

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 1 of 7

SUBJECT: FINANCIAL ASSISTANCE POLICY

EFFECTIVE: 9/2004

___ REVIEWED OR _x_ REVISED date: 9/2017

Applicable Campus:

Poughkeepsie
 Valhalla

Patient population:

Neonate Pediatric
 Adult Behavioral Health Not applicable

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

PURPOSE of the DOCUMENT WMC, a non-for-profit healthcare organization, is devoted to continued excellence in patient care and serving the community. As a partner in the community, WMC recognizes that it is often necessary to provide care to patients without charge or at amounts less than its established rates while assuring that the long term viability of the hospital is not threatened.

POLICY STATEMENT It is the policy of Westchester Medical Center (Valhalla), including MidHudson Regional Hospital of Westchester Medical Center (Poughkeepsie), (collectively, "WMC") to provide Financial Assistance in compliance with New York State laws and regulations.

SCOPE This policy applies to all WMC employees, contractors (including collection agencies), medical staff, and residents.

DEFINITIONS

1. The Primary Service Area of WMC, Valhalla is defined as the five counties of Westchester, Putnam, Orange, Rockland, and Bronx. The Primary Services Area of WMC, Poughkeepsie is defined as the five counties of Putnam, Orange, Dutchess, Columbia and Ulster.
2. "Financial Assistance" means inpatient and outpatient medically necessary treatment and diagnostic services for uninsured or underinsured patients who cannot afford to pay for the care according to established hospital guidelines. Such treatment is provided by WMC with the expectation that total payment may not be received. Financial Assistance does not include bad debt or contractual allowances / shortfalls from government or other programs.
3. "Uninsured Patient" means a patient who lacks any medical insurance coverage or a patient who has exhausted his / her medical coverage.
4. "Underinsured Patient" means a patient who has some form of health insurance coverage but has a significant self-pay responsibility which they cannot afford to pay.
5. "Co-pays and deductibles" mean the required out-of-pocket self-pay responsibility under the terms of a patient's insurance or government sponsored medical coverage policy.
6. "Bad Debt" is defined as expenses resulting from treatment for services provided to a patient and / or his or her guarantor who, having the requisite financial resources to pay for health care services, has demonstrated by his / her actions an unwillingness to comply with the contractual arrangements to resolve a bill.
7. "Medically Necessary Services" shall mean health care services for the purpose of evaluating, diagnosing, or treating an illness, injury, or disease in accordance with Generally Accepted Standards of Medical Practice.
8. "Emergency Medical Condition" is defined by section 1867(a) of the Social Security, also known as the Emergency Medical Treatment and Active Labor Act ("EMTALA"). EMTALA defines an emergency medical condition as a medical condition manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention could reasonably be expected to result in: (i) placing the health of the individual in serious jeopardy; (ii) serious impairment to bodily functions; or (iii) serious dysfunction of any bodily organ part. EMTALA also defines an emergency medical condition to include a pregnant woman who is having contractions.
9. "Elective Services" shall mean all other services not defined as an Emergency Medical Condition.

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 2 of 7

SUBJECT: **FINANCIAL ASSISTANCE POLICY**

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

AUTHORING DEPARTMENT Patient Financial Services / Patient Accounting

PROCEDURE

A. Non-discrimination

WMC shall render medically necessary services to all members of the community, as defined in paragraph three (3) above, who are in need of medical care regardless of the ability of the patient to pay for such services. The determination of full or partial Financial Assistance will be based on the patient's ability to pay and will not be abridged on the basis of age, sex, race, creed, disability, sexual orientation, immigration status or national origin.

B. Confidentiality

The need for Financial Assistance may be a sensitive and deeply personal issue for recipients. Confidentiality of information and preservation of individual dignity shall be maintained for all who seek charitable services. Orientation of staff and the selection of personnel who will implement this policy and procedure will be guided by these values. No information obtained in the patient's Financial Assistance application will be released unless the patient gives express permission, in writing, for such release.

C. Eligibility for Financial Assistance

- a. All patients who are residents of New York State are eligible for Financial Assistance for an Emergency Medical Condition. Financial Assistance is also available for Medically Necessary Services to patients residing in the Primary Service Area for a non-Emergent Medical Condition. However, WMC may extend its Financial Assistance policy to others as may be approved on a case-by-case basis. This policy will is not available for patients receiving non-medically necessary services, such as cosmetic procedures or procedures for patients enrolled with insurance companies which do not contract with WMC.
 - b. The determination of eligibility for Financial Assistance will be made upon receipt of a completed application from the patient or authorized representative. Generally, a patient is presumptively eligible for some form of financial assistance if his or her income level is below 500% of the federal poverty level and he /she follows the procedures outlined in this policy to request assistance.
 - c. The hospital will consider income levels when determining eligibility for Financial Assistance. Primary residence, assets held in a tax deferred or other comparable retirement account savings, college account savings, or cars used regularly by patients or immediate family will not be taken into consideration.
 - d. WMC will make a determination of eligibility for Financial Assistance based upon income levels provided during the application process. Qualification for the Financial Assistance program is based solely on the patient's monthly or annual income in relation to the **federal poverty guidelines**.
 - e. Financial Assistance discounts will be applied based on the guidelines listed in table 7.6 below. The poverty guidelines in this table (add link) apply to all services except for clinics which have a separate, flat-rate structure detailed below in paragraph E.
-

