



Policies & Procedures

Financial Assistance

Function
Administration
Number
Date of Prior Issue
Effective Date

PURPOSE:

This Policy provides a fair and comprehensive system of distributing free or discounted medical care to financially disadvantaged patients within the available resources of Chadron Community Hospital (the “Hospital”). The Policy addresses:

- Eligibility criteria for financial assistance;
- The extent to which financial assistance includes free or discounted care;
- The basis for calculating amounts charged to individuals who are eligible for assistance under this Policy;
- The method for applying for assistance; and
- Measures to widely publicize the Policy.

RESPONSIBILITY:

It is the responsibility of the Hospital Board of Directors to ensure that this Policy is being administered and carried out in a consistent manner and within the guidelines set forth in controlling laws and regulations.

SCOPE:

This Policy applies to all emergency and medically necessary inpatient and outpatient hospital services provided to Uninsured or Underinsured individuals who qualify for assistance in accordance with the terms and conditions herein. It does not apply to physician services, clinic services, home health, skilled nursing, or any other services that may be offered by the Hospital. Any services deemed non-medically necessary or cosmetic in nature are not eligible for financial assistance; provided, however, that these services are subject to a prohibition on Gross Charges. The Hospital reserves the right to determine those procedures that qualify as eligible elective procedures.

DEFINITIONS: The following definitions shall apply to this Policy:

“Amounts Generally Billed” or “AGB”: The amount generally billed by the Hospital for emergency and other medically necessary care to patients who have health insurance calculated using the AGB Percentage multiplied by Gross Charges.

“AGB Percentage”: AGB Percentage is the percentage discount applied to the Hospital’s Gross Charges and is calculated as follows. All sums received as payment in full of all claims for emergency and other medically necessary care provided and paid by Medicare fee for service and all private health insurers, including amounts received as co-payments, co-insurance, and deductibles during the twelve (12) months prior to the date upon which the Hospital last calculated its AGB Percentage shall be divided by the Hospital’s Gross Charges for those claims. The Hospital must calculate its AGB Percentage on at least an annual basis. Individuals may obtain information on the calculation of the AGB Percentage free of charge from the Hospital by contacting CFO at 308-432-5586 Finance Department.

“Application Period”: The period during which the Hospital must accept and process an application for assistance under this Policy in order to have made “reasonable efforts” to determine whether the patient is an individual who is eligible for assistance under this Policy. The Application Period begins on the date the care is provided to the individual and ends on the 240th day after the Hospital provides the individual with the first bill for care provided.

“Extraordinary Collection Action” or “ECA”: Actions taken by the Hospital against a patient or any other



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individual who has accepted or is required to accept responsibility for the patient's bills that involve (i) a legal or judicial process; (ii) selling an individual's debt to a third party; or (iii) reporting adverse information about the individual to a consumer credit agency or credit bureau.

“Gross Charges”: The Hospital's full, established price for medical care that it consistently and uniformly charges all patients before applying any contractual allowances, discounts, or deductions.

“Household Income”: Means the total income of all members living in the individual's household.

“Individuals who are eligible for assistance under this Policy”: An individual who is uninsured or underinsured and is eligible for financial assistance under this Policy, regardless of whether the individual has applied for assistance.

“Individuals who qualify for financial assistance”: Individuals who are eligible for assistance under this Policy and who have submitted a completed financial assistance application within required time periods as set forth herein and have been approved for financial assistance according to the processes set forth herein.

“Notification Period”: Begins on the first date care is provided and ends on the 120th day after the Hospital provides the individual with the first bill for care.

“Uninsured”: A patient (or his or her financially responsible individual) has no insurance or coverage under governmental programs, and is not eligible for any other third party payment such as worker's compensation or claims against others involving accidents.

“Underinsured”: A patient (or his or her financially responsible individual) has limited insurance coverage that does not provide coverage for hospital services, or maximum liability under the insurance coverage has been exceeded.

POLICY:

DISCOUNT

1. Financial assistance under this Policy is a resource of last resort. Financial assistance is provided to patients with demonstrated inability to pay. Under no circumstance will a patient/guarantor be required to apply for financial assistance against their right of self-determination. Every effort shall be made to stimulate an attitude of independence through encouraging the person to develop his or her own resources.
2. Following a determination of eligibility (as set forth herein), individuals who qualify for financial assistance shall not be charged more than AGB for any emergency or medically necessary care provided.
3. The Hospital will utilize an individual's Household Income compared to the poverty guidelines set forth by the Federal government to determine eligibility for financial assistance and the amount of financial assistance to be provided. Federal poverty level (“FPL”) shall be updated as it becomes available without prior approval by the Board of Directors.
4. Discounts based upon FPL provided to individuals who qualify for financial assistance shall be taken from Hospital's AGB.



