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Owner Tesha Davidson  
Policy Area Financial Counseling Policies

## Jefferson Healthcare Financial Assistance Policy

### POLICY

Jefferson County Public Hospital District no. 2, dba Jefferson Healthcare, is committed to providing health care services to all persons in need of medically necessary care regardless of ability to pay. To protect the integrity of operations and fulfill this commitment, the following criteria for the provision of financial assistance, consistent with the requirements of the Washington Administrative Code (WAC), Chapter 246-453, are established.

This policy is consistent with the mission and values of Jefferson Healthcare and shall be applied uniformly to all patients who reside in East Jefferson County and are patients of the Jefferson Healthcare system. Non-residents of East Jefferson County are eligible for financial assistance consistent with WAC 256-453-060, which includes emergent, non-scheduled services only.

To maintain compliance with WAC 256-453-020, it is Jefferson Healthcare's responsibility, through coordination and collaboration with the applicant, to make every reasonable effort to determine the existence or nonexistence of third-party sponsorship that might be applicable for the services provided.

#### PURPOSE

The purpose of this policy is to outline the criteria used to assist staff in making consistent objective decisions regarding eligibility for financial assistance while ensuring the maintenance of a sound financial base.

#### COMMUNICATIONS TO THE PUBLIC

Information about Jefferson Healthcare's financial assistance policy shall be made publicly available as follows:

- A. A notice advising patients that Jefferson Healthcare provides financial assistance shall be posted in key public areas of the hospital, including Admissions, the Emergency Department

and Financial Services.

- B. Jefferson Healthcare will distribute a written notice about the availability of financial assistance to all patients. This is done at the time that Jefferson Healthcare requests information pertaining to third party coverage. The written notice also shall be verbally explained at this time. If for some reason, for example in an emergency, the patient is not notified of the existence of financial assistance before receiving treatment, he/she shall be notified in writing as soon as possible thereafter.
- C. Both the written notice and the verbal explanation shall be available in any language spoken by more than ten percent of the population in the Jefferson Healthcare's service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanation.
- D. Jefferson Healthcare shall train front-line staff to answer financial assistance questions effectively or direct such inquiries to the appropriate department in a timely manner.
- E. Written notice about Jefferson Healthcare's financial assistance policy shall be made available to any person who requests the information, either by mail, by telephone or in person. Jefferson Healthcare's sliding fee schedule, if applicable, shall also be made available upon request.

#### DEFINITIONS

**"Appropriate hospital-based medical services"**: Hospital services which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. 'Course of treatment' may include mere observation or no treatment at all. WAC 246-453-010(7)

**"Applicant"**: Refers to the individual applying for financial assistance. This may be the guardian of the patient, the spouse, or the patient.

**"Indigent Care"**: Appropriate hospital-based medical services provided to indigent persons, as defined in this section.

**"East Jefferson County"**: Residency in East Jefferson County, Washington includes the following cities and zip codes:

Zip Code	City
98320	Brinnon
98325	Chimacum
98339, 98365	Port Hadlock
98358	Nordland
98365	Port Ludlow
98368	Port Townsend
98376	Quilcene

**"Emergency Care" and "Emergency Medical Condition"**: Immediate care that is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and serious dysfunction of any organs or body parts. WAC 246-453-010(11)(13)

**"Financial Assistance"**: Means medically necessary 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 deductibles or coinsurance amounts required by a third-party payer, as determined by the department utilizing sliding scale, payment plans, discounted payment plan, and prompt pay discounts. These are subject to award based on application.

**"Income"**: Total cash receipts before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony, and net earnings from business and investment activities paid to the individual. WAC 246-453-010(17)

**"Indigent Persons"**: Those patients who have exhausted any third-party sources, including Medicare and Medicaid, and whose income is equal to or below 200% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payor. WAC 246-453-010(4)

**"Medically Necessary"**: Hospital services or care rendered, both inpatient and outpatient, 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. Also defined as "Appropriate hospital-based medical services."

**"Sliding Fee Scale"**: This refers to the level of discount provided to applicants whose household incomes are higher than 200% of the Federal Poverty Level, but below 400%.

**"Third-party coverage" (aka "Third-party sponsorship")**: An obligation on the part of an insurance company or governmental program which contracts with hospitals and patients to pay for the care of covered patients and services, and may include settlements, judgments, or awards received related to the negligent acts of others which have resulted in the medical condition for which the patient has received hospital services. WAC 246-453-010(9)

**"Underinsured"**: Patients who carry insurance or have third-party assistance to help pay for medical services, but who accrue or have the likelihood of accruing out-of-pocket expenses which exceed their financial ability.

**"Uninsured"**: Patients with no insurance or third-party assistance to help remunerate their financial responsibility to healthcare providers.

#### ELIGIBILITY CRITERIA

- A. 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, or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the costs of medical

services.

