



MANUAL: Organizational (Administrative)		FOLDER: Rights and Responsibilities of the Individual	
TITLE: Patient Financial Assistance		DOCUMENT OWNER: Patient Access Director	
DOCUMENT ADMINISTRATOR: Vice President Revenue Cycle		KEYWORDS:	
ORIGINAL DATE: June 2004	REVISION DATE(S): November 2015, May 2016, September 2017		

SCOPE:

For the purposes of this document the abbreviation RHS applies to the following Reading Health System (RHS) subsidiary entities: Reading Hospital (including Reading Health Rehabilitation Hospital) and Reading Health Physician Network. This policy and procedure does not apply to non-employed physicians providing care to RHS patients.

PURPOSE:

To ensure standard procedures are established and practiced throughout RHS in reference to identifying and consistently assisting patients in need of financial assistance. RHS is designated as a charitable organization under Internal Revenue Code (IRC) Section 501(c) (3). In compliance with IRC Section 501(r), it is required to establish and widely publicize the organization’s financial assistance policy. The intention of the policy is to identify and serve patients in financial need, as well as to create an increased awareness of the availability of financial assistance throughout the Health System and community.

POLICY:

As part of the RHS mission of providing compassionate, accessible, high-quality, cost-effective health-care to the community, there is recognition that not all patients have an equal ability to pay for medical services. RHS shall widely publicize the availability of financial assistance to the community through the Health System website, brochures and engagement with community advocacy groups. Financial counselors will educate patients and families in reference to available resources and will provide assistance with the financial assistance application and approval process to ensure all patients continue to have the opportunity to access the care they need.

DEFINITIONS:

EMTALA (the Emergency Medical Treatment and Labor Act): Federal regulatory requirement which states any hospital that accepts payments from Medicare to provide care to any patient who arrives in its emergency department for treatment, regardless of the patient’s citizenship, legal status in the United States or ability to pay for the services.

Federal Poverty Guidelines (FPL): These guidelines are published annually in the Federal register and are utilized to determine a baseline for the poverty level. The Department of Health and Human Services publishes this statistical information.

Financial Assistance: Healthcare provided to patients without the expectation of payment for services, in whole or in part, as determined by a patient’s financial inability to pay.

Guarantor: The individual who is legally and financially responsible for payment of a patient's bill.

High dollar services: For purposes of this policy, high dollar services are defined but not limited to services being generated by high-cost departments, such as high-end imaging, cardiology, perioperative services, scheduled admissions, and respiratory services, as well as outpatient therapy services.

Household composition: Determined by the tax household size. Household size includes but not limited to tax filer, tax filer's spouse and other tax dependents.

Household income: Income of those residing in the household, includes but not limited to wages, interest, dividends, social security benefits, veteran's benefits, pensions and spousal income. For the purpose of eligibility of financial assistance, examples of income which are excluded are temporary assistance for needy families (TANF) benefits, supplemental nutrition assistance program (SNAP) benefits, low income home energy assistance program (LIHEAP) benefits, and weatherization benefits.

Medicaid: A joint federal and state program that assists with medical costs for some people who have limited income and resources.

Medically necessary services: Healthcare services or supplies needed to diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine.

Presumptively eligible patients: Patients who are presumed to be eligible for financial assistance based on life circumstances such as homelessness, zero income, or previous eligibility for financial assistance programs.

Underinsured patients: Patients who have insurance coverage which results in high patient financial responsibility toward payment of their medical bills.

Uninsured patients: Patients who have no insurance coverage available for their medical needs.

PROCEDURE:

1) Creating awareness of the Patient Financial Assistance option

- a) The current Financial Assistance policy and applications for financial assistance, in English and Spanish, are accessible at www.readinghealth.org. Additionally, information in reference to providers who are not included in the patient financial assistance program will be maintained on the Reading Health System web site. Fees for services provided by physicians who are not employed by Reading Health System are excluded from the financial assistance policy.
- b) Pamphlets printed in English and Spanish will be available in lobbies and waiting areas throughout RHS. These pamphlets provide an easy-to-read summary of the financial assistance program, with contact information of RHS employees who will assist the patients with the application process. These pamphlets are also distributed to patients at the points of registration throughout RHS. Patients who are uninsured or who express the inability to pay at point of service are provided with the pamphlet. Emergency patients in these situations are provided with the pamphlet at the time of discharge.



- c) Patient billing statements for RHS services contain guidance and direction on the availability of the financial assistance program. In addition, the back of the billing statement is a financial assistance application.
- d) RHS will work closely with advocacy programs in the community. The availability of RHS financial assistance policy is shared with those agencies. Examples are Berks Western Clinic, Opportunity House, Berks Encore, Berks Community Health Center and Daniel Torres Hispanic Center, as well as the County Assistance Office.

