 St. Luke's HOSPITAL Patient Financial Services Financial Assistance	Number: 51-0103
	Effective Date: 12/3/2014
	Revised: Reviewed: 7/16/2020
	Approved: Ashley Toney, Director Patient Financial Services
	Authorized: Elizabeth Presnell, Chief Financial Officer

St. Luke's Hospital: Financial Assistance Program

POLICY: St. Luke's Hospital shall provide appropriate levels of care, commensurate with the facility's resources and the community needs. St. Luke's Hospital is committed to assisting patients obtain coverage from various programs as well as providing financial assistance (FA) to every person in need of medical y necessary hospital treatment. St. Luke's Hospital will always provide emergency medically necessary care regardless of the patient's ability to pay. Similarly, patients who are able to pay have an obligation to pay and providers have a duty to seek payment from these individuals.

OBJECTIVES:

- To model St. Luke's Hospital core values of Caring at all times.
- To ensure the patient exhausts other appropriate coverage opportunities prior to qualifying for St. Luke's Hospital financial assistance.
- To provide financial assistance based on the patient's ability to pay.
- To ensure St. Luke's Hospital complies with any required Federal or State regulation related to financial assistance.
- To establish a process that minimizes the burden on the patient and is cost efficient to administer.

DEFINITIONS:

The terms used within this policy are to be interpreted as follows:

- Bad Debt: Accounts that have been categorized as uncollectible because the patient has been unable to resolve the outstanding medical debt.
- Elective: Those services that, in the opinion of a physician, are not needed or can be safely postponed.
- Emergency Care: Immediate care which is necessary in the opinion of a physician to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any organs or body parts.
- Household Financial Income: As measured against annual Federal Poverty Guidelines includes, but is not limited to-the following:

- o Annual household pre-tax job wages

- o Unemployment Compensation
- o Workers' Compensation
- o Social Security and Supplemental Security Income
- o Veteran's payments
- o Pension or Retirement income
- o Other applicable income to include, but not limited to: rent, alimony, child support, and any other miscellaneous source
- Medically Necessary: Hospital services provided to a patient in order to diagnose, alleviate, correct, cure or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
- Amount Generally Billed (AGB): The average amount billed to St Luke's Hospital insurance companies and Medicare for billable services provided to patients
- Other Coverage Options: Options that would yield a third party payment on account(s) including, but not limited to: Workers' Compensation, governmental plans such as Medicare and Medicaid, State/Federal Agency plans, Victim's Assistance, etc., or third-party liability resulting from automobile and/or other accidents.

Financial Assistance Guidelines

Eligibility Scale (This may be revised per the facility's guidelines)

- Full charity care shall be provided to uninsured patients earning 200 percent or less of the federal poverty guideline (FPG).
- For financially needy patients earning between 201 percent and 300 percent of the FPG, discounts shall be provided to limit such patient's payment obligation to the amount of the patient account balance after subtracting the percentage discount applicable to the patient's FPG household income provided in the following table:

Discount	Current Year Federal Poverty Guidelines for Family Size
100%	Family income is less than or equal to 200% of FPG
75%	Family income is 201% to 250% of FPG
50%	Family income is 251% to 300% of FPG

Presumptive eligibility

Patients who qualify and are receiving benefits from the following programs may be eligible for 100 % financial assistance:

- **Food stamps.** The U.S. Department of Agriculture Food and Nutrition Service Food Stamp Program.
- **County and state relief programs.** Some state counties offer a financial assistance program designed to provide emergency short-term assistance to persons lacking the resources to meet their basic needs for food, shelter, fuel, utilities, clothing, medical, dental, hospital care and burial. The state also offers programs providing energy assistance to applicants who qualify. Accepted programs also include WIC nutrition assistance.
- **Other programs.** These programs include but are not limited to: The Hendersonville Free Clinic, Addendum 1 to this policy.
- **Homelessness.** Homeless persons qualify for assistance when verified.
- **Deceased Patients.** Unpaid balances of patients who are deceased with no estate or surviving responsible party qualify for assistance.

Patients who meet presumptive eligibility criteria may be granted financial assistance without completing the financial assistance application. Documentation supporting the patient's qualification for or participation in a program must be obtained and kept on file. Unless otherwise noted, an individual who is presumed eligible under these presumptive criteria will continue to remain eligible for the Eligibility period outlined below, unless facility personnel have reason to believe the patient no longer meets the presumptive criteria.

Eligibility Evaluation Process

In order to determine the appropriate level of financial assistance to apply to a patient's account, the facility may:

- Utilize a scoring mechanism, with the assistance of a third-party vendor that provides a patient financial profile, or
- Require the patient to complete a financial assistance application
- Household income, as defined above, will be considered in determining whether a patient is eligible for financial assistance. Household income will be included from all members of the household as defined by federal tax guidelines.

Eligibility Period

- An individual who is presumed eligible under these criteria will continue to remain eligible for *six months* following the date of the initial approval, unless facility personnel have reason to believe the patient no longer meets the criteria.
- Upon initial approval, the facility will also include accounts in active AR inventory as eligible for financial assistance. It is determined if patients account qualifies by time period. We do a look back 250 days and forward 180 days.
- The facility reserves the right to limit eligibility to a shorter period and/or may

require periodic reviews to confirm continuing eligibility.

