

<b>TLC Health Network</b>		<b>BUS-F-001</b>	
<b>Title:</b> Financial Assistance Policy			
<b>Distribution:</b> Business Office, Registration, Corporate Compliance		<b>Policy Date:</b>  8/03	<b>Page</b> 1 of 14
<b>Department/Category:</b> Business Office			
<b>Document Owner:</b> Director, Business Office		<b>Revision Date:</b> 5/14	
<b>Approved by:</b> Director, Business Office		<b>Supersedes Policy # / Date:</b> #7 3/14	
<b>Reference:</b> NYS Public Health Law Laws of 2006 Chapter 57 Section 2807-k Subdivision 9-a.			
<b>KEYWORDS:</b> Financial Assistance			

**I. GENERAL STATEMENT OF POLICY/PURPOSE**

TLC Health Network (TLC) has a long tradition of providing effective stewardship for the health care needs of the community and visitors in our service area. It is the policy of TLC to provide these services regardless of race, creed, sex, national origin, age, handicap, ability to pay, or any other classification or characteristic. Based on this mission TLC is establishing a “Financial Assistance” policy to address the health care needs of those individuals who can demonstrate an inability to pay full charges for “Medically Necessary” services. This policy is in compliance with Federal, State, Local laws and regulations, other third party contractual obligations and to insure the continued financial viability of the organizations. If any law, regulation or contractual obligation is enacted and/or changed subsequent to the effective date of this policy and that change would result in greater “Financial Assistance” to the “patient”, those provisions will be considered as part of this policy as of the effective date of that change. This policy shall provide “Financial Assistance” for emergency hospital services, including emergency transfers pursuant to the Federal Emergency Medical Treatment and Active Labor Act (42 USC 1395dd), for patients who reside in New York State and for “medically necessary” services for patients in the “primary service area” of TLC. “Patients” who do not meet these residency requirements can apply for “financial assistance” and the eligibility determination will be made on a case by case basis. This policy addresses only the facility charges for services rendered at TLC by TLC employees. This policy does NOT apply to any physician, independent individual or agency rendering services to the “Patient” in conjunction with the services provided, while a “Patient” at TLC. The reduction or discounting of insurance co-payments and deductibles will be considered under this policy for those individuals who can demonstrate an inability to pay such amounts.

Title: Financial Assistance Policy	Page 2 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

TLC recognizes the request for “Financial Assistance” may be a sensitive and deeply personal issue. The confidentiality of information and preservation of individual dignity shall be maintained for all who seek “Financial Assistance”.

For those “Patients” who meet the eligibility guidelines of this policy the “Medically Necessary” services will be provided with no or a reduced expectation of reimbursement from the “Patient” based upon the established criteria of this policy. To be considered for “Financial Assistance” under this policy it is incumbent upon the “Patient” to cooperate with TLC by providing all the necessary information and documentation to apply for other existing “External Financial Resources” and to determine the level of eligibility for TLC “Financial Assistance”. Failure to provide the necessary documentation or failure to apply for “External Financial Resources,” as directed by TLC may result in the denial of the “Financial Assistance” application. TLC reserves the right to initiate a financial assistance determination for patients who are deceased, incapacitated, refuse to co-operate, or for any other reason can not complete an application. An examination, including credit reporting, of these patients ability to make payments may be made and the level of financial assistance will be determined based on the information acquired. There is no time limitation for the submission of a “Financial Assistance” application. All open self pay balances may be considered for this policy. This policy will NOT apply to any account paid in full, has a payment arrangement in place, or was placed with a collection agency prior to the application for “Financial Assistance”. If any account under consideration for “Financial Assistance” has had patient payments or deposits made as required by TLC prior to the rendering of the medical services, those payments will be retroactively refunded if they exceed the total patient responsibility as calculated under the financial assistance guidelines, if “Financial Assistance” is approved. When the “Patient” has been notified of the decision for “Financial Assistance” and the “Patient” feels there are extenuating circumstances, which could alter that decision, the “Patient” may file an appeal, per the appeal guidelines specified in this policy. If a determination of “Financial Assistance” has previously been made and the “Patient’s” financial situation has changed, a reassessment may be requested by the “Patient” or TLC to reevaluate the appropriate level of “Financial Assistance”.