- B. Jefferson Healthcare staff will screen for uninsured patients and visits and pro actively reach out to the patient to assist them in applying or sources of Medical coverage such as Medicaid, ACA Marketplace plans.
- C. Patients will be granted financial assistance regardless of race, creed, color, national origin, sex, sexual orientation, or the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a disabled person
- D. Financial assistance for non-emergent services shall be limited to those residing within East Jefferson County.
- E. Financial assistance may be considered if a person enters the county, or outside of the community service area, seeking medically necessary treatment and one of the following applies:
  - Emergency care was necessary and Jefferson healthcare was the closest facility to their home address or place of injury.
  - The closet facility does not provide the medically necessary services.
  - The out-of-county resident has elected a Jefferson Healthcare Primary Care Provider and PCP has referred the resident to Jefferson Healthcare (hospital) for medically necessary services.
  - Financial assistance shall be limited to "appropriate hospital-based medical services" as defined in WAC 246-453-010(7).
- F. In those situations where appropriate primary payment sources are not available, patients shall be considered for financial assistance under this policy based on the following criteria:
  - The full amount of uncovered hospital charges will be determined to be indigent care for a patient whose gross family income is at or below 200% of the current federal poverty level (consistent with WAC 246-435).
  - Jefferson Healthcare shall provide a sliding scale discount for patients with incomes between 201% and 400% of the current federal poverty level.
  - For income between 201 and 300% (75% discount)
  - For income between 301 and 400% (50% discount)
- G. Catastrophic assistance. Jefferson Healthcare may write off as financial assistance, amounts for patients with family income in excess of 400% of the federal poverty level when circumstances indicate severe financial hardship or personal loss. This determination would be made on a case-by-case basis, taking into consideration the amount the individual is economically responsible for and the individual's economic resources.
- H. The responsible party's financial obligation which remains after the application of a sliding fee schedule shall be payable as negotiated between the hospital and the responsible party. The responsible party's account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory resolution of the account with the patient.
- I. Review and approval of these cases will be made by the Manager of Patient Access, Director of Revenue Cycle Operations and/or the CFO.

- J. The responsible party's financial obligation which remains after the application of any sliding fee schedule shall be payable as negotiated between Jefferson Healthcare and the responsible party. The responsible party's account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account, and there is no satisfactory resolution of the account with the responsible party.
- K. Jefferson Healthcare will consider assets (only those convertible to cash and unnecessary for daily living), liabilities, income, expenses and other factors peculiar to each financial assistance request. However, consideration of assets is not permissible for applicants whose income is less than 200% of the current federal poverty level.
- The following assets are excluded from consideration:
    - The first \$5,000 in monetary assets for an individual, \$8,000 for a family of two, and \$1,500 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.

#### PROCESS FOR ELIGIBILITY DETERMINATION

##### A. Initial Determination:

1. Jefferson Healthcare shall use an application process for determining eligibility for financial assistance. Requests to provide financial assistance will be accepted from sources such as physicians, community or religious groups, social services, financial services personnel, and the 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 Jefferson Healthcare's privacy policies. All requests shall identify the party that is financially responsible for the patient ("responsible party").
2. 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.
3. Pending final eligibility determination, Jefferson Healthcare will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with Jefferson Healthcare's efforts to reach a final determination of sponsorship status.
4. If Jefferson Healthcare becomes aware of factors that might qualify the patient for financial assistance under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as qualified to receive financial assistance.

##### B. Final Determination:

1. Prima Facie Write-Offs. In the event that the responsible party's identification as an indigent person is obvious to Jefferson Healthcare personnel, and Jefferson Healthcare can establish that the applicant's income is clearly within the range of eligibility, Jefferson Healthcare will grant indigent care based solely on this initial determination. In these cases, Jefferson Healthcare is not required to complete full verification or documentation. (In accordance with WAC 246-453-030(3)).
2. Financial assistance forms, instructions, and written applications shall be furnished to the responsible party when financial assistance is requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or Jefferson Healthcare, should be accompanied by documentation to verify information indicated on the application form. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of financial assistance eligibility:
  - A "W-2" withholding statement;
  - 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 DSHS employees.
3. During the initial request period, the patient and Jefferson Healthcare may pursue other sources of funding, including Medical Assistance and Medicare. The responsible party will be required to provide written verification of ineligibility for all other sources of funding. Jefferson Healthcare may not require that a patient applying for a determination of indigent status seek bank or other loan source funding.
4. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.
5. In the event that the responsible party is not able to provide any of the documentation described above, Jefferson Healthcare shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030(4)).

C. Time frame for final determination and appeals.

1. Each financial assistance applicant who has been initially determined eligible shall be provided with at least fourteen (14) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of their financial assistance application prior to receiving a final determination of sponsorship status.
2. Jefferson Healthcare shall notify the applicant of its final determination within



fourteen (14) days of receipt of all application and documentation material.

3. The responsible party may appeal a denial of eligibility for financial assistance by providing additional verification of income or family size to the Financial Counseling Supervisor within thirty (30) days of receipt of notification.
- D. If the patient or responsible party has paid some or all of the bill for medical services and is later found to have been eligible for financial assistance at the time services were provided, he/she shall be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within thirty (30) days of receiving the financial assistance designation.
- E. Adequate notice of denial:
1. When an application for financial assistance is denied, the responsible party shall receive a written notice of denial which includes:
    - The reason or reasons for the denial;
    - The date of the decision; and
    - Instructions for appeal or reconsideration.
  2. When the applicant does not provide requested information and there is not enough information available for Jefferson Healthcare to determine eligibility, the denial notice also includes:
    - A description of the information that was requested and not provided, including the date the information was requested;
    - A statement that eligibility for financial assistance cannot be established based on information available to Jefferson Healthcare;
    - Eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
- F. The Director of Revenue Cycle Operations and/or Chief Financial Officer will review all appeals. If this review affirms the previous denial of financial assistance, written notification will be sent to the responsible party and the Department of Health in accordance with state law.
- G. If a patient has been found eligible for financial assistance and continues receiving services for an extended period of time without completing a new application, Jefferson Healthcare shall re-evaluate the patient's eligibility for financial assistance at least annually to confirm that the patient remains eligible. Jefferson Healthcare may require the responsible party to submit a new financial assistance application and documentation.

#### 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. Documents pertaining to financial assistance shall be retained for ten (10) years.

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## Attachments

[2022 FPL .xlsx](#)

## Approval Signatures

Step Description	Approver	Date
Executive Approval	Tyler Freeman: Chief Financial Officer	Pending
Leader Approval	Tesha Davidson: Manager, Patient Access Services	06/2022

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