Eligible Population

- This policy is applicable to uninsured patients.
- This policy is applicable to patients who are North Carolina and South Carolina residents, or patients who reside in the area served by this facility.
- Patients with third party insurance coverage (to include governmental payers) are not eligible for financial assistance for balances after insurance. However, patients can request assistance for larger balances through the Hardship Settlement Program, Policy 51-0110.

Eligibility Notification

After receiving the patient's request for financial assistance and any financial information or other documentation needed to determine eligibility for financial assistance, the patient will be notified of the patient's eligibility determination within a reasonable period of time.

Communication of Financial Assistance Policy

Facility communicates the availability of financial assistance policy to all patients through means which include, but are not limited to:

- On facility's website: www.stlukeshospital.com
- On all billing statements
- Information posted at conspicuous locations throughout the facility
- During Financial Counselor patient interviews
- During Patient Accounting Customer Service patient interaction
- Physical Address to obtain a copy of Financial Assistance Policy and/or application can be obtained at no cost to patient by submitting a request to:

St. Luke's Hospital
Financial Counseling Department:
101 Hospital Drive
Columbus NC 28722
828 894 0912

Financial assistance policy and application are available in Spanish.

Patient Responsibilities Regarding Financial Assistance

If applicable, prior to being considered for financial assistance, the patient/family must cooperate with the provider to furnish information and documentation to apply for other existing financial resources that may be available to pay for the patient's health care, such as Medicaid, Medicare, third-party liability, etc.

- All paper applications should be mailed to:
St. Luke's Hospital
Financial Counseling Department:
101 Hospital Drive
Columbus NC 28722

- A patient who qualifies for partial discounts must cooperate with the provider to establish a reasonable payment plan that takes into account available income, the amount of the discounted bill(s), and any prior payments.
- Patients who qualify for partial discounts must make a good faith effort to honor the payment plans for their discounted healthcare bills. They are responsible for communicating to the provider any change in their financial situation that may impact their ability to pay their discounted healthcare bills or to honor the provisions of their payment plans.

Amount Generally Billed

AGB is determined through the "Look-back method" which is calculated as follows:

1. The AGB is calculated by reviewing all past claims that have been paid in full to the hospital facility for medically necessary care by Medicare fee-for-service together with all private health insurers paying claims to the hospital in a prior 12-month period. This amount can include co-insurance; co-payments and deductibles.
2. The AGB for emergency or medically necessary care provided to a financial assistance-eligible individual is determined by multiplying gross charges for that care by St. Luke's Hospital amount generally billed to Medicare and other private health insurers. The percentage is calculated at least annually by dividing the sum of certain claims paid to the hospital facility by the sum of the associated gross charges for those claims.
3. The percentages are applied by the 45th day after the end of the 12-month period the St. Luke's Hospital used in calculating the AGB percentage(s).
4. Information on AGB is available and can be obtained at no additional cost by submitting a request to:

St. Luke's Hospital
Financial Counseling Department
101 Hospital Drive
Columbus NC 28722
828 894 0912


Public Health Emergency Provision

Alternative funding sources due to a public health emergency will NOT prevent uninsured patients from receiving financial assistance for remaining balances that qualify under this policy. As part of St. Luke's Hospital's dedication to our community, financial assistance may also be applied to any insured patient copays or responsibility that have been waived but not paid/reimbursed by payors or when conflicting billing guidance is issued during times of public health emergency.

Additional Information

- St. Luke's Hospital has established a separate Billing and Collection policy which outlines actions that may be taken on balances due from patients. A copy of can be obtained at no cost to patient by submitting a request to or calling:

St. Luke's Hospital
Financial Counseling Department
101 Hospital Drive
Columbus NC 28722
828 894 0912

 Patient Financial Services Hardship Policy	Number: 51-0110
	Effective Date 1/9/2014
	Revised: Reviewed: 7/16/2020
	Approved: Ashley Toney, Director Patient Financial Services
	Authorized: Elizabeth Presnell, Chief Financial Officer

St. Luke's Hospital Hardship Settlement Program

Objective

The Hospital Hardship Settlement Policy provides an opportunity for patients to request discounts on balances due to the hospital in excess of \$5,000.00. The purpose of this policy is to recognize that even after the administration of the hospital's automatic discount for all uninsured patients there could still be situations where the patient is experiencing a financial hardship to pay the balance due in full. This policy also applies to insured patients who may also experience a financial hardship when paying their balance after all third party payments.

St. Luke's Hospital has the following objectives for the hardship settlement process:

- **To provide settlements based on the patient's ability to pay**
- **To establish a process that minimizes the burden on the patient and is cost efficient to administer**

Definitions

The terms used within this policy are to be interpreted as follows:

- **Assets:** Includes real property equity and checking, savings, and investment account balances.
- **Bad Debt:** Accounts that have been categorized as uncollectible because the patient has been unable to resolve the outstanding medical debt
- **Elective:** Those services that are, in the opinion of a physician, not needed or can be safely postponed.
- **Emergency Care:** Immediate care which is necessary in the opinion of a physician to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any organs or body parts.
- **Financial assistance:** Financial assistance is designed to assist qualifying patients who are unable to pay for all or part of their health care expenses.

