

**TITLE: Patient Accounts, Financial Assistance, including Charity
Care, Hospital Services**

IDENTIFIER: S-FW-LD-5406	EFFECTIVE DATE:		
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KEYWORDS: Account, Bill, Cash Pay, Collection, Discounts, Patient Account, Payment, Payment Plan, Insurance, Underinsured, Uninsured**I. PURPOSE**

This financial assistance policy and procedure ("FAP") defines Scripps financial assistance program including eligibility criteria and the application process for patients seeking help in paying for their emergency and other medically necessary hospital care, and describes how information regarding the FAP will be communicated to patients and the community.

II. POLICY

- A. Scripps will make every reasonable effort to assist patients in meeting their financial obligation to pay for hospital services, including emergency and other medically necessary hospital care, and will provide full or partial financial assistance to qualified patients. Scripps FAP is designed to support patients with demonstrated financial need and is not intended to supplement or circumvent third party coverage, including Medicare.
- B. The FAP applies to all Scripps Hospitals and the professional services delivered in a Scripps hospital by Scripps Medical Foundation physicians and surgeons. Scripps Hospitals include: Scripps Mercy Hospital (San Diego and Chula Vista campuses), Scripps Memorial Hospital La Jolla, Scripps Green Hospital, and Scripps Memorial Hospital Encinitas.
- C. For the purpose of this policy, terms are defined in Addendum A – Patient Financial Services Glossary of Terms.
- D. The actions Scripps may take in the event of nonpayment are contained in the Scripps Patient Account Management, Billing and Collections policy. A free copy of the policy can be obtained by calling Patient Financial Services at 1-800-690-9070.

III. PROCEDURES**A. Physician Services**

1. Physicians are independent contractors and bill separately for their services.
2. A list of providers that deliver care in the hospital is available at scripps.org/FAP. This list specifies which providers are and are not covered by

Scripps FAP. The provider list is updated quarterly by Scripps centralized medical staff services office.

B. Patient Communication and Community Outreach Regarding Financial Assistance

1. Community outreach and communication regarding Scripps FAP is achieved through the following methods, including but not limited to:
 - a. Posters about the availability of financial assistance are posted in registration areas in the hospital (i.e. emergency department and main admission areas.) Paper copies of Scripps FAP, financial assistance application and a plain language summary of the FAP ("FAP summary") are available upon request and without charge in all Scripps hospital emergency departments and admissions areas. Patients may alternatively request that copies of these documents be sent to them electronically.
 - b. The FAP, FAP summary, and financial assistance applications are posted on the Scripps website to view, download and print free of charge. The FAP summary will contain the website address where these documents can be found online, in addition to the physical location in the hospital where paper copies may be obtained.
 - c. The FAP summary is offered to all patients at registration or prior to discharge as part of the Agreement for Services at a Scripps facility.
 - d. All billing statements include a statement on the availability of financial assistance, including a telephone number for Scripps hospital staff that provide assistance with the application process and the website address where the FAP, FAP summary and financial assistance application can be found.
 - e. The FAP, FAP Summary and financial assistance application are available in the primary languages of significant patient populations with limited English proficiency (LEP).
 - f. The FAP Summary will be available at community events and will be provided to local agencies that offer consumer assistance. Scripps Health worked with the California Hospital Association (CHA) to inform and notify members of the community served by the hospital about the FAP and to reach those members who are most likely to require financial assistance.
 - g. The FAP and related information will also be provided to the Office of Statewide Health Planning and Development as required by law.
2. All patients are screened for the ability to pay and/or to determine eligibility for payment programs including financial assistance. Scripps staff will:
 - a. Make reasonable efforts to obtain information from patients about whether private or public health insurance may fully or partially cover the charges for care.
 - b. Provide assistance in assessing the patient's eligibility for Medi-Cal, County Medical Services (CMS), the California Health Benefit Exchange, or any other third-party coverage as part of the application process for financial assistance.

- c. Reinforce that patients are expected to pursue public or private health insurance payment options. Cooperation in applying for applicable programs and identifiable funding sources is required. Patients who do not cooperate may be denied financial assistance.

C. Financial Assistance Application Process

1. Scripps Health will work to assist any patient unable to pay for services, who provides the necessary information about his/her ability to pay. Patients should submit a completed financial assistance application with supporting documentation as described below. Failure by the patient to cooperate may result in the inability of the hospital to provide a financial assistance determination.
2. Applications for financial assistance will be accepted at any time within 240 days of the date of service. Refer to Financial Assistance Application. Patients are encouraged to provide qualifying information within 30 days of the request to enable Scripps to take the necessary steps in the financial assistance determination process. This includes:
 - a. Providing documentation that supports a financial status determination.
 - b. Allowing the hospital to determine if the patient has declared income and/or assets giving him/her the ability to pay for the health care services he/she has received or will continue to receive.
 - c. Providing an audit trail in documenting the hospital's commitment to providing financial assistance.
3. An initial financial assistance determination will be based on the patient's individual or family income and family size as determined by tax returns or recent pay stubs. The following additional information may also be required:
 - a. Information on all monetary assets, both liquid and non-liquid, except statements on retirement or deferred-compensation plans.
 - b. Waivers or releases authorizing Scripps to obtain account information from financial or commercial institutions that hold monetary assets to verify their value.
 - c. Family size (includes legally qualified dependents) used to determine the appropriate benchmark for 100 percent financial assistance, if income is at or below the established income levels.
4. Scripps recognizes that individuals who are under no obligation may offer to assist patients in paying medical bills. Scripps will accept these payments. However, these payments, and the assets of those offering the payments, will not be considered in the financial assistance application process.
5. Information obtained in the course of determining income and/or charity care eligibility for financial assistance under this policy shall not be used in collection efforts.
6. Patients may obtain assistance with the financial assistance application process by contacting a Scripps financial counselor at 1-800-690-9070 or by visiting the main admitting department at any Scripps hospital.

