



Policy Title: Patient Financial Assistance Critical Access Hospital	
Policy Number: OFS -007	
Effective Date: 01/01/2016	Revision Date: 3/8/2021
Manual/Section:	
Applicable Catalogs: CAH, SWG	

Policy Statement

This policy allows Livingston HealthCare to determine eligibility for financial assistance for patients who meet the established eligibility criteria. Financial assistance is approved only for *medically necessary* services. Financial Assistance program is intended to be the last payment resort after exhausting all other options. The policy also identifies steps that Livingston HealthCare will take to communicate the availability of financial assistance. Any information gathered by Livingston HealthCare during this process is subject to Livingston HealthCare’s policies concerning protection of confidential information. This policy outlines the process for providing financial assistance to individuals in need of medical care who are not eligible for other assistance programs, for those individuals who are uninsured, or underinsured, or for those individuals with a remaining balance after insurance that exceeds their financial means. Patients who choose not to bill their insurance **are not** eligible for financial assistance. Financial assistance is available for the portion of the patient care services provided by Livingston HealthCare of which a third-party payer is not responsible, and the patient has demonstrated the inability to pay.

Financial assistance application period is up to 240 days after date of first billing statement.

Definitions

Family: Defined by the Census Bureau as a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service's rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for the purposes of the provision of financial assistance.

Family income: Income is the total annual cash receipts before taxes from all sources which may include, but is not limited to, wages and salaries before deductions, net receipts from non-farm self-employment income, net receipts from farm self-employment, social security payments, railroad retirement, unemployment compensation, workers compensation benefits, veteran's payments, and public assistance payments, Supplemental Security Income, Social Security Disability Income, alimony, child support, military allotments, private pensions, government pensions, annuity payments, rental income, net payments, net gambling or lottery winnings. Noncash benefits (such as food stamps and housing subsidies) do not count as income.

Federal Income Poverty Guidelines: The most recent published federal income poverty guidelines for a household, which shall be revised and attached to this policy annually as they are published by United States Health and Human Services agency.

Legal Guardian: A recognized legal surrogate for the patient with regard to medical and financial decisions, who would be authorized under Montana law to receive confidential health care information on the patient. This includes parents who are legally responsible for their minor children, close family members who are recognized by the patient or Montana law as having the legal ability to act on the patient's behalf with regard to medical and/or financial decisions, or legal guardian under Montana law.

Medically Necessary: Emergency medical services provided in an emergency department setting.
Non-elective services provided in response to life-threatening circumstances in a non-emergency department setting or services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual.

Responsible Party: The patient or any individual legally obligated to pay for the patient’s debts for medical care, excluding third party payers. An adult patient, living in the household of the relative other than a spouse – including an adult, unmarried child living at home – will be considered the “responsible party” for purposes of this policy, without regard to the assets and income of the other relatives living in the household (except a spouse).

Third Party Payer: Any financial agent or entity, such as an insurance carrier, HMO, employee benefit plan, or government payer, with a legally enforceable obligation to pay for services billed to the patient by Livingston HealthCare. (Responsible parties, as defined herein, are not considered third party payers.)

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

Uninsured: The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

Presumptive Eligibility: Medicaid eligibility may be an indication that an individual qualifies for financial assistance under presumptive eligibility. (79 Fed. Reg. 78992) Livingston HealthCare may apply presumptive eligibility for line item charges that are considered non covered services by Medicaid.

Amount Generally Billed: AGB to patients who have insurance covering emergency or other medically necessary care. Section 1.501(r)-5(b) of the CFR final regulations. Livingston HealthCare will be calculating the AGB on the **Prospective Medicare Method**. Individuals who have been determined to be eligible for financial assistance cannot be charged more than AGB.

Procedure

A. Services Eligible Under This Policy:

1. Emergency medical services provided in an emergency department setting.

2. Non-elective services provided in response to life-threatening circumstances in a non-emergency department setting.
3. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual. In the event a question arises as to whether the “condition” fits these criteria, the patient’s physician shall be consulted. Further review may be directed to a physician advisor or committee appointed by Livingston HealthCare.
4. Eligible services will be considered for financial assistance up to 240 days from date of “first post discharge” billing statement is provided. (Some services can be considered beyond the 240 days if determined to be special circumstances Livingston HealthCare). Approval is valid for one year from the date of determination. This one year time span may go 6 months back and 6 months forward from determination date based on the patient’s circumstances. Livingston HealthCare reserves the right to re-determine eligibility based on a change in circumstances.
5. Health care services, including elective, cosmetic, or other care deemed to be generally non-reimbursable by traditional insurance carriers and government payers shall not be considered eligible for financial assistance. Livingston HealthCare has the option to specify certain additional elective procedures for which no financial assistance options will be given.
6. Professional Services received in the Emergency Department and other dept’s of the hospital are covered under this policy, when the Provider is employed by Livingston HealthCare. A current list of Providers will be maintained as an attachment to this policy.

