

## **SLHS FINANCIAL ASSISTANCE POLICY**

This updated Financial Assistance Policy is effective January 1, 2020.

All Financial Assistance Applications **submitted and processed on and after January 1, 2020** are subject to the updated Financial Assistance Policy, effective January 1, 2020. The updated Financial Assistance Policy which is effective January 1, 2020, applies to accounts **NOT** previously processed (currently included in a financial assistance discount).

St. Lawrence Health System and its affiliate organizations (St. Lawrence Health System, Canton-Potsdam Medical Practice, Gouverneur Hospital, Massena Hospital, and its employed and contracted physicians) are not-for-profit corporations, which render medical care to all persons in need of such care, regardless of their ability to pay. With the high cost of healthcare, increased deductibles, and the number of uninsured patients who choose to have services at our organization, we want to stress that a healthcare bill should never get in the way of receiving medically necessary healthcare services.

St. Lawrence Health System will provide financial assistance allowances for individuals who demonstrate that the cost of our services will create a financial hardship. St. Lawrence Health System will approve Financial Assistance on a case-by-case basis for catastrophic care.

We are committed to treating all patients with compassion, confidentiality, and cultural sensitivity, from the bedside through the billing process.

St. Lawrence Health System offers income based financial assistance.

- Help is offered to patients up to 300% of the Federal Poverty level
- Services must be medically necessary and provided by St. Lawrence Health System's facilities and employed and contracted professionals' scope of services
- Help is available to all individuals who meet income criteria
- Patients can apply for financial assistance in accordance with time constraints (see TIME CONSTRAINTS below)
- Patients may contact our Patient Financial Services Department for an application or to speak with a financial assistance representative at any of our sites, as follows:

<b>CANTON-POTSDAM HOSPITAL</b>	Patient Financial Services 50 Leroy Street Potsdam, NY 13676	(315) 261-5150
<b>GOVERNEUR HOSPITAL</b>	Patient Financial Services 77 West Barney Street Gouverneur NY 13642	(315) 535-9202
<b>MASSENA HOSPITAL</b>	Patient Financial Services 1 Hospital Drive Massena, NY 13662	(315) 769-4219

- Financial Assistance is made available to eligible patients regardless of their immigration status, race, language, color, sex, national origin, disability, religion, age, sexual orientation, or gender identity.

This policy is in conformance with New York State Department of Health's requirements established in the Public Health Law Section 2807-k (9a), known as the Financial Aid Law (FAL), as well as in compliance with the National Health Service Corps (NHSC) guidelines.

### **FINANCIAL ASSISTANCE DOCUMENTATION REQUIREMENTS**

#### **Identity (one of the following)**

1. Driver's License
2. United States of America (USA) Passport or Foreign Passport
3. Alien Registration Card/Work Authorization Card
4. Photo ID
5. Birth Certificate

#### **Income (as many as applicable)**

1. If Employed Weekly: Last 4 Pay Stubs; If Bi-Weekly: Last 2 Pay Stubs
2. Last Unemployment Check/Worker's Compensation/NY State Disability Check
3. Prior Year Income Taxes if Self Employed
4. Last Social Security/SSI Check
5. Last Pension Check
6. Other:

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### **PATIENT FINANCIAL SERVICES/FINANCIAL COUNSELING**

- Our staff will refer patients to the area facilitated enrollers.
- Eligibility will be determined for low income patients who fall below 300% of the Federal Poverty Level (FPL) and:
  - Are without health insurance
  - Have exhausted their health insurance benefits
  - Are unable to pay full charges
  - Have incurred co-insurance/deductible costs
  - Catastrophic care
- St. Lawrence Health System utilizes the Federal Poverty Guidelines (FPGS) for the current year as outlined at <https://aspe.hhs.gov/poverty-guidelines> when determining eligibility for Patient Financial Assistance. St. Lawrence Health System does not use presumptive financial assistance.
- St. Lawrence Health System reserves the right to deny benefits to patients who are not willing to provide the required financial documentation.

- All alternative payment resources must be exhausted, including all third-party payment from insurance(s), federal and state programs. If patients refuse to apply for Medicaid even though we determine they may be eligible based on current poverty guidelines, patients can still apply for financial assistance. Patients that do not fully complete a financial assistance application are eligible to receive a one-time 35% discount for all open accounts for medically necessary services.