2) Identifying patients in need of Financial Assistance for medically necessary services:

- a) As a result of the RHS patient financial services verification-of-coverage process, there will be the opportunity to identify uninsured patients and underinsured patients. RHS financial counseling resources will assist these patients with the Medicaid application process.
- b) Patients who are denied Medicaid coverage, or who are screened and determined to not meet the Medicaid coverage criteria, will be considered for the Patient Financial Assistance program.
- c) RHS patient financial services will utilize available eligibility resources to determine insurance coverage and benefits available to all patients. For scheduled patients, the verification of coverage will take place prior to patient's arrival for all high dollar services (ex. MRI, CT Scan, surgical procedures, cardiology services). Scheduled patients receiving services that are not defined as high dollar, as well as unscheduled patients, will have coverage verified at the time of check in. As a result of the verification of coverage process, patients may be requested to pay their confirmed patient liability amount prior to check in. Emergency medicine patients will have coverage verified after the point-of-medical screening exam, as required by EMTALA guidelines.
- d) RHS billing and collection policy outlines the process by which RHS will charge and bill uninsured patients, and pursue the collections of outstanding balances.

3) Determining eligibility for Financial Assistance

- a) Patients who are seeking, or have received medically necessary services and who demonstrate the inability to pay for services, will be considered for the financial assistance policy.
- b) Patients visiting from out of the country and requiring emergency services are eligible for consideration of financial assistance. However, patients visiting the United States with the intent of receiving non-emergent care are not generally eligible for financial assistance.
- c) Patients will be requested to provide verification of household income along with the names of people residing in the household, as a requirement of the application process. This information is utilized in determining where within the Federal Poverty Level Guidelines (FPL) the household falls. The FPL category will determine the patient or guarantor contribution amount toward their medical bill as indicated by the chart below:



FPL Category	Allowance	Maximum patient payment per encounter/visit
= < 200% FPL	100% financial assistance allowance	\$0
between 201% up to 250% FPL	90% allowance on MCR FFS rate	\$300
between 251% up to 300% FPL	80% allowance on MCR FFS rate	\$500
between 301% up to 350% FPL	70% allowance on MCR FFS rate	\$1,000
between 351% up to 400% FPL	50% allowance on MCR FFS rate	\$2,000

- d) Patients can also be determined to be presumptively eligible for financial assistance based on their current circumstances. RHS will utilize all available resources to verify presumptive eligibility. For example: electronic verification resources, management letters from family members or shelters, and/or the patient's own description of their current life circumstance will be taken into consideration. Patients qualifying for presumptive eligibility will receive 100% financial assistance.
- e) Patients are encouraged to begin applying for financial assistance as early as possible in the process of accessing medical care. The sooner RHS becomes aware of the financial need, the greater the opportunity exists to successfully connect the patient with potential resources such as Medicaid or other assistance or insurance programs. While it is ideal to initiate the process as soon as possible, patients are eligible to request consideration of financial assistance at any point in the billing and collection cycle. If the financial assistance application is initiated while the account is in the collection's process, collection activity will cease until determination of eligibility has been made.
- f) Decisions pertaining to eligibility for financial assistance will be made within 14 days of receipt of a complete financial assistance application. Incomplete applications will be reviewed and attempts to contact the patient/guarantor for additional information will be made. A confirmation letter in English and Spanish, and a revised patient billing statement, will be sent to the patient describing the outcome of the decision. The revised billing statement will take into consideration any excess payments made by the patient in determining the amount due.

When financial assistance is approved, the confirmation letter will also serve as a means of specifying time frame covered by the financial assistance determination. The confirmation letter will contain a contact name for the patient to retain as a reference and resource for additional questions.

- g) If financial assistance is not approved, letters in English and Spanish will be sent describing the reasons for the decision, as well as information on other payment options. Should patients wish to appeal the decision made, directions on the appeals process will also be provided.
- h) Patients or guarantors who disagree with the outcome of the financial assistance eligibility decision will have the opportunity to appeal the decision. Review of the appeal request will be the responsibility of the Director of Patient Access, the Vice President of Revenue Cycle and if necessary, the Senior Vice President and Chief Financial Officer.

GUIDELINE:

PROVIDER PROTOCOL:

EDUCATION AND TRAINING:

Patient Access Management team will be responsible for annual education on expectations covered in this policy. New patient access employees will be educated as part of their initial orientation.

REFERENCES:

COMMITTEE/COUNCIL APPROVALS:

CANCELLATION:

The content of this document supersedes all previous policies/procedures/protocols/guidelines, memoranda, and/or other communications pertaining to this document.