



## FINANCIAL ASSISTANCE – CHARITY CARE

### Administrative Policy

**Approved:** 06/01/2022

**Department:** All Swedish Hospital Facilities, Departments and Clinics

**Population Covered:** All patients who are provided with emergent or medically necessary healthcare services

**Implementation Date:** 07/01/2022

Swedish Health Services and Swedish Edmonds (“SHS” or “Swedish”) is a not-for-profit healthcare organization guided by a commitment to its Mission of improving the health and well-being of each person we serve, by its Core Values of safety, patient-centered care, respect, caring and compassion, teamwork and partnership, continuous learning and improvement and leadership, and by the belief that healthcare is a human right. It is the philosophy and practice of each SHS hospital that emergent and medically necessary healthcare services are readily available to those in the communities we serve, regardless of their ability to pay.

### Scope

This policy applies to all SHS hospitals and to all emergency, urgent and other medically necessary services provided by SHS hospitals (with exception of experimental, investigative, or elective care). A list of SHS hospitals covered by this policy can be found in Exhibit A Covered Facilities List.

This policy shall be interpreted in a manner consistent with Section 501(r) of the Internal Revenue Code of 1986, as amended. In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

### Purpose

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the provision of Financial Assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary emergency and other hospital services provided by SHS hospitals.

It is the intent of this policy to comply with all federal, state, and local laws. This policy and the financial assistance programs herein constitute the official Financial Assistance Policy (‘FAP’) and Emergency Medical Care Policy for each hospital owned, leased or operated by SHS.

### Responsible Persons

Revenue Cycle departments

## Policy

SHS will provide free or discounted hospital services to qualified low income, uninsured and underinsured patients when the ability to pay for services is a barrier to accessing medically necessary emergency and other hospital care and no alternative source of coverage has been identified. Patients must meet the eligibility requirements described in this policy to qualify.

SHS hospitals with dedicated emergency departments will provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act) consistent with available capabilities, regardless of whether an individual is eligible for financial assistance. SHS will not discriminate on the basis of age, race, color, creed, ethnicity, religion, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, or any other basis prohibited by federal, state, or local law when making financial assistance determinations.

SHS hospitals will provide emergency medical screening examinations and stabilizing treatment or refer and transfer an individual if such transfer is appropriate in accordance with 42 C.F.R 482.55. SHS prohibits any actions, admission practices, or policies that would discourage individuals from seeking emergency medical care, such as permitting debt collection activities that interfere with the provision of emergency medical care.

### **List of Professionals Subject to SHS FAP:**

Each SHS hospital will specifically identify a list of those physicians, medical groups, or other professionals providing services who are and who are not covered by this policy. Each SHS hospital will provide this list to any patient who requests a copy. The provider list can also be found online at the SHS website: [www.swedish.org](http://www.swedish.org).

### **Financial Assistance Eligibility Requirements:**

Financial assistance is available to both uninsured and insured patients and guarantors where such assistance is consistent with this policy and federal and state laws governing permissible benefits to patients. SHS hospitals will make a reasonable effort to determine the existence or nonexistence of third-party coverage which may be available, in whole or part, for the care provided by SHS hospitals, prior to directing any collection efforts at the patient.

When a patient or their guarantor is determined to be qualified for retroactive, health care coverage through the medical assistance programs under chapter 74.09 RCW, SHS hospital will provide assistance to the patient or guarantor with applying for such coverage. Financial Assistance may be denied if the patient or their guarantor fails to make reasonable efforts to cooperate with and assist SHS hospitals in applying for such coverage. SHS hospitals will not place unreasonable burdens on the patient or guarantor during the application process for Financial Assistance and retro active coverage, taking into account any physical, mental, intellectual, or sensory deficiencies, or language barriers which may hinder the reasonable party's capability of complying with application procedures. Patients who are obviously or categorically ineligible or have been deemed ineligible in the prior 12 months for a state or federal program will not be required to apply for such programs in order to receive Financial Assistance.

Uninsured patients may receive an uninsured discount. Eligible Financial Assistance balances include but are not limited to the following: Self pay, charges for insured patients with coverage from a plan in which SHS does not participate, coinsurance, deductible, and copayment amounts related to insured patients. Deductible and coinsurance amounts claimed as a Medicare bad debt will be excluded from the reporting of charity care.