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- No individual who is eligible for assistance under this Policy will be charged Gross Charges for any medical care provided by the Hospital. For such care that is not an emergency or medically necessary, such an individual will be given a 1 percent discount off of Gross Charges.

METHOD FOR APPLYING FOR ASSISTANCE

- A copy of this Policy and financial assistance applications will be made available at the Hospital or by contacting Patient Accounts/Billing Office at 308-432-5586.
- Individuals who feel that they qualify for financial assistance under this Policy, or have requested that financial assistance be provided, are required to submit an application on the Hospital provided form during the Application Period. It is the applicant's responsibility to provide proof of Household Income and/or any other information provided on the application as requested by the Hospital.
- The applicant is required to submit all information required on the financial assistance application form, including, but not limited to, the following information:
 - W-2 forms for each member of household;
 - Previous two years income tax returns for all members of the household;
 - Three months most current employment pay stubs for all members of the household;
 - Three months most current bank statements for all members of the household;

Failure to provide this information will result in an incomplete application, which may result in the individual being denied assistance under this Policy.

- Applicants must also provide proof that they are not covered/eligible for insurance through a commercial carrier or State Medicaid Program or Kid's Connection.
- Completed applications may be returned to the Patient Accounts/Billing Department within the Application Period.
- The Hospital may not deny an individual assistance under this Policy for the failure to provide information that was not required to be submitted in either this Policy or the financial assistance application form.

PUBLICATION OF POLICY

- This Policy, an application, a plain language summary of the Policy, and any notices or publications regarding the Policy will be made available on the Hospital's website in pdf form in English and in any other language spoken by more than 10 percent of the residents of the community served by the Hospital as determined using the most current data published by the Census Bureau.
- The Policy, applications, and plain language summaries shall be available upon request, without charge at the Patient Accounts/Billing Department and by mail.
- A plain language summary shall be conspicuously displayed in Hospital patient waiting areas and in the Patient Accounts/Billing Department in a manner that is reasonably calculated to attract visitors' attention.
- A plain language summary of this Policy and a copy of the financial assistance application will be provided to all patients upon admission to or registration at the Hospital.



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5. The Hospital will publish the plain language summary of the Policy in the local newspaper on at least an annual basis and may publicize the Policy using other media at the option of Hospital administration.

ACTIONS THAT MAY BE TAKEN IN EVENT OF NONPAYMENT

1. The Hospital may take Extraordinary Collection Actions against the patient or an individual legally or otherwise responsible for payment of the patient's hospital bills once reasonable efforts have been made to determine whether the patient is an individual who is eligible for assistance under this Policy.
2. The Hospital will take the following action to make reasonable efforts to determine whether the patient is an individual who is eligible for assistance under this Policy:
 - a. Notify the patient about the existence of this Policy during the Notification Period by:
 - i. Distributing a plain language summary of this Policy and offering an application form before discharge of the patient;
 - ii. Including a plain language summary of this Policy with all (and at least three (3)) billing statements and all other written communications regarding the bill during the Notification Period;
 - iii. Informing the individual about the Policy in all oral communications regarding the bill during the Notification Period; and
 - iv. Providing the individual with at least one written notice informing the individual of the ECAs that may be taken if the individual does not submit an application or pay the amount due by a date that is not earlier than the last day of the Notification Period and thirty (30) days of the date of the notice.
 - b. If an individual submits an incomplete application during the Application Period, the Hospital will:
 - i. Suspend any ECAs;
 - ii. Provide written notice that contains a summary of the Policy and that describes the additional information or documentation required under the Policy or in the application to complete the application; and
 - iii. Provide at least one written notice that informs the individual about the ECAs the Hospital may take or reinstate if the individual does not complete an application or pay the amount due by a date that is not earlier than the last day of the Application Period and thirty (30) days of the date of the notice.
 - c. If an individual submits a completed application during the Application Period, the Hospital will:
 - i. Suspend any ECAs;
 - ii. Make and document whether the individual is an individual who qualifies for assistance under the Policy;
 - iii. Notify the individual in writing of the determination and the basis for the determination; and
 - iv. If the individual is an individual who qualifies for assistance under the Policy, provide the individual with a billing statement that indicates the amount the individual owes as adjusted under the Policy and how the Hospital determined the amount the individual owes. The Hospital will also refund any excess payments made by the individual and take reasonable measures to reverse any ECA taken against the individual.
3. The Hospital Board of Directors is authorized to grant financial assistance and is authorized to determine when and whether the Hospital has made reasonable efforts to determine whether an individual is an individual who is eligible for assistance under this Policy.