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 3 of 7

SUBJECT: FINANCIAL ASSISTANCE POLICY

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

- f. The maximum amount a patient will be responsible for under this policy will not exceed the rate established under the Medicare FFS for the facility, in accordance with Section 501(r) of the Internal Revenue Code.
- g. This Financial Assistance Policy applies to the Hospital and the providers affiliated with its related entity, Westchester Medical Center Advanced Physician Services, P.C. only. Any other Physicians, Providers or Provider Groups, including the Emergency Room Physicians or Boston Children's Health Physicians are not covered under this policy. You may call your provider directly if you have any questions about their policies.

D. Table of Financial Assistance Tiers Based on Income Levels (excluding clinics)

Financial Assistance Tier	Family Income as % Federal Poverty Level	Outpatient Discount of Billed Charges	Inpatient Discount of Billed Charges	Plan Code
Level I Free	<=250 %	100%	100%	P11
Level II Discounted	251% - 350%	50%*	50%*	P12
Level III Discounted	351% - 500%	30%*	30%*	P13
Level IV Limited Exposure	Out-of-Pocket expense > 20% of the family income	50%	50%	P14

***Not to exceed the Medicare FFS rate, in accordance with Section 501(r) of the Internal Revenue Code.**

- E. WMC will provide all-inclusive clinic services at the rates outlined in the table below for those patients who qualify for Financial Assistance.

Financial Assistance Tier	Family Income as % Federal Poverty Level	All-Inclusive Clinic Fee
Level I Free	<= 250%	Free
Level II Discounted	251% - 350%	\$25.00
Level III Discounted	351% - 500%	\$50.00

F. Application Process

- a. Patients will complete an **application** to apply for Financial Assistance from WMC. Patients who do not have insurance may qualify for Financial Assistance based on their monthly or annual income and their family size. Patients having insurance may also be eligible for Financial Assistance for their deductibles

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 4 of 7

SUBJECT: **FINANCIAL ASSISTANCE POLICY**

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

and coinsurance, if the services are medically necessary. Financial Assistance policies will not apply to portions of the bill covered by insurance, except for applicable coinsurance and deductible amounts.

- b. Requests for Financial Assistance may be proposed by sources other than the patient, such as the patient's physician, family members, community or religious groups, social service organizations, or hospital personnel. The patient shall be informed of such a request. This type of request shall be processed like any other and be subject to the Financial Assistance qualification guidelines.
- c. The hospital shall send anyone who requests information on WMC's Financial Assistance program an application and an **informational sheet** about the program.
- d. If hospital has a reasonable basis for believing that a patient may be eligible for Medicaid or other publicly sponsored insurance program, then hospital will have the right to require patient(s) to cooperate in applying for such coverage as a condition for receipt of Financial Assistance. WMC will document a reasonable, good faith basis for believing the patient may be eligible for Medicaid coverage and will document the reason in the patient's records.
- e. WMC's Financial Assistance representatives will provide application assistance to all patients. Reading, writing and / or translation services, when needed, will be offered to all patients.
- f. WMC will make all attempts to have the patient complete a Financial Assistance application at or before the time services are rendered. The patient will be allotted ninety (90) days from the date of discharge or from date of service to submit the completed application and an additional twenty (20) days to submit all required documentation.
- g. If verification of financial information is needed, the hospital shall request such information from the patient. Patients may use a variety of information to substantiate financial circumstances, such as paycheck stubs, W-2 forms, and unemployment or disability statements. If those items are unavailable, a letter of support from individuals providing for the patient's basic living needs will be accepted. WMC may utilize third-party financial reporting services (i.e. Search America) to verify the information provided. Hospital reserves to request any other documentation as may be allowed under law and state regulations.
- h. If a deposit is requested of the patient prior to non-emergency but medically necessary care, such deposit will be included as part of any financial assistance consideration.

G. Approval Process

- a. The patient shall be notified in writing within ten (10) business days after receipt of the Financial Assistance application and any supporting materials as to whether the patient qualifies for the Financial Assistance program. The patient shall receive **notification** stating that Financial Assistance eligibility will be effective for a period of one year, barring any change in the financial condition of the patient and family.
- b. If the patient has applied for and has been approved for Financial Assistance within the last twelve (12) months and the patient's financial circumstances have not changed, the patient shall be deemed eligible for Financial Assistance without having to submit a new Financial Assistance application.