#### **NOTIFICATION OF FINANCIAL ASSISTANCE**

- St. Lawrence Health System has posted signs throughout all Patient Access areas of each of its hospitals, Emergency Departments, and offsite clinics. Information and the patient application is also available on our website: [www.stlawrencehealthsystem.org/patients-visitors](http://www.stlawrencehealthsystem.org/patients-visitors).
- Patients are provided (upon request) a “Financial Assistance Policy Patient Summary,” which summarizes our policy. The Financial Assistance Policy Patient Summary will be accompanied with a cover letter and the Financial Assistance Application.

#### **COVERED SERVICES**

- Financial assistance allowances are available for medically necessary traditional inpatient and outpatient services for patients. Emergency services for all low income uninsured individuals, including those who are transferred according to EMTALA guidelines, will also be included in the Financial Assistance Program.
- Additional non-hospital charges such as those from the Radiologist, Ambulance transport, and Pathologist that patients may receive, are NOT covered by this program.
- Penalties applied for failure to obtain a referral from a primary care physician or prior authorization required by the patient, will not be covered by financial assistance services. Services for out of network provider denials will be reviewed and decisions made on a case-by-case basis.

#### **BENEFIT/DISCOUNT EXPLANATION & APPROVAL DISCOUNTS**

- As outlined in the Federal Guidelines, St. Lawrence Health System is allowed, but not required, to offer discounts on patient deductibles, co-insurance, spend-downs, co-payments, and/or any other dollar amount indicated as patient responsibility on the explanation of benefits.
- Definitions:
  1. Registered Self-Pay Patients are patients who do not have insurance (non-insured patients).
  2. Residual Self-Pay Patients are patients who have insurance and have a patient responsibility (balance after insurance).
- Prompt-Pay Discounts (PPDs) can be offered to patients receiving Financial Assistance (FA).
  1. Note: PPD is applied to patient balance AFTER the FA discount/adjustment
- Calculating Patient Responsibility for Patients Applying for FA and Determining FA

Discounts

1. Registered Self-Pay Patients

- Outpatient Services
  - Patient Responsibility = 78% of Total Charges
  - FA discounts are applied to Pt. Responsibility based on the FPL in chart below
- Inpatient Stays
  - Patient Responsibility = 100% of NY APR DRG (Institutional) + 100% of Professional Charges
  - FA discounts are applied to Pt. Responsibility based on the FPL in chart below

2. Residual Self-Pay Patients

- Outpatient Services
  - Patient Responsibility = deductibles, co-insurance, spend-downs, co-payments, and/or any other dollar amount indicated as patient responsibility on the explanation of benefits
  - FA discounts are applied to Pt. Responsibility based on the FPL in chart below
- Inpatient Stays
  - Patient Responsibility = deductibles, co-insurance, spend-downs, co-payments, and/or any other dollar amount indicated as patient responsibility on the explanation of benefits
  - FA discounts are applied to Pt. Responsibility based on the FPL in chart below

3. Approval Discounts based on FPL:

<b>FPL</b>	<b>Discount</b>	<b>FPL</b>	<b>Discount</b>
0 % - 100%	100%	181% - 190%	54.5%
101% - 110%	90%	191% - 200%	46%
111% - 120%	87.5%	201% - 210%	37.5%
121% - 130%	85%	211% - 220%	29%
131% - 140%	82.5%	221% - 230%	20.5%
141% - 160%	80%	231% - 240%	12%
161% - 170%	71.5%	241% - 250%	3.5%
171% - 180%	63%	251% - 300%	2%

4. The NY surcharge of 9.63% (rate established in accordance with the Health Care Reform Act) will be added to the total charges.
  - The NY state surcharge is assumed to be paid by the insurer for inpatient stays.

#### **TIME CONSTRAINTS**

- When applicable, Medicaid approval, denials, or spend-down decisions must be provided to the Patient Financial Services Office in order to determine application of financial assistance benefits.
- Patients have up to 240 calendar days from the date of the first billing statement post discharge date/ service date to request an application for financial assistance.
- When the Patient Financial Services Representative receives the application, he/she will review for completeness. If the application is incomplete, the Patient Financial Services Representative will advise the patient via a notification letter of the missing information. St. Lawrence Health System will allow an additional fifteen (15) business days for the patient to provide the missing information. If the patient submits the financial assistance application in person, he/she is informed of the missing information verbally while present and will also receive the notification letter of missing information while present instead of via mail.
- Although insurance status is NOT an eligibility requirement, if the patient has health insurance coverage for the date of the service but failed to provide this information to St. Lawrence Health System in a timely manner in accordance with the insurance guidelines and appropriate time for St. Lawrence Health System to bill the insurance, eligibility for financial assistance will be null and void; however, appeals will be accepted and reviewed via the normal appeals process as outlined in this policy. St. Lawrence Health System is under no obligation to approve these appeals, but will fairly review all reasons for initial non-compliance.
- If the additional information required is not received within 15 business days, St. Lawrence Health System will respond in writing that the application has been denied for failure to comply/submit the required information. The patient can appeal the decision.
- St. Lawrence Health System will respond in writing with either approval, or denial within 30 business days after receipt of completed application.

