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Subject: FINANCIAL ASSISTANCE, DISCOUNT, AND FREE CARE POLICY	Reference # PFS 0002
Department: PATIENT FINANCIAL SERVICES	<i>"Promoting Quality Healthcare: Inspiring Healthy Living"</i>

Purpose:

The purpose of this program is to provide free or discounted care to those who have no means, or limited means, to pay for their medical services. This policy does not provide coverage for elective procedures. This policy includes those patients who may be uninsured or underinsured. In addition to quality healthcare, patients are entitled to financial counseling by someone who can understand and offer possible solutions for those who cannot pay in full. At the Abbeville Area Medical Center (AAMC) and its owned practices the financial counselor's role is that of patient advocate, that is, one who works with the patient and/or guarantor to find reasonable payment alternatives.

Policy:

Non-Discrimination of Services:


Emergent medical services will be provided regardless of patient's ability to pay.

Abbeville Area Medical Center (AAMC) and its owned practices will offer a Free Care and Sliding Fee Discount Program to all who are unable to pay for their services. AAMC will base program eligibility on family size and income and will not discriminate based upon the individual's ability to pay; whether payment for services would be made under Medicare, Medicaid or CHIP; and does not discriminate against the individual's race, color, sex, national origin, disability, religion, age, sexual orientation, or gender identity. The Federal Poverty Guidelines are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

Procedure:

The following guidelines are to be followed in providing the Free Care and Sliding Fee Discount Program.

1. **Notification:** AAMC will notify patients of the Sliding Fee Discount Program by:
 - a. Payment Policy Brochure will be available to all uninsured patients at the time of service. These will be stored at each check-in desk and also stored in a wall-mounted, information station in the main lobby.
 - b. Notification of the Free Care and Sliding Fee Discount Program will be offered to each patient upon registration.
 - c. Free Care and Sliding Fee Discount Program applications are available on the AAMC website and at all Registration Areas.
 - d. An explanation of our Free Care and Sliding Fee Discount Program and our application form are available on AAMC's website.
2. All patients seeking healthcare services at AAMC are assured that they will be served regardless of ability to pay. **No one is denied access to services due to an inability to pay.**

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3. **Request for discount:** Requests for discounted services may be made by patients, family members, social services staff or others who are aware of existing financial hardship. The Sliding Fee Discount Program will only be made available for all services rendered at AAMC. Information and forms can be obtained from the Front Desk, as well as from the Financial Counselor located near the main registration area of the Medical Center.

4. **Administration:** The Sliding Fee Discount Program procedure will be administered through the Financials Counselor. Information about the Sliding Fee Discount Program policy and procedure will be provided, and assistance offered for completion of the application. Dignity and confidentiality will be respected for all who seek and/or are provided healthcare services.

5. **Alternative payment sources:** All alternative payment resources must be exhausted, including all third-party payment from insurance(s), federal and state programs.

6. **Completion of Application:** The patient/responsible party must complete the Sliding Fee Discount Program application in its entirety. By signing the Sliding Fee Discount Program application, persons authorize AAMC access in confirming income as disclosed on the application form. Providing false information on a Sliding Fee Discount Program application will result in all Sliding Fee Discount Program discounts being revoked and the full balance of the account(s) restored and payable immediately.
 - a. If an application is unable to be processed due to the need for additional information, the applicant has two weeks from the date of notification to supply the necessary information without having the date on their application adjusted. If a patient does not provide the requested information within the two-week time period, his/her application will be re-dated to the date on which s/he supplies the requested information. Any accounts turned over for collection as a result of the patient's delay in providing information will not be considered for the Sliding Fee Discount Program.

7. **Eligibility:** Discounts will be based on income and family size only. AAMC uses the Census Bureau definitions of each.
 - **Family** is defined as: a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.
 - **Income** includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support, assistance from outside the household, and other miscellaneous sources. Noncash benefits (such as food stamps and housing subsidies) do not count.

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8. **Income verification:** Applicants must provide **one** of the following:

- Prior year W-2 or Tax Return
- Two most recent pay stubs
- Two most recent Social Security statements
- Letter from employer, or
- Form 4506-T (if W-2 not filed)
- Checking statements (2 months)


In addition to one of the documents above, applicants must also provide two (2) months of complete checking account statements and, if available, two (2) months of savings account statements to allow AAMC to determine eligibility.

- Self-employed individuals will be required to submit detail of the most recent three months of income and expenses for the business. Adequate information must be made available to determine eligibility for the program.