For all “Patients” determined to have the financial ability to pay for all or some of the services rendered to them, TLC expects them to meet their financial obligations in a timely and efficient manner, in accordance with the TLC collection policies.

TLC with written and express authorization from the “Patient” will make available our determination of the need for “Financial Assistance” to other providers of health care

Title: Financial Assistance Policy	Page 3 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

for the specific episode of care, in an effort to contribute to the financial well being of the “Patient”.

**II. OBJECTIVES**

To assist patients who are uninsured/underinsured in paying their financial obligation for services rendered.

**III. SCOPE AND RESPONSIBILITIES**

This policy and procedure has system and hospital wide application

**IV. PROCEDURES AND MONITORING**

**DEFINITIONS:**

The following is a definition of terms as used in this policy for the specific purpose of this policy only.

**“Patient”** - the individual who received health care services at TLC the parent(s) of a minor child who received health care services at TLC, the legal guardian of a patient who received health care services at TLC, an individual having a power of attorney to handle the financial affairs of an individual who received health care services at TLC or the executor of an estate for an individual who received health care services at TLC.

**“Financial Assistance”** – the desire to provide quality health care to the community that may result in uncompensated care and prevent any person from having a fear of receiving a hospital bill for “Medically Necessary” health care services for which they can not contribute all or some part of their responsibility. A stewardship of the nature and mission of a non-profit hospital, frequently referred to as Charity Care.

**“Medically Necessary”** – a health care service that is reasonably expected to prevent, diagnose, prevent the worsening of, alleviate, correct, or cure conditions that endanger life, cause pain or suffering, cause physical deformity or malfunction, threaten to cause or to aggravate a handicap, or result in illness or infirmity. Medically necessary services shall include inpatient and outpatient services as mandated under Title XVIII and XIX of the Federal Social Security Act.

Medically necessary services shall NOT include: (A) non-medical services such as: social, educational, and vocational services; (B) cosmetic surgery, cancelled or missed appointments; (C) research or the provision of experimental or unproven procedures; (D) telephone conversations and consultations; (E) elective procedures; (F) Dental; (G) Pharmacy; (H) Chemical Dependency Clinics; (I) Home Health; (J) Long Term Care; and

Title: Financial Assistance Policy	Page 4 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

(K) convenience items such as telephone, television, or visitor meals. Additionally, for patients not residing in the primary service area or secondary service area of TLC, these services must be of an emergent/urgent nature.

**“External Financial Resources”** – Governmental or Private sources of funding to pay for “Medically Necessary” health care services, which do NOT make use of any cash, assets, or property of the “Patient” or TLC.

**“Primary Service Area”** – TLC facilities are located in Erie, Cattaraugus, and Chautauqua County, New York. The Hospital’s primary service area includes Chautauqua, Erie, and Cattaraugus counties.

## **PROCEDURE**

### **(A) Publication in TLC \***

Posters - The availability of Financial Assistance will be advertised on posters located in admissions, outpatient registration, emergency room, switchboard, business office, and the main lobbies of all facilities.

Brochures – Brochures describing the Financial Assistance policy will be on display and available in admissions, outpatient registration, emergency room, switchboard, business office, and the main lobbies of all facilities.

\* All publications will be available in English and Spanish.

A copy of the Financial Assistance Policy may be obtained by contacting the Business Office at 716-951-7055.

### **(B) Publication of the Financial Assistance Program outside of TLC \***

Newspaper – TLC will provide information regarding the Financial Assistance program to the local newspaper for publication in the general circulation at the discretion of the newspaper. The notice shall include the types of services that may qualify and criteria used to make eligibility determinations. The notice shall encourage any individual anticipating the need for health care services to apply for Financial Assistance prior to the health care services being rendered.