#### **INDIGENCY CRITERIA**

- While flexibility in applying guidelines to individual patient's financial situation is clearly needed, objective criteria are essential for consistent and reliable accounting treatment of financial assistance service and bad debts.
- Evaluation of the appropriate criteria in determining whether a patient is eligible for financial assistance services will be ongoing. This review is necessary for St. Lawrence Health System to properly identify the extent of resources devoted to such services and at the same time exercise good stewardship in expending its resources.
- If criteria are narrow and restrictive, the goal of objective and consistent determination may be achieved at the individual patient's expense. If criteria are too

broad and general, the classification of bad debts or financial assistance services becomes highly subjective and the possibility of misclassification increases.

- Flexible guidelines have been established which allow St. Lawrence Health System to exercise a reasonable degree of latitude in establishing eligibility for financial assistance. The guidelines include criteria for evaluating future, as well as, current ability to pay. In order to assure objectivity and consistent implementation of the financial assistance guidelines, which are established, St. Lawrence Health System will periodically review samples of patient accounts that have been accepted for financial assistance services. St. Lawrence Health System reserves the right to approve catastrophic services on a case-by-case basis.

#### **TRANSLATION SERVICES**

- Translation services will be provided to the patient upon request for completion of the application.

#### **REQUIRED DOCUMENTATION FOR APPLICATION PROCESS**

Patients are required to submit approved documentation confirming the following information:

In determining financial assistance eligibility, St. Lawrence Health System will consider the following guidelines and factors:

The Application: (See "Financial Assistance Application")

- Proof of identification and employment information
- Income from all resources - see the Census Bureau's standard definition of [income](#) for determining poverty.
- Number of dependents (anyone for whom you provide more than half of that person's support) - see the Census Bureau's definition of [Size of Family](#), below.
  - **Size of Household, Family or Subfamily of Household** is defined as all the people occupying a housing unit. "Size of family" includes the family householder and all other people in the living quarters who are related to the householder by birth, marriage, or adoption. "Size of related subfamily" includes the husband and wife or the lone parent and their never-married sons and daughters under 18 years of age. "Size of unrelated subfamily" includes the reference person and all other members related to the reference person. If a family has a related subfamily among its members, the size of the family includes the members of the related subfamily.
- A copy of the most recent federal income tax forms, if self-employed
  - If the patient is having a recurring service including multiple dates of service within one month, he or she may be required to have Medicaid screening prior to approval for the Fee Schedule reduction rates.

#### **ELIGIBILITY CRITERIA**

- Gross income will fall within established or recognized standards for determination of poverty level and family size.
- Family size will be considered.

- All other resources will first be applied, including Medicaid and other third party resources.
- Current documentation is required for the application process. The patient will be responsible for supplying the documentation within the time constraints defined. The Patient Financial Services representative will provide assistance when questions arise regarding documentation.
- If specific required documentation cannot be provided, a written or verbal explanation must be supplied as to why the documentation cannot be provided and will be evaluated on a case-by-case basis.
- Any additional information can be provided in writing and accompany the application to support the application for financial assistance. A completed application is the application with all appropriate fields populated and all required and supporting documentation in accordance with section "Financial Assistance Documentation Requirements."

#### **APPROVAL / DENIAL PROCESS**

- The Patient Financial Services Representative will review the completed application and supporting documentation and forward it to the Assistant Director of Patient Financial Services or designee.
- The Assistant Director of Patient Financial Services or designee will review the application and process it according to the Federal Poverty Income Guidelines for the same year as the application.
- The applicant will receive a "Patient Notice Regarding Application for Financial Assistance" letter from the Patient Financial Services Department. The decision letter will advise the applicant of the final decision of approval or denial and the reason(s) within 30 business days of receipt of the completed application.

#### **BALANCES ON ACCOUNT AFTER FINAL DECISION**

- If a balance is owed on the account after the financial assistance discount has been applied to the bill, the applicant (guarantor) will be required to pay the remaining balance in full or agree to make approved monthly payments.
- Payment plans must not exceed 10% of the patient's monthly gross income.