Self- declaration of Income may only be used in special circumstances. Specific examples include participants who are homeless.

Patients who are unable to provide written verification must provide a signed statement of income, and why (s)he is unable to provide independent verification. This statement will be presented to AAMC’s Practice Manager or his/her designee for review and final determination as to the sliding fee percentage. Self-declared patients will be responsible for 100% of their charges until management determines the appropriate category.

9. **Discounts:** Those with incomes at or below 100% of poverty will receive a full 100% discount. Those with incomes above 100% of poverty, but at or below 200% of poverty, will be charged according to the attached sliding fee schedule. The sliding fee schedule will be updated during the first quarter of every calendar year with the latest Federal Poverty Guidelines.
10. **Nominal Fee:** Patients receiving a full discount will be assessed a \$10 nominal charge per visit. However, patients will not be denied services due to an inability to pay. The nominal fee is not a threshold for receiving care and thus, is not a minimum fee or co-payment.
11. **Waiving of Charges:** In certain situations, patients may not be able to pay the nominal or discount fee. Waiving of charges may only be used in special circumstances and must be approved by AAMC’s Financial Counselor, Patient Financial Services Director and or CFO. Any waiving of charges should be documented in the patient’s file along with an explanation (e.g., ability to pay, good will, health promotion event).

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12. **Applicant notification:** The Sliding Fee Discount Program determination will be provided to the applicant(s) in writing and will include the percentage of Sliding Fee Discount Program write off, or, if applicable, the reason for denial. If the application is approved for less than a 100% discount or denied, the patient and/or responsible party must immediately establish payment arrangements with AAMC. Sliding Fee Discount Program applications cover outstanding patient balances for six months prior to application date and any balances incurred within 6 months after the approved date, unless their financial situation changes significantly. The applicant has the option to reapply after the 12 months have expired or anytime there has been a significant change in family income.
13. Final approval for the financial consideration will be made as follows:
- a. The Patient Accounts Supervisor may approve requests up to \$500.00
 - b. The Patient Financial Services Director may approve requests up to \$1000.00
 - c. The Chief Financial Officer must approve requests of over \$1000.00
14. **Refusal to Pay:** If a patient verbally expresses an unwillingness to pay or vacates the premises without paying for services, the patient will be contacted in writing regarding their payment obligations. If the patient is not on the sliding fee schedule, a copy of the sliding fee discount program application will be sent with the notice. If the patient does not make effort to pay or fails to respond within 60 days, this constitutes refusal to pay. At this point in time, AAMC can explore options not limited, but including offering the patient a payment plan, waiving of charges, or referring the patient to collections.
15. **Record keeping:** Information related to Sliding Fee Discount Program processes, applicants, progress and decisions made will be maintained and preserved in a centralized, confidential file located on the secure AAMC Department Server under Financial Assistance. It will denote names of applicants, dates of coverage and percentage of coverage. This file is password protected and only accessible to the Financial Counselor, Billing Director and Chief Financial Officer. This is done in an effort to preserve the dignity of those receiving free or discounted care.
- a. At which point the patient becomes qualified for the Sliding Fee Discount Program, the appropriate **Case Policy** will be chosen in the EMR/PM, Athena. This will be noted on the Quick View screen in registration.
 - b. The Financial Counselor will complete monthly reports from the EMR/PM (Athena) which will identify the Sliding Fee Discount Program recipients and dollar amounts. Denials will also be logged and housed on the Department Server file. These reports will show the total amount of care rendered to patients with varying levels of financial assistance.
16. **Policy and procedure review:** Annually, the amount of Sliding Fee Discount Program provided will be reviewed by the Financial Counselor in conjunction with the Chief Financial Officer. The SFS will be updated based on the current Federal Poverty Guidelines. Pertinent information

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comparing amount budgeted and actual community care provided shall serve as a guideline for future planning. This will also serve as a discussion base for reviewing possible changes in our policy and procedures and for examining institutional practices which may serve as barriers preventing eligible patients from having access to our community care provisions.

- This policy will be housed and signed an applicable accession number in the hospital-wide **repository known as MCN**. Any edits/changes to the policy will be reviewed, approved and signed by the Financial Counselor, Chief Financial Officer, and Chief Executive Officer at AAMC.

17. **Budget:** During the annual budget process, an estimated amount of Sliding Fee Discount Program service will be placed into the budget as a deduction from revenue. Board approval for Sliding Fee Discount Program will be sought as an integral part of the annual budget.