- Household Financial Resources: Household Financial Resources as measured against ... annual Federal Poverty Guidelines are determined from a sum of annual household income plus any bank balances for checking and savings accounts. Sources of household financial resources include but are not limited to, the following:
 - Annual household pre-tax job earnings
 - Personal and business checking, savings, and investment balances in excess of \$10,000.00
 - 50% of home equity in excess of \$100,000 (*determined per facility*)
 - Unemployment compensation
 - Workers' Compensation
 - Social Security and Supplemental Security Income
 - Veteran's payments
 - Pension or retirement income
 - Other applicable income/resources to include, but not limited to, rents, alimony, child support, Healthcare Savings Accounts (HSA's), private property values, and any other miscellaneous sources
- Medically Necessary: Hospital services provided to a patient in order to diagnose, alleviate, correct, cure or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
- Underinsured: Patients covered by a source of third party funding, but at risk of high out-of-pocket expenditures due to their plan's benefit package. This may include, but is not limited to, high deductible plans, high coinsurance/copay plans, low per diem policies, etc.
- Uninsured: Patients who are not covered under an insurance health plan, an ACA subsidized insurance plan, Workers' Compensation, governmental plans such as Medicare and Medicaid, State/Federal Agency plan, Victim's Assistance, etc., or third-party liability resulting from automobile or other accidents.

Policy

Patients who do not qualify for financial assistance under the guidelines of St. Luke's Hospital Financial Assistance policy may request to be reviewed for a hardship settlement.

The granting of a hardship settlement shall be based on a request from a patient and on the determination of financial need. Financial need will be determined by comparing a patient's total household financial resources and assets to the patient's total remaining hospital balance after payment by all third parties. To be eligible for a hardship settlement, the following criteria must be met:

- The remaining hospital balance after all third party payments must be greater than \$5,000.00 and has not been categorized as bad debt.
- The remaining hospital balance after all third party payments must be greater than 20% of the patient's total household financial resources and has not been categorized as bad debt.

SLH will uphold confidentiality of information and maintain the dignity for all patients seeking a hardship settlement.

Eligibility Guidelines

- **Services Eligible:**
 - All medically necessary (as determined by a physician) inpatient services
 - All medically necessary (as determined by a physician) outpatient services
 - All hospital emergency medical services provided in an emergency room setting
- **Services Ineligible**
 - Elective and cosmetic services
 - Outpatient pharmacy services
- **Patients Eligible**
 - North Carolina and South Carolina residents
 - Patients who properly and truthfully complete a Hardship Settlement Application
- **Patients Ineligible**
 - Patients provided assistance based on the St. Luke's Hospital Financial Assistance policy
 - Uninsured patients who did not cooperate with the process under the St. Luke's Hospital Financial Assistance policy.
 - Patients who do not reside in North Carolina or South Carolina
 - Patients who provide false information

- **Balances Eligible**

- o Remaining hospital balances after all third party payments in excess of \$5000.00 that have not been categorized as bad debt.
- o Remaining hospital balances after all third party payments in excess of 20% of a patient's total household financial resources that have not been categorized as bad debt.

Eligibility Determination

If a patient cooperated with but is ineligible for the St. Luke's Hospital Financial Assistance process, they may choose to apply for a hardship settlement by downloading a Hospital Hardship Settlement application from the St. Luke's Hospital website. Patients can also request an application via mail by contacting the St. Luke's Hospital Financial Counselor at 828-894-0912. Only completed applications will be reviewed.

Completed applications will be reviewed upon receipt and must be submitted within two weeks after requesting an application. Eligibility is based on a patient's total household financial resources and assets for the prior 90 days reported at the time of evaluation. The patient must fully cooperate with this process to be eligible for a hardship settlement.

Patients who can demonstrate that their remaining balance is at least 20% of their total household resources and the balance is greater than \$5,000.00 will be eligible for a discount outlined in the table below.


Hardship Settlement Discounts

Balance Due	Discount
Balance Due is equal to or greater than 50% of the patient's total Household Financial Resources	75%
Balance Due is equal to or greater than 35% and less than 50% of the patient's total Household Financial Resources	50%
Balance Due is equal to or greater than 20% and less than 35% of the patient's total Household Financial Resources	25%

Example: If a patient's outstanding obligation is \$20,000 and the patient's total household financial resources is \$50,000, they would qualify for a 50% discount and the balance due would be \$10,000.

Payment plans may be required to assist in payment of balances after financial assistance discounts.

St. Luke's Hospital reserves the right to reverse hardship settlements provided by this policy if the information provided by the patient during the information gathering process is determined to be false or if the Hospital obtains proof that the patient has received compensation for services from other sources.

 Patient Financial Services Hardship Policy	Number: 51-0110
	Effective Date 1/9/2014
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