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APPROVED BY: <i>Kim M. Marus</i>	REVISED: 05/26/2022, 7/18/2022 01/16/2024

For service dates prior to July 1, 2022 please reference policy dated March 24, 2022.

Policy:

Pend Oreille County Public Hospital District #1 is committed to the provision of Health Care services to all persons in need of medical attention regardless of ability to pay.

In order to protect the integrity of operations and fulfill this commitment, the following criteria for the provision of Financial Assistance*, consistent with the requirements of WAC 246-453 (Hospital Charity Care*), are established. These criteria will assist staff in making consistent and objective decisions regarding eligibility for Financial Assistance while ensuring the maintenance of a sound financial base.

This policy is consistent with the mission and value of Newport Hospital and Health Services (NHHS) and shall be applied uniformly to all patients.

Patients must first exhaust all other funding sources for which they may be eligible before they will be eligible for Financial Assistance, including, without limitation, the following:

- Group or individual medical plans
- Worker’s compensation plans
- Medicaid program
- Medicare
- Other state, federal or military programs
- Third party coverage** (i.e., auto accidents, personal injury)
- Any other persons or entities who have legal responsibility to pay for the medical service
- Health saving account (HSA) funds. Newport Hospital and Health Services may require a responsible party to fully utilize any available funds from HSA to satisfy outstanding balances.

NHHS reserves the right to require confirmation a patient is ineligible for alternative funding sources, including, without limitation, written denials (or oral denials followed by documentation) from applicable funding sources.

Procedure:

I. Identification of Patients Eligible for Certain Third-Party Coverage:

For services provided to patients on or after July 1, 2022, the following procedures will apply for identifying patients and/or their guarantors who may be eligible for health care coverage through Washington medical assistance programs (e.g., Apple Health), the Washington Health Benefit

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Exchange and Idaho Medicaid programs.

A. As a part of the charity care application process for determining eligibility for financial assistance and charity care, NHHS will query as to whether a patient or their guarantor meets the criteria for health care coverage under medical assistance programs under chapter 74.09 RCW or the Washington Health Benefit Exchange.

B. If information in the application indicates that the patient or their guarantor is eligible for coverage, NHHS will assist the patient or their guarantor by having financial counselors provide the patient or their guarantor with information about the necessary forms, completing online applications or connecting them with other individuals or agencies who can assist.

C. If the patient or guarantor fails to make reasonable efforts to cooperate with NHHS in applying for coverage under chapter 74.09 RCW, the Washington Health Benefit Exchange or Idaho Medicaid Programs NHHS is not obligated to provide charity care to such patient.

II. Communications to the Public:

Pend Oreille County Public Hospital District #1's Financial Assistance policy shall be made publicly available through the following elements:

- A. A notice advising patients that Pend Oreille County Public Hospital District #1 provides Financial Assistance shall be posted in key areas of the Hospital, including Admissions, Emergency Department and Patient Financial Services. Both the written information and the verbal explanation shall be available in any language spoken by more than ten (10) percent of the population in the hospital's service area.
- B. Written information about Pend Oreille County Public Hospital District #1's Financial Assistance policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. Pend Oreille County Public Hospital District #1's sliding fee schedule, if applicable, shall also be made available upon request. Information will also be available on the District's website at nhhsqualitycare.org.
- C. Billing statements and other written communications concerning billing or collection of a hospital bill must include a statement about charity care.
- D. NHHS will provide regular training to front-line staff who work in registration, admissions and billing, and any other appropriate staff, to answer Financial Assistance and Charity Care questions effectively, obtain any necessary interpreter services, and

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direct inquiries to the appropriate department in a timely manner.

III. Description of Eligibility Criteria

Financial Assistance is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, tribal or military programs, third party liability situations (e.g., auto accidents or personal injuries), healthcare savings accounts, healthcare ministries or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical services. In those situations where appropriate primary payment sources are not available, patients shall be considered for Financial Assistance under this hospital policy based on the following criteria as calculated for the 12 months prior to the date of service.

Charity care shall be limited to medically necessary” and “appropriate hospital-based medical services” as defined in WAC 246-453-010(7). Residential services (non-covered Swing and Assisted Living) are also not eligible for charity care. Additional medical services excluded from the Charity Care Program are listed in Appendix A.

The Medically indigent patient will be granted Financial Assistance regardless of race, color, sex, religion, age, national origin, or immigration status.

A. The full amount of hospital charges that are not covered by public or private sponsorship will be determined to be Financial Assistance for any patient whose gross family income is below 201percent of the current federal poverty guidelines, consistent with the requirements of WAC 246-453-040 (Uniform criteria for the identification of indigent persons).

