



# Boulder City Hospital

## FINANCIAL ASSISTANCE POLICY (PLAIN LANGUAGE)

### POLICY

Boulder City Hospital's mission is to continually improve the quality of the care and service to our patients, guests, and physicians. As part of that commitment, Boulder City Hospital appropriately serves patients in difficult financial circumstances and offers financial assistance to those who have an established need to receive medically necessary medical services. Financial Assistance is defined as healthcare services provided at no charge or at a reduced charge to patients who do not have nor cannot obtain adequate financial resources or other means to pay for their care. This is in contrast to bad debt, which is defined as patient and/or guarantor who, having the financial resources to pay for healthcare services, has demonstrated by their actions an unwillingness to resolve a bill. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account race, creed, gender, national origin, disability, age, social immigrant status, or sexual orientation.

### PURPOSE

To establish policies and procedures necessary to ensure that patients of Boulder City Hospital, who for economic and financial reasons cannot meet the requirements of the collection policy, are provided with the Boulder City Hospital's Financial Assistance Policy. For the purpose of this policy, 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 the organization's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

**Family:** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to the 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.

**Family Income:** Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, worker's compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and miscellaneous sources.
- Noncash benefits (such as food stamps and housing subsidies) do not count.
- Determined on a before-tax basis.



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- Excludes capital gain or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

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

**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.

**Medically Necessary:** As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

## MEASURES TO PUBLICIZE THE FINANCIAL ASSISTANCE POLICY

Notification about charity care available from Boulder City Hospital which shall include a contact number shall be disseminated by Boulder City Hospital by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments, hospital business offices. Boulder City Hospital also shall publish and widely publicize a summary of this financial assistance policy on facility website, in brochures available in-patient access sites. Such notices and summary information shall be provided in the primary language spoken and any other language spoken by 10% of the community population serviced by Boulder City Hospital.

## PROCEDURE

For purposes of this policy, “charity” or “financial assistance” refers to healthcare services provided by Boulder City Hospital without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity.

- Emergency medical services provided in an emergency room setting.
- Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual.
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
- Medically necessary services evaluated on a case-by-case basis at Boulder City Hospital’s discretion.

Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government healthcare 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 take into account age, gender, race, social immigrant status, sexual



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orientation or creed. Boulder City Hospital shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.

### **BASIS FOR CALCULATING THE AMOUNTS GENERALLY BILLED**

The amount the patient is expected to pay, and the amount of financial assistance offered depends on the patient's insurance coverage, income, and assets. The Federal Income Poverty Guidelines will be used in determining the amount of the write-off and the amount charged to the patients. Amounts charged for emergency and medically necessary medical services to patients will not be more than the amount generally billed to individuals with insurance covering such care. The basis for calculating amounts charged to patients, Boulder City Hospital has chosen to use the perspective method; the hospital estimates estimated payment amounts if the patient was a Medicare fee-for-service or Medicaid beneficiary. Boulder City Hospital will provide an itemized statement to the patient showing the charges and the discount amount applied to the patients account. The discount will be applied once the patient has submitted a complete application for financial assistance.

### **METHOD OF APPLYING FOR FINANCIAL ASSISTANCE**

It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. 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. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may

- 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 making a determination of financial need;
- 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);
- Include reasonable efforts by Boulder City Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- Take into account the patient's available assets, and all other financial resources available to the patient; and
- Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
- The patient is required to submit documentation of their financial status. The patient must submit a completed Financial Assistance Application.



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- As a minimum requirement the patient must furnish a copy of last year's tax return, last three month's income or a bank statement for proof of income, checking and savings account balances, and investment account balances.
- Accounts eligible for charity care are to be addressed within 240 days of first bill.

Boulder City Hospital'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 Boulder City Hospital shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

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 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. Boulder City Hospital could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

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

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. The basis for the amounts Boulder City Hospital will charge patients qualifying for financial assistance is as follows:

- Patients whose family income is at or below 200% of the FPL are eligible to receive free care;
- Patient whose family income is between 200% and 300% of the FPL would be eligible to receive a sliding scale discount ranging from 60% to 90% discount.
- Patients whose family income exceeds 300% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Boulder City Hospital; however,



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- The discounted rates shall not be greater than the amounts generally billed commercially insured patients. Once the patient has been deemed eligible, Boulder City
- Hospital will apply the FAP discount to the patients account.
- Boulder City Hospital's management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of nonpayment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from Boulder City Hospital, and a patient's good faith effort to comply with his or her payment agreements with Boulder City Hospital. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, Boulder City Hospital may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts
- Boulder City Hospital will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:
  - Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;
  - Documentation that Boulder City Hospital has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
  - Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

### COLLECTION ACTIVITY

Boulder City Hospital will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy.

If our collection agency identifies a patient is meeting financial assistance eligibility criteria, the patient's account may be considered for financial assistance. Collection activity will be suspended on accounts, and the financial assistance application will be reviewed. If the entire account balance is adjusted, the account will be returned. If a partial adjustment occurs, the patient fails to cooperate with the financial assistance process, or if the patient is not eligible for financial assistance, collection activity will resume.

In implementing this Policy, Boulder City Hospital's management shall comply with all other federal, state, and local laws, rules and regulations that may apply to activities conducted pursuant to this Policy.