B. Persons considered under this policy must meet all of the following criteria:

1. The patient must be a resident of Montana, or be an established patient of Livingston HealthCare, and
2. Must have exhausted all insurance benefits, and

3. Must have exhausted all other third party and financial resources available, to include applying for coverage with the Marketplace offered by the Affordable Care Act, and
4. The maximum family income (husband and wife) does not exceed Livingston HealthCare's standard related to the Federal Poverty Guidelines and there are not sufficient liquid assets (cash on hand, checking and savings accounts) to satisfy Livingston HealthCare bills.

C. Initiation of Financial Assistance:

- 1. Financial Assistance may be initiated in a number of ways:**
 - a) A patient with a self-pay balance due notifies Patient Financial Services representative that he/she cannot afford to pay the bill and requests assistance.
 - b) A patient presents at a clinical area without insurance and states that he/she cannot afford to pay the medical expenses associated with their current or previous medical services.
 - c) A physician or other clinician refers a patient for financial assistance evaluation.
 - d) A financial assistance application is offered to patients as part of the financial counseling process.
 - e) Livingston HealthCare will follow 501 (r) regulation guidelines providing reasonable efforts to determine financial assistance eligibility, Collection letter sent to patient 120 days after "post discharge" statement, reminding patient of potential availability of financial assistance, 30 days before delinquent account is to be sent to collection agency.
 - f) A patient presents at Community Health Partners, provider refers patient for services at Livingston HealthCare. CHP will notify LHC if patient qualifies for CHP sliding fee schedule charity discount or give patient an LHC Financial Assistance packet.

D. Application Process

1. A Financial Counselor is a designated person at Livingston HealthCare who will be responsible for taking financial assistance applications. Anyone requesting financial assistance should be referred to a Financial Counselor for an initial screening for eligibility.

2. **The patient and/or Responsible Party is required to provide the following:**
 - a) A completed, legible financial assistance application
 - b) A copy of patient's recent federal income tax return. If married and filing separately, the patient should also supply the spouse's tax return
 - c) A copy of the three (3) most recent pay stubs if employed or other evidence of income (and spouse's if applicable).
 - d) Copy of the past three months bank statements (savings and checking)
 - e) Proof of US citizenship or permanent residence status (utility bill, driver license)
 - f) An exemption notification from the Marketplace indicating that you were not eligible for assistance for insurance coverage plans offered by the Affordable Healthcare Act (if available)
 - g) Written verification from public assistance agencies, such as Medicaid, reflecting denials for eligibility (upon request) and as appropriate
 - h) Written verification of denial for unemployment or worker's compensation benefits (upon request) and as appropriate
 - i) Reasonable proof of other declared expenses

E. Eligibility Determination

1. When considering a financial assistance application, Livingston HealthCare may request the Responsible Party first pursue other resources of payment, including but not limited to obtaining

private insurance coverage through the Marketplace as offered by the Affordable Healthcare Act, Medicaid, Supplemental Social Security Income or Disability Income (SSI or SSDI) or other Third Party Payers as appropriate. If the patient is unwilling to pursue other potential Third-Party Payer sources in a timely manner, Livingston HealthCare will not consider the patient's request for financial assistance.

2. The instructions required to complete the Financial Assistance application will be furnished to the patients and/or the Responsible Party. Livingston HealthCare will provide personnel to assist patients and/or Responsible Party in understanding the criteria for eligibility and how to fill out the application.
3. The patient or the Responsibility Party will be asked to bring in completed application and requested documentation within 15 business days from receipt of an application for timely processing, but realize that per 501(r) regulations has up to 240 days from date the first "post-discharge" billing statement is provided to apply for Financial Assistance.
4. Once a patient has submitted all the required information, a Financial Counselor will review and analyze the application based on Livingston HealthCare guidelines. If the application is complete and appropriate, the Financial Counselor will recommend the patient's level of eligibility and process for final authorization.
5. If Livingston HealthCare determines that any material documentation or information submitted is untrue or falsified, the application will be denied.

F. Basis for Determination of Patient Responsible Amount:

1. Livingston HealthCare will determine "Amount Generally Billed" (AGB), by using the Medicare Prospective method as described in CFR

Section 1.501(r)-5(b) of the final regulations. For all Emergent and Medically Necessary patient accounts deemed eligible for financial assistance under this policy. Individuals who have been determined to be eligible for financial assistance cannot be charged more than AGB. The most current CMS Medicare rates calculated on cost for Livingston HealthCare. The AGB discount will be figured on Gross Charges.

2. Partial assistance may be provided as a percentage of the AGB based upon where the application falls on the Federal Poverty Guidelines between 100% and 200% of income.

G. Communication of Financial Assistance

Communication of the availability of financial assistance from Livingston HealthCare shall be provided by various means, which may include, letter, sent 120 days after “post discharge’ billing statement, notification on patient statements, posted notices in registration sites within the facility and patient financial service areas, on the Livingston HealthCare website, Physician referral, community Health Fairs and Farmers Markets. Community Health Partners, (which is a separate entity from Livingston HealthCare.)

H. Miscellaneous

1. Once a patient is approved for financial assistance, it is expected that the patient will continue to **meet his/her required financial commitments** to Livingston HealthCare. If the patient does not make the expected payment for their remaining patient responsibility, the account will go through the collection process, as outlined in Livingston HealthCare Billing and Collections Policy, which is available on our web site

www.livingstonhealthcare.org or upon request by contacting PFS office at 406-823-6414.

