

Altru Health System Policies & Procedures

Number: 2614
Policy: Charity Care/Financial Assistance
Effective: January 4, 2021

PHILOSOPHY

Altru Health System (AHS) is committed to improving the health of our patients and the health of the region it serves. In support of our social mission, the Altru Health System strives to reduce barriers and to improve access to care for all.

The community programs we deliver are an outward and tangible expression of our values, integrity, stewardship, excellence and compassion. Charity Care is to help provide healthcare to disadvantaged people in our communities – as well as encouraging under-served populations to obtain the healthcare they need.

Altru Health System provides financial assistance and counseling for uninsured and underinsured people of limited means, without regard to race, ethnicity, sexual preference, gender, religion or national origin. Financial assistance includes, but is not limited to, full or partial charity write off, community care or reduced monthly payments.

POLICY

In coordination with other community programs, AHS provides temporary financial assistance to patients with demonstrated and documented financial need receiving services at any Altru Health System facility and/or provider.

In order to provide the level of aid necessary to the greatest number of patients in need and preserve resources, the following guidelines apply:

- Financial assistance is provided when services are deemed emergent or medically necessary and after patients are found to have met all financial criteria. AHS may also provide assistance for follow up or out-patient care, such as home health nursing care, wound care, etc., if it is determined that such care better serves the recovery of the patient and reduces overall cost to provide patient care.
- Patients are expected to contribute payment for care based on their individual financial situation; therefore, each case will be reviewed separately. Charity may be deferred pending receipt of required payments from guarantor.
- Charity care is not considered an alternative option to payment; therefore, patients may be assisted in finding other means of payment or financial assistance before approval for charity care. Patients are expected to cooperate fully with providing any required financial documentation that is necessary to obtain coverage and/or charity care.
- Uninsured patients who are believed to have the financial ability to purchase health insurance may be encouraged to do so in order to ensure the limited funds are used in a responsible manner. Charity may be deferred pending effective insurance coverage.
- AHS financial assistance does not include all costs that may be associated with medical services. This includes but is not limited to: providers not employed and billed by AHS, lab tests completed or evaluated outside AHS, durable medical equipment and radiology tests completed or evaluated outside AHS.

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The amount that a patient is expected to pay and the amount of financial assistance offered depends on the patient's insurance coverage and income as set forth in the eligibility section of this Policy. Amounts charged for emergency and medically necessary services to patients eligible for Financial Assistance will not be more than the amount generally billed to individuals with insurance covering such care as calculated each year by the AHS Finance Department using the Look-Back Method.

Altru Health System shall comply with all federal, state, and local laws, rules and regulations that may apply to activities conducted pursuant to this policy. AHS staff will uphold the confidentiality and individual dignity of each patient and will meet all HIPAA requirements for handling personal health information. Altru Health System follows EMTALA rules in providing emergency services regardless of the patient's ability to pay.

DEFINITIONS

Amount Generally Billed (AGB): AGB as defined in the Federal Registry in 26 CFR, Part 1 is the amount generally billed for emergency or other medically necessary care to individuals who have insurance covering such care.

Bad Debt: Amounts that are expected at the time of service to be reimbursed but remain unpaid even after reasonable collection efforts have been made.

Charity Care: Charity care consists of services for which hospitals neither received, nor expected to receive, payment because they had determined the patient's inability to pay. It may also include the under-reimbursed costs of caring for low-income patients who are enrolled in a governmental program, such as Medicaid.

Emergency Medical Condition: As defined in Section 1867 of the Social Security Act (42 U.S.C. 1395dd) is a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in: (1) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy, (2) serious impairment to bodily functions, or (3) serious dysfunction of any bodily organ or part.

Emergency Medical Treatment & Labor Act (EMTALA): Guidelines enacted by the federal government to ensure that hospitals treat equally all patients who present in their emergency departments, regardless of the patient's ability to pay.

Extraordinary Collection Actions: Actions taken by a hospital against an individual related to obtaining payment of a bill for care covered under the hospital facility's FAP that require a 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 or credit bureaus.

FAP eligible individual: An individual eligible for financial assistance under a facility's financial assistance policy, without regard to whether the individual has applied for assistance under the FAP.

