

Classification:	Administrative	Policy Number:	ADM071
Subject:	Financial Assistance/ Charity Care	Effective Date:	6/04
Contact Position:	VP Chief Revenue Officer	Date Reviewed:	12/10, 1/14, 9/18
Page:	1 of 3	Date Revised:	6/004, 3/05, 10/05, 4/07, 1/11, 11/15, 11/16, 1/18, 9/18

PURPOSE: To further the Children's mission "to improve the life of every child" by offering financial assistance to patients in financial need. This policy is intended to identify those patients who qualify for Financial Assistance.

HOSPITAL POLICY STATES: In accordance with its mission, Children's has an obligation to provide care to patients who are unable to pay or who require payment assistance. Eligibility for financial assistance is ideally determined either prior to services being provided or at the time services are rendered and is based upon family/guarantor income, family size and other special circumstances. This policy covers emergency and other medically necessary care provided at Children's facilities and by Covered Providers. A copy of the Financial Assistance Policy is available upon request at no charge. Requests for copies of this policy should be submitted to the financial counselors, patient financial services, or social work staff. A digital copy of the Financial Assistance Policy is also available on Children's internet website at:

<http://www.childrensomaha.org/main/financial-assistance.aspx>

DEFINITIONS:

Amounts Generally Billed: The Amounts Generally Billed (AGB) will be no more than the amounts generally billed to individuals who have insurance. AGB is calculated based upon the look-back methodology. The AGB percentage and calculation methodology is available to the public upon request. Requests for copies of the AGB percentage and calculation methodology should be submitted to the financial counselors, patient financial services, or social work staff.

Collections: The process used by Children's in the collection of self-pay and balance after insurance due from patient/guarantor after insurance monies. All amounts due from patients will be worked in accordance with Children's Collection Policy. The Collections policy is available to the public upon request. Requests for copies of the Collections Policy should be submitted to the financial counselors, patient financial services, or social work staff.

Covered Providers: Physicians and other professional staff providing care to patients at Children's. A list of providers covered by this policy will be made available to the public in paper form upon request from the financial counselors, patient financial services, or Social Work staff. The provider listing will also be made available through the Children's internet website. The provider listing will be updated on a quarterly basis.

Guarantor: Individual who signed the Consent to Treat/Assignment of Benefits form which contains the Financial Agreement making the signee responsible for payment in full for services rendered to the patient.

Financial Assistance: Financial assistance provided to those unable to pay their personal-pay obligation arising from the provision of emergency or medically necessary health care services provided by Children's.

FPL- Federal Poverty Level: Federal Poverty Guidelines as published annually by the Federal Government.

PROCEDURE:

Identification of Financial Assistance: The primary responsibility to identify financial need is with the financial counselors, patient financial services, and social work staff. These staff members will be trained to identify patient needs and answer financial assistance questions. Copies of the Financial Assistance Policy and financial assistance applications forms will be made available to the public upon request, and will also be made available through the Children's internet website. Any questions or concerns that cannot be addressed will be referred to the Patient Financial Services Manager or Supervisor for assistance.

Eligibility Criteria: In order to be good stewards of limited financial resources, the determination for financial assistance will be based on the following criteria:

1. Financial assistance is available for medically necessary procedures and services. Services not eligible for financial assistance are cosmetic and other elective procedures such as helmet clinic, eating disorders program, and HEROES.
2. All applicants must apply for Medicaid. Certification or proof of Medicaid denial is a requirement for financial assistance consideration. This requirement may be waived by the VP/CRO in extenuating circumstances as deemed necessary by the VP/CRO.
3. Financial assistance application must be completed. Applicants must include the following documentation.
 - i. Gross household income.
 - ii. Most recent W-2 or income tax return for all household wage earners.
 - iii. Most recent month of income verification. (pay stubs, bank deposits, etc..)
 - iv. Medicaid determination letter
 - v. Completed and signed financial statement for household claiming no income.
4. Completed applications must be returned to the hospital within thirty days.

Evaluation and Determination of Application: All financial assistance applications will be processed by the hospital patient financial services department.

1. Applications will be processed within thirty days of receipt.
2. Eligibility will be based on a percentage of household income compared to the current year's FPL. See Appendix A for the current FPL scale and financial assistance adjustment.
3. Families that do not qualify for income based financial assistance and that have verifiable out of pocket medical debt of greater than 20% of their gross income may qualify for catastrophic assistance. The account will be adjusted to leave 1% of the family's gross income as their personal responsibility.
4. Letters informing the guarantor of eligibility will be mailed to the address provided on the application once the determination is completed.
5. Failure to provide the required documentation will result in a denial or delay in processing the application.
6. After the account has received a financial assistance adjustment any remaining balance will be subject to standard payments terms under Children's collections policy.
7. Families that qualify for Financial Assistance will not be billed more than Amounts Generally Billed. All financial assistance discounts will be adjustments from gross charges.
8. Authorization levels for approval are as follows:
 - a. Patient financial services supervisor accounts less than \$3,000.
 - b. Patient financial services manager accounts from \$3,001 to \$25,000.
 - c. VP/CRO accounts from \$25,001 to \$100,000
 - d. SVP/CFO accounts from \$100,001 and greater

Presumptive Eligibility: Children's recognizes that some patients will be unresponsive to the charity care application process due to a variety of reasons including but not limited to:

1. Lack of documentation required to comply with the traditional charity care application requirements.
2. Lack of the educational level to understand and complete the charity care application.
3. Fear that information gathered during the application process will be used in the collection process in the event that the application is denied.
4. Out of state patients that do not respond to completion of a Medicaid application or financial assistance application.

In the absence of information provided by the patient or in cases where the information provided by the patient is incomplete, an assessment process utilizing a predictive model will be deployed to determine charity care eligibility. The predictive model incorporates income and household size estimates, a socio-economic need factor (WIC, Supplemental Nutrition Assistance Program, HUD Programs), census block data, as well as information on homeownership.

The application of the predictive scoring process and presumptive financial assistance will be deployed prior to primary bad debt assignment for all patients/guarantors that have not applied for charity care and have not made a payment on their account. Children's will notify the guarantor if the patient's account(s) has been reduced by a presumptive charity care adjustment which is less than 100% to allow for appeal or further consideration. Children's is not obligated to notify the parent/guarantor if the presumptive charity care adjustment is at 100% of the account balance.

Community Health Programs: To better meet the needs of children in our community, Children's will implement community health programs to address those identified needs. The financial assistance review and approval procedure for patients served by any of the Children's community health programs listed below will be processed by the following Community Health financial assistance procedure:

Children's - Community Health Program approved for Financial Assistance exception procedure:

1. Visionmobile

Financial Assistance Procedure:

1. Patient and/or guarantor is not required to apply for Medicaid. Application and proof of Medicaid denial requirement is waived for all services provided by a Community Health Program.
2. Completion of a Financial Assistance application is waived.
3. Presumptive Eligibility for financial assistance will be verified prior to FA adjustment. FA adjustment will be applied based upon Presumptive Eligibility scoring.