H. Presumptive Financial Assistance

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 5 of 7

SUBJECT: FINANCIAL ASSISTANCE POLICY

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

- a. WMC realizes that certain individuals may not overtly request Financial Assistance, even if he or she would clearly qualify under the charity policy. While the accounts for these patients will follow the normal collection process, the Medical Center may take the following action:
 - i. Accounts that have been returned from a collection agency as uncollectible bad debt may be reviewed further by the Medical Center using external financial and demographic data validation services provided through a nationally-recognized third party service (i.e. Search America). Such service will provide the Medical Center with, at a minimum, the individual's estimated percentage of the federal poverty level and family size (obtained through public financial records and demographic data sources).
 - ii. The Medical Center will use this presumptive Financial Assistance data to determine which accounts may be reclassified from bad debt to Financial Assistance, in accordance with the terms of this policy and the FPL limits outlined in paragraph seven (7) above.
 - iii. The documentation sent to the third party service to initiate the background and financial inquiry, as well as all results returned from the third party service, will be maintained in the Patient Accounting Financial Assistance files.

I. Denial and Appeal Process

- a. If it is determined that the patient does not qualify for the Financial Assistance program, the patient shall be informed in writing within ten (10) working days of the denial. All reasons for denial shall be provided in the correspondence.
- b. Included in the denial correspondence will be information about how to appeal the decision not to grant Financial Assistance.
- c. Each patient denied Financial Assistance may petition the hospital, in writing, within thirty (30) days for reconsideration based on extenuating circumstances.
- d. Financial Assistance appeals will be presented to an ad-hoc Patient Relations Committee which will consist of, but not be limited to, the following individuals:
 - Vice President with administrative responsibility for Patient Accounts
 - Director, Patient Accounts
 - Program Administrator, Patient Accounts
 - Patient Relations Specialist
- e. All appeals will be evaluated on a case-by-case basis taking into consideration the many unique factors impacting a patient's ability to pay. WMC may, at its discretion, extend financial assistance beyond that required in this policy.
- f. Patients will be notified of the determination or status of the appeal within thirty (30) days from receipt of the appeal from the patient.

J. Communication

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 6 of 7

SUBJECT: **FINANCIAL ASSISTANCE POLICY**

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

- a. In an effort to notify patients of the Financial Assistance program, summary information sheets outlining the Financial Assistance Program, the application process and contact telephone numbers for additional information shall be available at all patient registration desks and in all waiting areas. Additionally, **signage** indicating the availability of the Financial Assistance program will be placed at all patient registration areas.
- b. WMC shall provide notice of the hospital's Financial Assistance program in English and/or Spanish during any pre-admission, admission, and discharge process.
- c. All hospital employees in patient accounting, billing, registration, and emergency areas will be fully trained in the hospital's Financial Assistance policy, have access to the application forms, and be able to direct questions to the appropriate hospital representatives.
- d. All staff with public and patient contact will be trained regarding the availability of a Financial Assistance program at WMC and on how to direct patients to the appropriate representatives for assistance and further information.
- e. WMC will designate individuals in the Financial Aid Office as specialists in the Financial Assistance process. These individuals will provide and / or coordinate the assistance measures outlined in this policy and will oversee all aspects of the Financial Assistance application process.
- f. A statement regarding the availability of financial assistance programs, including Financial Assistance, will be included on all bills and data mailers sent to patients by WMC. Included will be information on how to contact WMC for more information or to apply for the program.

K. Record keeping

- a. All Financial Assistance applications will be kept on file for five (5) years. A copy of the patient's Financial Assistance application and all correspondence with the patient regarding the approval, denial and appeal will be maintained in the patient's file.
- b. Financial Assistance shall be recorded using the direct write-off method and shall comply with all accounting regulations by the American Institute for Certified Public Accounting. Transaction codes and plan codes will be established in WMC's computerized patient billing system to adequately track and report Financial Assistance activity.

L. Reporting

- a. WMC shall provide a copy of the hospital's Financial Assistance program and report the amount of Financial Assistance provided in cost and charges in its annual financial statements. The hospital shall file a copy of the hospital's Financial Assistance program with all appropriate local and state agencies.
 - b. The Director of Patient Access / Patient Accounts will audit the Financial Assistance process by sampling a minimum of ten (10) Financial Assistance applications biannually. A complete review of the documentation, correspondence with the patient and subsequent financial activity on the accounts will be reviewed. An appropriate investigation and follow-up education will be conducted in the event any deviation from this policy is uncovered.
-

WESTCHESTER MEDICAL CENTER

Administrative: Policy & Procedure

Manual Code:

Page 7 of 7

SUBJECT: **FINANCIAL ASSISTANCE POLICY**

NOTE: The e-version of this document is the latest and the only acceptable one. If you have a paper version of it, you are responsible to ensure it is identical to the e-version. Printed material is considered to be uncontrolled documentation.

REFERENCES – Credit and Collection Policy

APPROVALS –

VP, Revenue Cycle

VP, Managed Care

Executive Vice President, Finance

To go at the bottom of the last page ~ Archival history:

Reviewed:	Most recent listed first (Example: 8/2014, 3/2010, 12/2008, 10/2007)
Revised:	Most recent listed first (Example: 5/2012, 9/2005, 11/2003, 12/2001, 2/1999)