Title: Financial Assistance Policy	Page 5 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

Broadcasting – TLC will provide information regarding the Financial Assistance Program to the local radio station for announcement as a public service at the discretion of the radio station. The notice shall include the types of services that may qualify and criteria used to make eligibility determinations. The notice shall encourage any individual anticipating the need for health care services to apply for Financial Assistance prior to the health care services being rendered.

Community Organizations - TLC will provide information regarding the Financial Assistance Program to any local community service organization for distribution at the request of that organization. The notice shall include the types of services that may qualify and criteria used to make eligibility determinations. The notice shall encourage any individual anticipating the need for health care services to apply for Financial Assistance prior to the health care services being rendered. Examples of these organizations are: the Citizens Advisory Committee, Chamber of Commerce, Rotary, religious organizations, and any organization providing support to the needy/homeless population.

\* Information will be provided to these organizations in English and Spanish.

(C) Notification to individual patients

Patient notification – all self pay patients will receive a written notice (brochure) during any pre-admission, admission, or registration process. If requested via telephone, the information will be mailed to the patient.

Patient notification on statements – each statement sent to patients will include a message indicating the availability of the Financial Assistance program and a contact number to obtain additional information or an application.

(D) Financial Counseling –

TLC can provide assistance the patient in the completion of the application for the TLC Financial Assistance Program.

Translation Services –

TLC can provide certified telephonic translation services to any patient who may require the service.

Title: Financial Assistance Policy	Page 6 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

(E) Initial Application Procedure for the Patient

- (1) Obtain the Financial Assistance program application from admissions, outpatient registration, emergency room, switchboard, business office, or social services departments.
  - (2) Complete the application as soon as possible and obtain copies of all information and documentation as instructed on the application.
  - (3) Contact the financial counselor at the telephone number on the application for an appointment to submit your application for review, or come into the appropriate Business Office of TLC. It is recommended that an appointment be made to avoid waiting, should the financial counselor be unavailable due to prior commitments with other patients.
  - (4) The financial counselor will review the application for completeness and prescreen the application to determine if any external financial resources may be applicable.
  - (5) If the Financial Counselor determines that external financial resources may be applicable, the Financial Counselor will provide the patient with the necessary applications and procedures to apply for these programs. The Financial Counselor will assist the patient in completing the forms if requested to do so. The Financial Counselor can also refer the patient to the Chautauqua County Health Network to be put in contact with a Facilitated Enroller to assist in the enrollment process at 1-888-753-7315.
  - (6) If the Financial Counselor determines that no other external program is feasible the application will be submitted for review and determination.
  - (7) If applications for external financial resources are warranted, the patient must apply and follow through with all requirements in a timely and efficient manner. The patient must provide TLC with copies of all documentation from the external programs determination of eligibility.
  - (8) When the documentation from the external program(s) is received the application will be submitted for review and determination.
- (F) Request for reevaluation of Financial Assistance.
- (1) Request by the patient – contact the Financial Counselor at the number found on the original application and request a new Financial Assistance Application. Clearly mark “REEVALUATION” on the top of the Financial Assistance Application. Complete the application in its entirety. Submit the application and all supporting documentation to the Financial Counselor. The Financial Counselor will then follow steps 4 through 8 of the initial application procedure.

Title: Financial Assistance Policy	Page 7 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

(2) If TLC becomes aware of any change in the financial status of the patient; TLC has the right to request that the patient reapply for Financial Assistance by following all steps of the initial application procedure.

(G) Determination and Notification of Financial Assistance eligibility  
TLC will verify all information and documentation provided with the application, including credit reports and reference checks at the discretion of TLC. The determination for assistance will be made in accordance with the guidelines of this Financial Assistance Policy. The patient will be notified in writing no later than 30 days from the date the application is deemed complete, all supporting information and documentation is received, and all supporting documentation from external financial aid resources has been received.

