

Financial Assistant & Charity Policy

PURPOSE:

To provide charity or partial-pay charity to patients who may not qualify for state, Federal, County or other assistance and have no reasonable means to pay.

POLICY:

Artesia General Hospital (AGH) is committed to providing charity care to persons who have healthcare needs and are uninsured, under-insured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, AGH strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Artesia General Hospital will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- A. Includes eligibility criteria for financial assistance – free and discounted (partial charity) care.
- B. Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
- C. Describes the method by which patients may apply for financial assistance.
- D. Describes how the hospital will widely publicize the policy within the community served by the hospital.
- E. Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally received by the hospital for commercially insured or Medicare patients.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with AGH's procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow AGH provide the appropriate level of assistance to the greatest number of persons in need, the Board of Trustees establishes the following guidelines for the provision of patient charity.

Definitions

- A. *Charity Care*: For the purpose of this policy, the terms below are defined as follows: Charity Care: Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.
- B. *Family*: Using the Federal Poverty Guidelines definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.
- C. *Family Income*: Monetary assets and income may be considered when determining eligibility under this Charity Care Policy. Monetary assets shall not include retirement or deferred-compensation plans qualified under the Internal Revenue Code, or non-qualified deferred-compensation plans. The first ten thousand dollars (\$10,000.00) of a patient's monetary assets shall not be counted in determining eligibility, nor shall fifty percent (50%) of a patient's monetary assets over the first ten thousand dollars (\$10,000.00) be counted in determining eligibility. Net worth shall be considered including eligible liquid and non-liquid assets owed less liabilities and claims against assets.
- D. *Uninsured*: The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.
- E. *Under-insured*: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.
- F. *Gross charges*: The total charges at AGH's established rates for the provision of patient care services before deductions from revenue are applied.
- G. *Emergency medical conditions*: Defined within the meaning of CMS – Governmental Guidelines.

PROCEDURE:

- A. *Services Eligible Under This Policy*. For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by AGH without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity.
 - 1. Emergency medical services provided in an emergency room setting;
 - 2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual.
 - 3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and

4. Medically necessary services, evaluated on a case-by-case basis at AGH's discretion

B. Eligibility for Charity. Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity shall be based on an individualized determination of financial need, and shall not consider age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

C. Method by Which Patients May Apply for Charity Care.

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
 - a. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to deciding of financial need. Documentation may include, but is not limited to: most recent pay check stub(s), copies of bank statements, and the most recent tax filings.
 - b. Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
 - c. Include reasonable efforts by AGH's to explore appropriate alternative sources of payment and coverage from public and private payment programs and to assist patients to apply for such programs;
 - d. Consider the patient's available assets, and all other financial resources available to the patient; and
 - e. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred but not required that a request for charity and a determination of financial need occur prior to rendering of non-emergent medically necessary services. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.
3. AGH's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and AGH shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, AGH could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only

discount that can be granted is a 100% write-off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address;
8. Patient is deceased with no known estate.

E. Eligibility Criteria and Amounts Charged to Patients. Services eligible under this Policy will be made available to the patient in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by AGH to be eligible for financial assistance, that patient shall not receive any future bills based on un-discounted gross charges. The basis for the amounts AGH will charge patients qualifying for financial assistance is as follows:

See attached FPL

REFERENCE(S):

1. State of New Mexico Poverty Guidelines <https://www.hsd.state.nm.us/wp-content/uploads/FPL-2022-2023-003.pdf>
2. Discount Care Policy <https://artesiageneral.policystat.com/policy/6122349/latest/>
3. HHMS Guidelines