#### **COVERAGE PERIOD FOR THE APPLICATION**

- The approval discount will be applied for a period of one year from the Date of Application. However, the following will apply to this coverage period:
  - I. If the financial situation of the household changes, the Patient Financial Services Department must be notified within 30 calendar days of the change in circumstances.
  - II. Except as otherwise specified, applicants must agree to respond within 30 calendar days to any correspondence from the Patient Financial Services Representatives. Failure to do so will negate the remaining coverage period.

### **BILLING PROCESS IN HOSPITAL INFORMATION SYSTEM (HIS)**

Patients may disregard related bills sent by St. Lawrence Health System if they have submitted a completed application and it is in the review process. Once a decision has been made, patients will receive written instructions regarding their financial responsibilities.

- Once the Patient Financial Services Representative (PFSR) receives the Financial Assistance Application, he/she will enter a comment in the electronic billing system indicating receipt of the application.
- The PFSR will review the application for completeness and contact the patient concerning any deficiencies.
- The PFSR will enter a comment concerning these actions and when to expect the documents from the patient in the electronic billing system.
- Once the application is complete, the PFSR will enter a note in the electronic billing system indicating the application is complete and will be forwarded to the Assistant Director of Patient Financial Services or designee.
- The Assistant Director of Patient Financial Services or designee will review the application for approval or denial and inform the PFSR.
- If approved, the PFSR will send the approval letter and FA card.
- If denied, the PFSR will send the denial letter indicating the reason for denial.

### **INVOLVEMENT OF COLLECTION AGENCY**

- If the payment arrangement is terminated due to failure to pay the agreed amount monthly, the account may be transferred to our collection agency for processing with 30 calendar days written notification from St. Lawrence Health System.
- This will occur when two missed payments occur without notification to the Patient Financial Services Billing Department. Reasonable collection efforts will be exhausted by the Patient Financial Services Department, including phone calls and/or letter.
- Our first priority is to work with all patients to determine a mutual understanding that will work for both the patient and St. Lawrence Health System.
- If the account is turned over to our collection agency, they may take further action in collections such as garnishment of wages or legal action in accordance with NY state law.
- St. Lawrence Health System **MUST** provide written consent to the collection agency prior to the agency taking action against an account, and the agency **MUST** follow St. Lawrence Health System's Financial Assistance Policies and Procedures during the recovery process.
- Collection efforts may not be taken against patients eligible for Medicaid at the time services are rendered and St. Lawrence Health System is able to collect payment from Medicaid.



## **APPEAL PROCESS**

- Appeals for financial assistance decisions must be received in writing to the Patient Financial Services Department within 30 calendar days from the date of the initial decision.
- Denials received due to failure to comply/submit completed application or information will be subject to the appeal process.
- Appeals will be reviewed by the Assistant Director of Patient Financial Services or designee for a final decision.
- The appeal decision will be made in writing within 30 calendar days of the date of receipt of the appeal.
- In accordance with NY State Hospital Financial Assistance Law, patients who are denied can contact the NY State Department of Health Complaint Hotline at 800-804-5447.

## **STAFFING**

- St. Lawrence Health System will maintain adequate staffing levels, and provide updated training on procedures for patient interaction and the proper handling of billing and collection efforts regarding financial assistance. Staff will be monitored for quality based on internal St. Lawrence Health System standards developed and implemented by management.

## **ST. LAWRENCE HEALTH SYSTEM FINANCIAL REPORTING DUTIES**

- St. Lawrence Health System will be responsible for providing reports detailing the facility's involvement in the Financial Assistance Program. Reporting duties will include:
  - a. Costs/Charges incurred
  - b. Uncollected amounts for services to the uninsured and the underinsured (including uncollected nominal payment, co-insurance, copayments, and deductibles)
  - c. Amount of distribution from the Indigent Care (BDCC) Pool
  - d. Amount spent from bequests or trusts established to provide financial aid
  - e. Number of patients who applied for aid
  - f. Application approvals and denials by zip code
  - g. Number of patients receiving assistance to apply for Medicaid (where applicable)

## **References/Citations**

- *How the Census Bureau Measures Poverty*, Census.Gov., August 27, 2019. Web. Accessed June 30, 2020. <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>
- Current Population Survey (CPS), Census.Gov, August 7, 2019. Web. Accessed June 30, 2020. <https://www.census.gov/programs-surveys/cps/technical-documentation/subject-definitions.html#householdfamily>