Patients seeking financial assistance must complete the standard SHS Financial Assistance Application and eligibility will be based upon financial need as of the date of service or as of the date of application, whichever indicates the lower amount of income and greatest financial need. Patients may re-apply for assistance if their financial circumstances change, even if a previous application was denied or approved in part. Reasonable efforts will be made to notify and inform patients of the availability of Financial Assistance by providing information during admission and discharge, on written communications

concerning billing or collections, in patient accessible billing or financial services areas, on SHS hospital's website, by oral notification during payment discussions, as well as on signage in high volume inpatient and outpatient areas, such as admitting and the emergency department. Translations will be made available in any language spoken by more than ten percent of the population in the hospital's service area.

### **Applying for Financial Assistance:**

Patients or guarantors may request and submit a Financial Assistance Application, which is free of charge and available at the SHS ministry or by the following means: advising patient financial services staff at or prior to the time of discharge that assistance is requested and submitted with completed documentation; by mail, or by visiting [www.swedish.org](http://www.swedish.org), downloading and submitting the completed application with documentation. A person applying for financial assistance will be given a preliminary screening, which will include a review of whether the patient has exhausted or is not eligible for any third-party payment sources.

Each SHS hospital shall make designated personnel available to assist patients in completing the Financial Assistance Application and determining eligibility for SHS financial assistance or financial assistance from government-funded insurance programs, if applicable. Interpretation services are available to address any questions or concerns and to assist in the completion of the Financial Assistance Application.

A patient or guarantor who may be eligible to apply for financial assistance may provide sufficient documentation to SHS to support eligibility determination at any time upon learning that a party's income falls below minimum FPL per the relevant Federal and State regulations.

SHS acknowledges that a determination of eligibility can be made at any time upon learning that a party's income is below 200% of the federal poverty standard. In addition, SHS may choose to grant financial assistance solely based on an initial determination of a patient's status as an indigent person. In these cases, documentation may not be required.

### **Individual Financial Situation:**

**Individual Financial Situation:** Income, certain monetary assets, and expenses of the patient will be used in assessing the patient's individual financial situation. SHS will seek only such information regarding assets as is reasonably necessary and readily available to determine the existence, availability, and value of a person's assets. SHS will consider and collect information related to such assets as required by the Centers for Medicare and Medicaid (CMS) for Medicare cost reporting. This information may include the reporting of assets convertible to cash and unnecessary for the patient's daily living. Monetary assets shall not include any equity in a primary residence, retirement plans other than 401(k) plans, any prepaid burial contract or burial plot, any life insurance policy with a value of \$10,000 or less, and one motor vehicle, as well as a second motor vehicle if it is needed for employment or medical purposes as well as the first \$10,000 of monetary assets for a family of two, and either 50% of the remaining monetary asset value, or \$1,500 per additional family member, whichever is greater. Duplicate forms of verification will not be requested. Only one current account statement is required to verify monetary assets. If no documentation is available a written and signed statement from the patient or guarantor is sufficient. Asset information collected will not be used for collection activities. Monetary assets will not be used for determination of eligibility if a patient's or guarantor's income is at or below 300% of the federal poverty standard.

### **Income Qualifications:**

Income criteria, based on Federal Poverty Level (FPL), shall be used to determine eligibility for free or discounted care. Please see Exhibit B for details.

### **Determinations and Approvals:**

Patients will receive notification of FAP eligibility determination within 14 days of submission of the completed Financial Assistance application and necessary documentation. Once an application is

received, extraordinary collections efforts will be pended until a written determination of eligibility is sent to the patient. The hospital will not make a determination of eligibility for assistance based upon information which the hospital believes is incorrect or unreliable.

### **Dispute Resolution:**

The patient may appeal a determination of ineligibility for financial assistance by providing relevant additional documentation to the hospital within 30 days of receipt of the notice of denial. All appeals will be reviewed and if the review affirms the denial, written notification will be sent to the guarantor and State Department of Health, where required, and in accordance with the law. The final appeal process will conclude within 10 days of receipt of the denial by the hospital. An appeal may be sent to Swedish Medical Center, Attn: Corporate Business Office, 747 Broadway, Seattle, WA 98122.

### **Presumptive Charity:**

SHS may approve a patient for a charity adjustment to their account balance by means other than a full Financial Assistance application. Such determinations will be made on a presumptive basis using an industry-recognized financial assessment tool that evaluates ability to pay based on publically available financial or other records, including but not limited to household income, household size, and credit and payment history.

### **Other Special Circumstances:**

Patients who are eligible for FPL-qualified programs such as Medicaid and other government-sponsored low-income assistance programs, are deemed to be indigent. Therefore, such patients are eligible for Financial Assistance when the programs deny payment and then deem the charges billable to the patient. Patient account balances resulting from non-reimbursed charges are eligible for full charity write-off. Including but not limited to medically necessary services related to the following:

- Denied inpatient stays
- Denied inpatient days of care
- Non-covered services
- Prior Treatment Authorization Denials
- Denials due to restricted coverage

### **Catastrophic Medical Expenses:**

SHS, at its' discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

### **Times of Emergency:**

Financial assistance may be available at SHS's discretion in times of a national or state emergency, independent of assistance for catastrophic expenses.