- The hospital will assess income based on the time the patient applies for charity, in the event the patient has been making good faith efforts to pay their bill AND applies within two (2) years of the time of service.
- The hospital will assess income based on the time the healthcare services were provided if the patient:
 - a) Applies within two (2) years of service and has been making good faith efforts to pay; or
 - b) Applies after two (2) years from the time of service
- The hospital will perform the initial assessment for charity care consideration as listed above. The hospital has the discretion to allow charity applications outside the guidelines listed above.
- In the event there is a change in the patient’s financial circumstances and an initial charity determination was previously made on eligibility under the program, the hospital has the discretion to allow a reassessment. Note: All reassessment considerations are discretionary and will be made on a case-

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by-case basis; furthermore, any adjustments will be limited to the remaining unpaid balance on the accounts previously considered under an initial charity assessment performed by the hospital. Any reassessments must be approved by the CFO or the District Treasurer/Controller prior to any adjustment being applied to the remaining balance.

- B. The following sliding fee schedule shall be used to determine the amount which shall be written off for patients that are under-insured and/or have a primary payment source, with incomes between 200 percent and 300 percent of the current federal poverty level:

<u>INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL</u>	<u>% DISCOUNT</u>
0% - 200%	100%
201% - 250%	75%
251% - 300%	50%

- C. Catastrophic Charity: Pend Oreille County Public Hospital District #1 may write off as Financial Assistance amounts for patients with family income in excess of 200 percent of the federal poverty level when circumstances indicate severe financial hardship or personal loss. Eligibility under this special criteria will be based on approval from the District representative assigned administrative authority under current District guidelines.
- D. COBRA: It is the responsibility of the patient to actively participate in the financial screening process and in providing requested information on a timely basis, *including without limitations* providing Pend Oreille County Public Hospital District #1 with information concerning actual or potentially available health benefits coverage (including available COBRA coverage), financial status and any other information necessary for Pend Oreille County Public Hospital District #1 to make a determination regarding the patient's financial and insured status. In addition, if Pend Oreille County Public Hospital District #1 reasonably determines that COBRA coverage is available to the patient, the patient shall provide Pend Oreille County Public Hospital District #1 with information necessary to determine the monthly premium due for said coverage and identify the patient's need for financial assistance from Pend Oreille County Public Hospital District #1 to make any such premium payments. The Chief Financial Officer will be required to

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sign for all approved COBRA payments made by Pend Oreille County Public Hospital District #1.

F. If Pend Oreille County Public Hospital District #1 reasonably determines that the patient would qualify for State Medicaid assistance and needs assistance with obtaining a certified birth certificate for the purpose of filing for state coverage, Pend Oreille County Public Hospital District #1 will assist with this cost. The Chief Financial Officer will be required to sign for approval to provide funding to obtain a certified birth certificate for the purpose of obtaining medical coverage.

G. Consideration of Assets: When determining eligibility for financial assistance and charity care under this policy for care received on or after July 1, 2022, for patients and/or guarantors not eligible for charity care for the full amount of hospital charges, NHHS may take into consideration the existence, availability, and value of assets or the patient and/or guarantor to reduce the amount of the discount granted. In doing so, NHHS will exclude from consideration:

- The first \$5000 in monetary assets for an individual, \$8000 for a family of two, and \$1500 of monetary assets for each additional family member; the value of any asset that has a penalty for early withdrawal shall be the value of the asset after the penalty has been paid;
- Equity in a primary residence;
- Retirement plans other than 401(k) plans;
- One motor vehicle (and a second motor vehicle if it is necessary for employment or medical purposes);
- Prepaid burial contracts or burial plots; and
- Life insurance policies with a face value of \$10,000 or less.

If no documentation for an asset is available, a written and signed statement from the patient or guarantor is sufficient. Asset information will not be used for collection activities.

IV. Collection practices (applies to all patients):

- Pend Oreille County Public Hospital District #1 will have their governing board or commissioners receive and review an annual summary report on collection actions taken.
- Pend Oreille County Public Hospital District #1 will have a written policy as to when and under whose authority an account is sent to collections.
- Pend Oreille County Public Hospital District #1 will have a written policy as to when a lien is placed on a primary residence.

V. Process for Eligibility Determination:

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Identification of Potential Charity Care Patients:

A. Initial Determination:

- Pend Oreille County Public Hospital District #1 shall use an application process for determining eligibility for Financial assistance, see Attachment A. Requests to provide Financial Assistance will be accepted from sources such as: physicians; community or religious groups; social services; financial services; personnel; and patient, provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act Privacy Regulations and Pend Oreille County Public Hospital District #1's Privacy policies.
- The initial determination of eligibility for Financial Assistance shall be completed at the time of admission or as soon as possible following initiation of services to the patient. The hospital will allow the patient to apply for an initial determination for Financial Assistance at any point from pre- admission to final payment of the bill, recognizing that the patient's ability to pay over an extended period may be substantially altered due to illness of financial hardship, resulting in a need for Financial Assistance services. If the change in financial status is temporary, the organization can choose to suspend payments temporarily rather than initiate Financial Assistance.
- All members of the family should be listed on the application. Eligibility will be considered collectively. Family is defined as two or more persons related by birth, marriage, or adoption who live together.
- Pending final eligibility determination, Pend Oreille County Public Hospital District #1 will not initiate collection efforts or request deposits, provided that the patient is cooperative with Pend Oreille County Public Hospital District #1's efforts to reach a final determination of sponsorship status.