(H) Appeals Process  
Upon receipt of the determination letter from TLC the patient has the right to appeal the results of the decision. To do this the patient must contact the Financial Counselor at the telephone number on the determination letter and submit a written request to TLC stating the extenuating circumstances for the appeal and attaching all relevant documentation to support the appeal. The original Financial Assistance decision is based on the original application, supporting documentation, and the objective guidelines in this policy. Therefore, unless new relevant information documenting the need for additional assistance is presented, the appeal will be denied. All appeals must be submitted within thirty (30) days of the date the Financial Assistance notification was mailed. The determination letter will include information concerning the right of the patient to appeal the decision.

(I) Billing/Collection Efforts  
TLC or its billing vendor, will send monthly bills/statements to the patient. These will serve as a reminder and a communication vehicle to notify the patient of the status of their account. While the account is in the application process no payment is expected from the patient. All collection efforts will be suspended during the application process. If the patient has been requested to apply for "External Financial Assistance" and TLC has not received timely communications from the patient that the applications have been completed, TLC reserves the right to restart the normal collection process. This policy and procedure shall not permit the forced sale or foreclosure of a patient's primary residence in order to collect an outstanding medical bill and shall require the hospital to refrain from sending an account to collection if the patient has submitted a completed application for financial aid, including any required supporting documentation, while the hospital determines the patient's eligibility for such aid. Such policies and procedures shall provide for written notification, which shall include

Title: Financial Assistance Policy	Page 8 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

notification on a patient bill, to a patient not less than thirty days prior to the referral of debts for collection and shall require that the collection agency obtain the hospital's written consent, prior to commencing a legal action.

(J) Consequences of the patient non-compliance with this policy

Any patient who does not initiate a Financial Assistance application, fails to follow through with the applications for external financial assistance programs in a timely and efficient manner, if following the Financial Assistance decision the patient has a balance due and fails to make a timely payment, fails to make payment arrangements for any balances due, or fails to make timely payments on a payment arrangement will be subject to the Bad Debt Collection Policies of TLC. Resulting consequences could include but are not limited to, such actions as: notification of a delinquent debt to a credit reporting bureau(s), garnishment of wages, referral to a collection agency, or any other legal action deemed appropriate.

(K) Effective period of the determination

The Financial Assistance decision will remain in effect for a period of six (6) months from the date of the Financial Assistance decision for all encounters for covered health care services rendered by TLC. At any time the patient has the right to request a reevaluation.

Training

(A) TLC Clinical/Support Staff -

The staff will be in serviced annually on the elements of the policy at department staff meetings.

(B) TLC Patient Financial Services Staff -

Detailed training will be conducted annually and new staff will be trained during departmental orientation.

(C) Collection Agency Staff -

The representative of the agency will be trained on the Financial Assistance Program and be provided with copies of the policy and brochures. The representative will be responsible for the training of the staff of the agency and will document the training activity and forward that documentation to the Director of Patient Financial Services.

Monitoring and Reporting

(A) A Financial Assistance log from which periodic reports can be developed shall be maintained aside from any other required financial statements.



Title: Financial Assistance Policy	Page 9 of 14	Rev Date 5/14
------------------------------------	--------------	------------------

- (B) The cost of Financial Assistance will be reported annually in the Community Benefit Report.
- (C) All applications will be logged and tracked. This log will include date application received, date of approval/denial, external financial assistance recommendations, decision, and any other information deemed appropriate.
- (D) Reports required to be submitted to the New York State Department of Health by each general hospital as a condition for participation in the Charity Care Pools, and contain, in accordance with applicable regulations, a certification from an independent certified public accountant or independent licensed public accountant or an attestation from a senior official of the hospital that the hospital is in compliance with conditions of participation in the pools, shall also contain, for reporting periods on and after January first, two thousand seven:
- (i) a report on hospital costs incurred and uncollected amounts in providing services to eligible patients without insurance, including the amount of care provided for a nominal payment amount, during the period covered by the report;
  - (ii) hospital costs incurred and uncollected amounts for deductibles and coinsurance for eligible patients with insurance or other third-party payor coverage;
  - (iii) the number of patients, organized according to United States postal service zip code, who applied for financial assistance pursuant to the hospital's financial assistance policy, and the number, organized according to United States postal service zip code, whose applications were approved and whose applications were denied;
  - (iv) the reimbursement received for indigent care from the pool established pursuant to the New York "financial assistance" legislation;
  - (v) the amount of funds that have been expended on charity care from charitable bequests made or trusts established for the purpose of providing financial assistance to patients who are eligible in accordance with the terms of such bequests or trusts;
  - (vi) for hospitals located in social services districts in which the district allows hospitals to assist patients with such applications, the number of applications for eligibility under title XIX of the Social Security Act (Medicaid) that the hospital assisted patients in completing and the number denied and approved;
  - (vii) the hospital's financial losses resulting from services provided under Medicaid;
  - (viii) the number of liens placed on the primary residences of patients through the collection process used by a hospital.