### **Limitation on Charges for all Patients Eligible for Financial Assistance:**

No patient who qualifies for any of the above-noted categories of assistance will be personally responsible for more than the "Amounts Generally Billed" (AGB) percentage of gross charges, as defined below.

### **Reasonable Payment Plan:**

Once a patient is approved for partial financial assistance, but still has a balance due, SHS will negotiate a payment plan arrangement. The reasonable payment plan shall consist of monthly payments that are not more than 10 percent of a patient's or family's monthly income, excluding deductions for Essential Living Expenses that the patient listed on their financial assistance application.

### **Billing and Collections:**

Any unpaid balances owed by patients or guarantors after application of available discounts, if any, may be referred to collections. Collection efforts on unpaid balances will cease pending final determination of FAP eligibility. SHS does not perform, allow, or allow collection agencies to perform any extraordinary collection actions. For information on SHS billing and collections practices for amounts owed by

patients, please see SHS Hospital’s policy, which is available free of charge at each SHS hospital’s registration desk, or at: [www.swedish.org](http://www.swedish.org).

**Patient Refunds:**

In the event that a patient or guarantor has made a payment for services and subsequently is determined to be eligible for free or discounted care, any payments made related to those services during the FAP-eligible time period which exceed the payment obligation will be refunded, in accordance with state regulations.

**Annual Review:**

This SHS Financial Assistance (Charity Care) Policy will be reviewed on an annual basis by designated Revenue Cycle leadership.

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**Definitions**

For the purposes of this policy the following definitions and requirements apply:

1. Federal Poverty Level (FPL): FPL means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
2. Amounts Generally Billed (AGB): The amounts generally billed for emergency and other medically necessary care to patients who have health insurance is referred to in this policy as AGB. SHS determines the applicable AGB percentage by multiplying the hospital’s gross charges for any emergency or medically necessary care by a fixed percentage which is based on claims allowed under Medicare and commercial payors. Information sheets detailing the AGB percentages, and how they are calculated, can be obtained by visiting the following website: [www.swedish.org](http://www.swedish.org) or by calling **1-866-747-2455** to request a copy.
3. Extraordinary Collection Action (ECA): ECAs are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual’s arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.

**Exceptions**

See Scope above.

**Regulatory Requirements**

<i>Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r)(1) – 1.501(r)(7)</i>
<i>Washington Administrative Code (WAC) Chapter 246-453</i>
<i>Revised Code of Washington (RCW) Chapter 70.170.060</i>
<i>Emergency Medical Treatment and Labor Act (EMTALA), 42 U.S.C. 1395dd</i>
<i>42 C.F.R. 482.55 and 413.89</i>

## References

<i>American Hospital Associations Charity Guidelines</i>
<i>Providence St. Joseph Health Commitment to the Uninsured Guidelines</i>
<i>Provider Reimbursement Manual, Part I, Chapter 3, Section 312</i>

## Stakeholders

### Author/Contact

Executive Director Financial Counseling and Financial Assistance

### Expert Consultants

Swedish/Providence Legal Services

### Sponsor

Kimberly Sullivan, SVP Chief Revenue Cycle Officer

Financial Assistance (Charity Care).doc(rev.4/1/2019)

**Exhibit A  
Covered Facilities List**

<b>SHS Hospitals in Washington</b>	
Swedish Medical Center First Hill/Ballard	Swedish Medical Center Cherry Hill
Swedish Issaquah	Swedish Edmonds

## Exhibit B

### Income Qualifications for SHS Hospitals

<b>If...</b>	<b>Then ...</b>
Annual family income, adjusted for family size, is at or below 300% of the current FPL guidelines,	The patient is determined to be financially indigent and qualifies for financial assistance 100% write-off on patient responsibility amounts. <sup>1</sup>
Annual family income, adjusted for family size, is between 301% and 400% of the current FPL guidelines,	The patient is eligible for a discount of 75% from original charges on patient responsibility amounts.
If annual family income, adjusted for family size, is at or below 400% the FPL <u>AND</u> the patient has incurred total medical expenses at SHS hospitals in the prior 12 months in excess of 20% of their annual family income, adjusted for family size, for services subject to this policy,	The patient is eligible for 100% charity benefit on patient responsibility amounts.