2. A **Community Health Partners** referred patient's account will be calculated on the CHP slide for clinic specialty visits, x-rays, lab and rehab services and all other medically necessary services. A copy of Community Health Partners referral will be kept on file. CHP will provide and help patient fill out LHC FAP application if additional patient information is needed, according to the LHC Financial Assistance policy. This additional information may be requested for adjusted patient charges totaling more than \$8,000 annually. If additional information is requested and not provided or provided and the financial need is not verified, then the patient loses eligibility prospectively.
3. **Minor children/Divorced parents** – for minor children of divorced parents, when both parents/legal guardians are responsible parties, information regarding both parents will be required to complete a Financial Assistance application. However, if after reasonable efforts, circumstances prevent the applicant from obtaining financial information for all responsible parties, information from responsible parties residing in the same household of the minor child/children will be used to make the determination.
4. **Collection Agency Accounts** – Accounts assigned to an outside collection agency will be eligible for financial assistance, up to 240 days after” post discharge” billing statement is provided. To comply with 501 (r) regulations these accounts will be put on hold with the Collection Agency if a financial assistance application is received and be pulled back from the agency if the application has been approved.
5. **Appeals** – The patient and/or Responsible Party may appeal a denial of eligibility for financial assistance by providing additional information to Patient Financial Services/Financial

Counselor with 14 days of receipt of notification of denial. All appeals will be reviewed by the Patient Financial Services Manager for final determination. If the final determination affirms the previous denial of financial assistance, written notification will be sent to the patient, legal guardian, and/or responsible party.

6. **Assets** directly related to the earnings and livelihood of the household may be exempt if deemed necessary and reasonable to the continued ability to maintain the household. (I.e. a savings account set aside for end of life expenses, a Certificate of Deposit that the interest proceeds provide the sole income).
7. **Life changing events** – If a patient that currently is receiving financial assistance from Livingston HealthCare experiences a life changing event (i.e. death of family member, extended illness) that directly impacts the previously stated family income, the patient may re-apply for financial assistance based on the current family income and the percentage of assistance may then be recalculated

References

Attachments

Currently F/A coverage Provider list

Current provider list Financial Assistance coverage under CAH and Swing bed as of Aug 2019

Included:

Emergency Department Providers:

Arnet, Krista DO

Arnet, Kyle MD

Guercio, Brian MD

Schulein, Mark, MD
Wright, Raymond, MD
Wilkinson, Benjamin DO
Lange, Stefanie, MD

Other Hospital Providers:

Allen, Kevin CRNA
Armstrong, Todd CRNA
Barker, Trish PA
Bensen, Elizabeth MD
Bressler, Nicole MD
Buchanan, Mosases CRNA
Burbach, Brynn CRNA
Buniel, Maria MD
Chevy, Daniel MD
Christophel, Kayli PA
Clare, Chelsey, RDN
Coleman, Paula, CPNP
Coleman, Scott, MD
Cormier, Jason CRNA
DeArmond, Nicole PA
Dupea, Hannah MD
DiCross, Heather, MD
Farrar, Jessica MD
Flook, Benjamin, MD

Garrett, Todd CRNA
Hayasaka, Wallace MD
Helin, Denise, MD
Higgs, Julie, CRNA
Holmes, Steven CRNA
Martini, Cody CRNA
Maixner, Andrew MD
Marsik, Julia PA
Martini, Cody CRNA
Monroe, Jacqueline CRNA
Nicol, William, CRNA
Palm, Grant, CRNA
Pinango, Henry, MD
Pinango, Kyra, MD
Poskaitis, Kerianne CRNA
Ray, Ronald CRNA
Raboy, Judith , NP wound care
Reid, Genevieve, MD
Reyna, Joseph, CRNA
Roberts, Justin, MD
Roll, Bonnie, CNM, WHCNP
Romero, Joseph CRNA
Sabol, Anthony CRNA
Schwartzter, Sonya MSW LCSW
Scofield, Ted, MD

Seibert, Shelly CRNA
Smith, Brock CRNA
Spencer, Jacquot PA
Spromberg, Christopher Psy D
Stevenson, Rae MD
Sullivan, Kelsey, PA
Swanson, Daniel MD
Swarny, Bruce , MD
Thorpe, Trevor CRNA
Trundell, Jason CRNA
Van Alstine, Luke MD
Wadle, Douglass, MD
Wallen, Kenny CRNA
Walker, Kelly, MD
Willmann, Erin, CRNA
Winters James DNP CRNA
Wolpoe, Matthew MD

All Radiology professional “reading fees” are billed by Livingston HealthCare and are covered under this F/A policy.

Excluded :

Livingston HealthCare Urgent Care Clinic

Outreach Billings Clinic Radiologists performing interventional patient procedures.

Outreach Billings Clinic Oncologists

Outreach Eyecare professionals providers

Outreach Oculoplastics Peckinpaugh, Jeffrey, MD

Outreach Bridger ortho providers

Reference Labs

Pathology services