care eligibility determination has been made a Barton Memorial Hospital Notification Form will be mailed to the applicant advising of the decision.

### **3. Dispute Resolution**

Barton Memorial Hospital may deny a patient's eligibility for Charity Care benefits either because the patient is not financially eligible or because the patient did not provide the documentation that was required to qualify for assistance.

A patient may seek review and appeal the disqualification by notifying the Hospital's Revenue Cycle Director (or designee) the basis of dispute and appeal the initial decision. The Revenue Cycle Director (or designee) shall review the written appeal by the patient and inform the patient of a decision in writing within thirty (30) days of receipt of patient's written appeal notice.

Appeal letters may be dropped off at Barton Memorial Hospital's Customer Service Department located at 1111 Emerald Bay Road in South Lake Tahoe or mailed to;  
*Barton Healthcare System  
Revenue Cycle Director  
P.O. Box 9578  
South Lake Tahoe, CA 96158*

### **FINANCIAL ASSISTANCE PROGRAMS AVAILABLE TO THE FINANCIAL QUALIFIED PATIENT**

**A. Full Charity Care:** Financial Qualified Patients are eligible for full Charity Care upon a demonstration of meeting the income eligibility requirements to be a Financial Qualified Patient. Full Charity Care is free care for Barton Memorial Hospital undiscounted charges for covered services.

To be financially qualified for full Charity Care, patient/guarantor must complete an application and provide all required documents, a patient/guarantor does not have a source of payment for any portion of their medical expenses. Payment sources include, without limitation, commercial or other insurance, government sponsored healthcare benefit programs or third party liability carriers.

**B. Extended Payment Plan:** To the extent that a Financial Qualified Patient does not qualify for full charity care, e.g., by failing to submit timely a FAP application, the Financial Qualified Patient may be offered an interest free extended payment plan for any balance remaining. The Extended Payment Plan will be negotiated between Barton Memorial Hospital's Customer Service Department and the patient.

If an agreement between the Customer Service Department and the patient cannot agree on terms for a reasonable payment plan, monthly payments will be set up that will not exceed ten percent of the patient's family income for a month, excluding deductions for essential living expenses.

Once an extended payment plan has been established, Barton Memorial Hospital may consider the payment plan null and void if the patient fails to make all consecutive payments due during a 90-day period. Prior to terminating the extended payment plan, the Customer Service department will:

1. Attempt to contact patient by telephone.
2. If no response, Barton Memorial Hospital will send one final statement -and then the extended payment plan may be terminated and inform patient of the opportunity to renegotiate the payment plan if requested by the patient.

The notice and phone call will be made to the last known phone number and address of patient. The patient will have 30 days from Barton Memorial Hospital's notice and telephone call to respond to stop termination of the current extended payment plan.

**C. Emergency Physician Fair Pricing Policy:** Barton Memorial Hospital Emergency Department Physicians have a discount payment policy the hospital will make available to the patient/guarantor upon request. These Emergency Physician Fair Pricing Policy/Policies will coincide with the hospital's current Federal Poverty Level. For further information on the Barton Memorial Hospital's Emergency Physician Fair Pricing Policy, the Patient may ask for the Emergency Physician Fair Pricing hand out or by contacting:

- Intermedix (Emergency Physician billing company) at 800-225-0953
- Barton Memorial Hospital's Customer Service Department at 530-543-5930

### **DISCOUNTS AVAILABLE**

#### **Discounted Medical Care:**

Barton Memorial Hospital offers partial financial assistance to qualified self-pay patients to relieve the patient and his or her guarantor of a portion of their financial obligation to pay for Eligible Services.

#### **Uninsured Discount:**

Barton Memorial Hospital will apply a 30% discount to all uninsured patient liability.

### **ADDITIONAL IMPORTANT COMMUNICATION OF FINANCIAL ASSISTANCE AVAILABILITY**

1. **Written Notice to Patients:** Notices on information of Barton Memorial Hospital's Financial Charity Care Discount policies will include eligibility and contact information and where additional information may be requested. Notices will include information on the Emergency Physician discounts that are available. Notices will be available at time of preadmission, registration, upon request, and at the time of discharge from service. Notices will be available in the primary languages of the Barton Memorial Hospital Service area to all patients receiving services including inpatient, ancillary, emergency, outpatient, surgical and recurring services such as physical therapy and infusion therapy.

2. **Written Hospital Estimates:** Upon request, Barton Memorial Hospital will provide a written estimate of the amount the hospital will require from the patient to pay for services/supplies that are expected to be provided. The estimate request requirement applies to all patients without

health coverage, regardless if patient meets criteria for full Discounted Care benefits. Estimates may be obtained by contacting Barton Memorial Hospital's Authorization Department at (530) 543-5715 during normal business office hours.

*\*Emergency services are exempt from the written estimate requirement.*

**3. Posted Notices:** Notices of the hospital's policy for financially qualified and self-pay patients will be posted in the Barton Memorial Hospital's Emergency Department, the Customer Service department, admitting locations and outpatient ancillary departments that furnish services directly to patients.

**4. Providing Applications:** Barton Memorial Hospital will provide applications for Medi-Cal, Healthy Families, and coverage through the California Health Benefit Exchange (Covered California) or any other available State and County funding health coverage programs. The applications will be provided to the patient who does not indicate coverage by a third-party payer, or who requests financial assistance. The applications shall be provided prior to discharge for inpatients and patients receiving emergency or outpatient care.

**5. Information to Patients without Third-Party Coverage:** Barton Memorial Hospital will include a summary statement of the Financial Assistance Program in the statement that includes charges for services rendered and is sent to the patient.

**6. Patient Confidentiality:** All patient financial information obtained for the purpose of determining eligibility for Barton Memorial Hospital's Financial Assistance Program will not be used in the collection of debt process.

All patient financial information obtained for the Financial Assistance Program and Discount Policy will be secured under the Privacy and HIPAA requirements. Disclosure of such information shall be limited to staff that is involved with the Financial Assistance Program and Discount Policy. Unauthorized disclosure of a patient's confidential financial information is strictly prohibited and will result in disciplinary action.

## **REFERENCES**

Title 22, California Code of Regulation Division 5

California Health & Safety Code Sections 127400-127462

California Hospital Association – Financial Assistance Policies

IRC Section 501(r) Final Regulations

Document Author:	Jackie Kyhl (Director Of Revenue Cycle)
Document Owner:	Jackie Kyhl (Director Of Revenue Cycle)
Reviewer(s):	Diane Roeser-Kinney (Customer Service/Guarantor Collections Mgr), Gary Colton (Corp. Compliance & InfoSec), Krystal Korves (Patient Financial Services Manager), Mary Quenzer (Physician Billing & Customer Service Manager)
Approver(s):	Gary Colton (Corp. Compliance & InfoSec), Jackie Kyhl (Director Of Revenue Cycle), Kelly Neiger (Chief Financial Officer)