B. Final Determination:

- Pend Oreille County Public Hospital District #1 shall use an application process for determining initial interest in and qualification for Financial Assistance. Should patients not choose to apply for Financial Assistance, they shall not be considered for Financial Assistance unless other circumstances or intent become known to Pend Oreille County Public Hospital District #1. Patients will be asked to provide verification of ineligibility for Medicaid or medical Assistance. During the initial request period, Pend Oreille County Public Hospital District #1 may pursue other sources of funding, including Medicaid.
- Financial Assistance forms, instructions and written application shall be furnished

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to patients when Financial Assistance is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or Pend Oreille County Public Hospital District #1 should be accompanied by documentation to verify income amounts indicated on the application form. Patients will be allowed a minimum of fourteen (14) days, or such time that is medically and reasonable feasible, to secure and present one or more of the following types of documentation that is acceptable in accordance with WAC 246-453-030 (data requirements for the identification of indigent persons) for purposes of verifying income:

- W-2 Withholding statements for all employment during the relevant time period;
- Pay stubs from all employment during the relevant time period;
- An income tax return from the most recently-filed calendar year,
- Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance
- Forms approving or denying unemployment compensation; or
- Written statements from employers or welfare agencies.
- Written and signed statements from the patient or responsible party

C. Income Basis: Income shall be annualized from the date of service based upon documentation provided and upon verbal information provided by the patient. The annualization process will be determined by Pend Oreille County Public Hospital District #1 and will take into consideration seasonal employment and temporary increases and/or decreases of income.

D. Prima facie write-Offs: Pend Oreille County Public Hospital District #1 Administration may choose to grant Financial Assistance based solely on the initial determination. In such cases, Pend Oreille County Public Hospital District #1 will not complete full verification or documentation of any request.

E. Time Frame: Final determination will be within fourteen (14) days of receipt of application and all documentation material, consistent with the requirements of WAC 246-453-030.

• Approvals:

- All patients approved for Financial Assistance under WAC 246-453-020 (Uniform procedures for the identification of indigent persons) shall be provided with, in writing, the approval determination and any amount the responsible party will be held financially accountable for.
- If patient had made a previous payment toward any amount approved for Financial Assistance prior to completing the initial charity application, Pend Oreille County Public Hospital District #1 will refund the payment within thirty

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(30) calendar days of the determination, in accordance with WAC 246-453-020 (Uniform procedures for the identification of indigent persons)

- Denials:
 - All patients denied Financial Assistance under WAC 246-453-020 (Uniform procedures for the identification of indigent persons) shall be provided with, in writing, the denial determination, including process for appeal procedures that enables the patient to correct any deficiencies in documentation or request review of the denial and results by Pend Oreille County Public Hospital District #1's Chief Financial Officer or equivalent.
 - Patients will be notified that they have thirty (30) calendar days within which to request an appeal of the final determination of denied Financial Assistance status. Within the first fourteen (14) days of this period, Pend Oreille County Public Hospital District #1 may not refer the account at issue to an external collection agency. After the fourteen (14) day period, if no appeal has been filed, Pend Oreille County Public Hospital District #1 may initiate collection activities.
 - All appeals will be reviewed by the Patient Accounts Manager and Chief Financial Officer. If the determination affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor. A copy of the Denial determination will also be provided to: State of Washington Department of Health at P.O. Box 47853, Olympia, WA 98504-7853 or by fax at (360)236-2870.

VI. Documentation and Records

A. Confidentiality: All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the application form.

B. Retention: Documents pertaining to charity care shall be retained for 5 years.

APPENDIX A

1. Employer required screenings
2. Durable Medical Equipment (DME)
3. Cosmetic surgery
4. Circumcision
5. Vasectomy
6. Tubal Ligation
7. Dermatology
 - a. Skin tag removal

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- b. Lesions
- c. Mole and wart removal
- 8. Drug Screening
- 9. Allergy Therapy
- 10. Bunion surgery for treatment of pain only
- 11. Visco & PRP injections
- 12. Implantable Birth Control
- 13. Medicare immunizations covered under part D (example, tetanus)
- 14. Other "elective" procedures

*Charity Care/Financial Assistance - Charity Care and/or Financial Assistance means medically necessary hospital health care rendered to indigent persons when Third-Party Coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy.

**Third Party Coverage - Third-Party Coverage means an obligation on the part of an insurance company, health care services contractor, health maintenance organization, group health plan, government program (Medicare, Medicaid or medical assistance programs, workers compensation, veteran benefits), tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others (for example, auto accidents or personal injuries) which have resulted in the medical condition for which the patient has received hospital health care services