#### **FINANCIAL ASSISTANCE POLICY GUIDELINES**

Printed copies are for reference only. Please refer to the electronic copy of the document located on the policy website to ensure you are referring to the latest version. Electronic version is the controlled versionC:\Users\sbutler.MED.000\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\MXD594GU\BUS-F-001 Financial Assistance Policy2015.docx

Title: Financial Assistance Policy	Page 10 of 14	Rev Date 5/14
------------------------------------	---------------	------------------

(I) Determination of Expected payment based on Assets

The use of significant assets to be taken into account in determining the amount a patient will pay for medical services will apply only to those patients whose income exceeds 150% of the Federal Poverty Guidelines. The next step will be to determine if a patient has any available assets, which can be used to satisfy outstanding medical expenses. Those total available assets will include, but not be limited to, assets identified as cash and those convertible to cash and unnecessary for the patient's normal living expenses. The patient's total assets to be considered for payment will be expected to be applied to the medical services based on the table that follows this paragraph. The remaining medical expense balance will be discounted according to the patients eligibility determination in section (II). If the % of the Federal Poverty Income Guidelines is 300% or less the maximum amount of assets to be used for the payment of an individual account will not exceed the "highest volume payor", as defined by New York State NYS Public Health Law Laws of 2006 Chapter 57 Section 2807-k Subdivision 9-a, amount for that account. Assets NOT included in this determination will be the: "Patients" residence, assets held in a tax-deferred or comparable retirement savings account, college savings accounts, or vehicles used regularly by a patient or immediate family members. Assets not under consideration as a source of available assets, such as, the primary residence are subject to any legal action that does not force the sale or foreclosure of such properties. The patient's total available assets will be reduced according to the New York State Asset levels (listed below) to arrive at the total assets to be considered. New York State Guidelines (these levels will be published by NYS annually)

2015 NYS Asset Level Guidelines

Persons in

family/household

1	\$9,900
2	\$14,500
3	\$16,675
4	\$18,850
5	\$21,025
6	\$23,200
7	\$25,375
8	\$27,550
9	\$29,725
10	\$31,900

For each additional person add \$2,175

Total assets considered	Expected % of assets to be used for payment
< \$1,000	10%
\$1,000 - \$2,000	15 %
\$2,001 - \$3,000.	20%
\$3,000 - \$5,000	25%
\$5,001 - \$7,500.	30%
\$7,501 - \$10,000.	40%
\$10,001 - \$25,000.	50%
\$25,001 – no limit	60%

(II) Determination of Financial Assistance Amount

The maximum amount a “patient”, who qualifies for “Financial Assistance” under the guidelines of this policy, will be charged shall be calculated in accordance with the New York State NYS Public Health Law Laws of 2006 Chapter 57 Section 2807-kSubdivision 9-a law and associated regulations. Per New York State legislation the “Maximum Charge” for patients with income equal to or less than 300% of the Federal Poverty Guidelines is determined up to a maximum of the greater of the amount that would have been paid for the same services by the "highest volume payor" for such general hospital (commercial insurer), or for services provided pursuant to title XVIII of the Federal Social Security Act (Medicare) or for services provided pursuant to title XIX of the Federal Social Security Act (Medicaid). All financial assistance for patients above 300% of the Federal Poverty Guidelines will be based on the rates in effect at the time of service. Patients with income equal to or less than 100% of the Federal Poverty Guidelines will be charged a “nominal payment amount” equal to or less than regulations as established by the Department of Health as provided by the NYS Public Health Law Laws of 2006 Chapter 57 Section 2807-k Subdivision 9-a.