D. Financial Assistance Determination

1. To qualify for financial assistance coverage for either the entire hospital bill or a portion of the hospital bill, the following criteria must be met:
 - a. Expected payment for services being provided is not covered/reimbursed by Medi-Cal, Medicare or any other third-party, or the patient's documented annual out-of-pocket medical expenses after insurance exceed 10 percent of the patient's family income in the prior 12 months.
 - b. Service is emergency or other medically necessary care.
 - c. The patient's family income does not exceed 400 percent of the federal poverty level (FPL).
2. Financial assistance will be granted on an "all or partial" basis as follows:
 - a. For an income level 200 percent of FPL or less, the entire portion of the hospital bill that is the responsibility of the patient will be forgiven.
 - b. For an income level between 201 and 400 percent of FPL, and following a determination of eligibility, the patient responsibility will not be charged more than the Discounted Financial Assistance Amount, which is calculated as a percentage of total charges.
 - c. If it is determined that the family income is above 400 percent of the FPL, Scripps may still consider the patient eligible for financial assistance based on extenuating circumstances such as catastrophic medical events or other special situations. Net worth information included on the Patient Financial Assessment Statement will be used to evaluate these special situations. All such cases require specific management approval and the following additional information may be required:
 - i. Individual or family net worth including assets, both liquid and non-liquid; liabilities; and claims against assets.
 - ii. Employment status, which will be considered, based on the likelihood that future earnings will be sufficient to meet the cost of paying for health care services within a reasonable period of time.
 - iii. Unusual expenses or liabilities.
 - iv. Additional information as required for special circumstances or required by management.
3. Patients determined to be "homeless" and not participating in another financial assistance program will be granted 100 percent financial assistance. If the hospital is unable to obtain adequate information after attempts to establish ability to pay, the patient may be granted financial assistance only after billing and/or other attempts to collect information have been made.
4. The first \$10,000 of a patient's monetary assets and 50 percent of a patient's monetary assets over the first \$10,000 shall not be considered in determining eligibility for financial assistance.
5. Financial assistance determination may be made through the use of an automated tool.
6. Patients requesting to appeal financial assistance determinations will be referred to the director of customer service and collections or his/her designee. The director of customer service and collections will review the patient's appeal in conjunction with case management to ensure the patient's clinical and social

condition with possible restrictions are considered along with his or her financial status.

7. A determination of eligibility will be made within 15 business days of receipt of all requested documentation. An eligibility determination will be valid for a period of six months from the date of determination unless the patient's circumstances have changed.
8. At the time of the evaluation, should it be determined that the patient has paid more than required, a refund of the overpayment, with interest (10 percent per year) will be issued promptly.

IV. ATTACHMENTS

- A. Patient Financial Services Glossary of Terms

V. REFERENCES

- A. Federal Poverty Level, current publication
- B. Scripps Financial Assistance Discount Schedule (current)
- C. Hospital Fair Pricing Policies Act, Health & Safety Code sections 127400, *et seq.*
- D. 26 U.S.C. section 501 ®

Attachment A: Patient Financial Services Glossary of Terms***Patient Financial Assistance, Including Charity Care, Hospital Services***

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Charity Care	That portion of care provided by a hospital to a patient for which a third party payer is not responsible and the patient is unable to pay, and for which the hospital has no expectation of payment.
Discounted Financial Assistance Amount	This amount represents the amount generally billed (AGB) as defined by Internal Revenue Service (IRS) requirements. Scripps uses the prospective method for determining AGB and estimates the amount it would be paid by Medicare, including amounts payable by a Medicare beneficiary. After a determination of eligibility, this amount represents the maximum a qualified patient will be required to pay.
Established Cash Price	Established Cash Price is the expected payment amount after applying a discount to its full charges for services. This amount is offered to patients who have no insurance and qualify under the hospital's discount payment policy but who have not been determined eligible for financial assistance. Patients determined eligible for financial assistance will not be required to pay more than the Discounted Financial Assistance Amount.
Extraordinary Collection Activities	Extraordinary collection activities are those that require legal or judicial process or involve selling an individual's debt to another party or reporting adverse information about the individual to consumer credit reporting agencies.
Federal Poverty Level	The most recent poverty guidelines periodically adopted by the federal Department of Health and Human Services for determining financial eligibility for participation in various programs based upon family size as applicable to California.

Attachment A: Patient Financial Services Glossary of Terms

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Homelessness

A person is homeless if he/she lives:

1. In a place not meant for human habitation such as: streets, cars, abandoned buildings, parks;
2. In an emergency shelters;
3. In transitional or supportive housing (for people coming from street or shelter) and;
4. In any of the above places, but is in a hospital/institution short-term (30 days or less)

Or if he/she is:

5. Evicted within a week from a private dwelling
6. Discharged within a week from an institution that does not provide housing as part of discharge planning
7. A victim of Domestic Violence who does not have a secure living environment
8. Or no subsequent residence has been identified and has no resources and support networks to obtain housing.

Source: HUD gov offices

http://www.dmh.co.la.ca.us/HaH/documents/COUNTYS_3_%20Homelessness_%20Eligibility_%20Doc_Guide.pdf#search=%22defining%20homelessness%22

Self-Pay Patient

A patient who meets the following criteria:

- No third party insurance
- No Medi-Cal
- No compensable injury for purposes of Workers Compensation, automobile insurance, or other insurance as determined and documented by the hospital.

Total Charges

Total charges are the hospital's full established rates for patient care services