(A) Financial Assistance Income Level Adjustments

The maximum charge amount as described above will be adjusted according to the Federal Poverty Guidelines income levels as follows:

0% to 100% of the FPL will be reduced to the lesser of the “nominal payment amount” or the maximum charge amount.

Title: Financial Assistance Policy	Page 12 of 14	Rev Date 5/14
------------------------------------	---------------	------------------

101% to 150% of the FPL will be reduced on a sliding scale not to exceed 20% of the maximum charge amount, but not less than the “nominal payment amount” unless the maximum charge amount is lower.

151% to 250% of the FPL will be reduced on a sliding scale increasing from the 20% to 100% of the maximum charge amount, but not less than the “nominal payment amount” unless the maximum charge amount is lower.

251% to 300% of the FPL the charge will be equal to the maximum charge amount.

301% to unlimited % will result in the TLC standard charge amount for that service reduced by 25%, but not less than the maximum charge amount for that type of service.

**2015 Federal Poverty guideline:**

Persons in  
family/household

1	\$11,770
2	\$15,930
3	\$20,090
4	\$24,250
5	\$28,410
6	\$32,570
7	\$36,730
8	\$40,890

For each additional person add \$4,160

(B) New York State “Nominal Payment Amount” guidelines

- Inpatient Services - \$150 per discharge
- Ambulatory Surgery - \$150 per procedure
- MRI testing - \$150 per procedure
- Adult ER - \$15 per visit
- Outpatient Services - \$15 per visit
- Prenatal Services – no charge
- Pediatric ER Services – no charge
- Pediatric Outpatient Services – no charge

TLC “Nominal Payment Amount” guidelines

Title: Financial Assistance Policy	Page 13 of 14	Rev Date 5/14
------------------------------------	---------------	------------------

Inpatient Services - \$50 per discharge  
Ambulatory Surgery - \$50 per procedure  
MRI testing - \$50 per procedure  
Adult ER - \$15 per visit  
Outpatient Services - \$15 per visit  
Prenatal Services – no charge  
Pediatric ER Services – no charge  
Pediatric Outpatient Services – no charge

### III Determination based on Medical Indigence

This determination is for patients with catastrophic medical bills and the financial assistance as described in this policy does not adequately address the hardship/financial needs of the patient. These cases will be analyzed on a case by case basis to determine what level of payment can be reasonably expected and the remaining balance of the medical service charges will be adjusted off the balance of the account.

### IV Payment Arrangements

The maximum payment amount will be 10% of the gross monthly income of the patient. The minimum acceptable monthly payment amount will be \$25.00; unless \$25.00 exceeds 10% of the gross monthly income of the patient. The maximum length of payments will be 24 months; unless, the monthly payment amount for 24 months would exceed the 10% of the gross monthly income of the patient limitation. Interest will not be charged on any unpaid balance over the term of repayment. If two consecutive monthly payments are missed TLC reserves the right to terminate the payment arrangement agreement and begin bad debt collection procedures.

### V Payments Received from Other Sources, after Financial Assistance was Awarded

Printed copies are for reference only. Please refer to the electronic copy of the document located on the policy website to ensure you are referring to the latest version. Electronic version is the controlled versionC:\Users\sbutler.MED.000\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\MXD594GU\BUS-F-001 Financial Assistance Policy2015.docx

The financial assistance adjustments will be reversed by the amount of the payment received, and all mandated reports will be adjusted accordingly.

**V. Approval**

Name	Title	Date:
<i>Paubay McCroskey</i>	Director, Business Office	Date: 5/13/14
		Date:
		Date:
		Date:

**VI. REVIEW**

This policy and procedure will be reviewed every two years.

Name	Title	Date
		Date
		Date
		Date
		Date
		Date
		Date