Financial Assistance Policy (FAP): This policy is written in accordance with Section 9007 of the Affordable Care Act (ACA) which is now Section 501(r) of the Internal Revenue Code. It will

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be used to guide the reduction of gross charges to the amount generally billed based on qualifications.

Gross Charges: The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

Guarantor: The person financially responsible for payment of a patient's bill.

Income: As defined, in part, by the US Census Bureau is the income received on a regular basis before payments for personal income taxes, social security, union dues, Medicare deductions, etc. It includes income received from wages, salary, commissions, bonuses, and tips; self-employment income, interest, dividends, net rental income, royalty income, or income from estates and trusts; Social Security or Railroad Retirement income; Supplemental Security Income (SSI); any cash public assistance or welfare payments from the state or local welfare office; retirement, survivor, or disability benefits; and any other sources of income received regularly such as Veterans' (VA) payments, unemployment and/or worker's compensation, child support, and alimony.

Medically Necessary: As defined by Medicare are services or items reasonable and necessary for the diagnosis or treatment of illness or injury and is determined by Altru Health System Managed Care department.

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed their financial ability.

Uninsured: The patient has no insurance or third-party assistance to pay for medical services provided.

FINANCIAL ASSISTANCE ELIGIBILITY

In determining a guarantor's ability to pay, it is essential that Altru Health System use good judgment in the consideration of a variety of factors, including: family household and significant other's income, employment status, family size, financial obligations, healthcare service needs, and other sources of payment. Criteria based guidelines will be utilized to assist in determining eligibility and application of criteria must consider availability of charity funds and verification of information. There can be no limit on time for determining eligibility for financial assistance, however it will be as timely as possible to best assist the guarantor with his/her AHS debt. Collection efforts, as outlined in the AHS Collection Policy, may be an appropriate part of gathering information used to determine eligibility for assistance. Altru Health System will consider all known factors to establish eligibility for assistance.

Where other organizations are available to provide medical care for those unable to pay (i.e., mental health care at the state hospital in Jamestown or Veterans Administration Hospital/facility), Altru Health System will make every effort to assist patients, families, and physicians during transition to the available services, and will attempt to provide the interim services needed by the patient. Altru Health System may require advance payment prior to providing services and can vary depending on insurance coverage details. The amount required will pertain only to the future services and will not be impacted by outstanding unpaid balances.

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Requests for financial assistance can be made to Altru Business Center, 2401 Demers Ave, Grand Forks ND 58201 or any AHS Regional Clinic Business Office location. Financial counselors are available by phone at 701-780-5060 or 1-800-464-7574. Information is also available online at <http://www.altru.org/patient-vistors/finances/financial-assist/>. Factors affecting eligibility are as follows:

- Patient/Guarantor must cooperate with Altru Health System to explore alternative means of assistance if necessary, including Medicare and Medicaid. Patients may be required to provide proof of application and/or denial of such programs.
- Patients must cooperate with any insurance claim submission and exhaust their insurance or potential insurance coverage before becoming eligible for financial assistance.
- Income level at or below 250% of the Federal Poverty Guidelines.
- The patient/guarantor may be asked to complete the Altru Health System Financial Assistance Application in its entirety and submit it to the Business Office for review.
- All documentation required as proof of income or insurance coverage must be received. This could include the following: bank statements, most recent tax return, pay stubs and/or external public sources which may be utilized, including medical credit scores.
- Patient/Guarantor may be deemed ineligible if they are not working and cannot show documented health reasons for part time or unemployed status.
- Providing any false information will disqualify an applicant from program participation.
- Special considerations may impact interpretation of criteria. Specific issues, which may result in exceptions to the Approval Guidelines, include:
 - a. Size of the AHS bill relative to income
 - b. Status of account with regards to payment requirements
 - c. Health and employment status of patient/guarantor
 - d. Recommendation of mental health provider regarding emotional stability of patient
 - e. Reviewed by Business Management Review Team(s)

A guarantor's financial status may change over time and it is the guarantor's responsibility to inform AHS of such changes. Altru Health System reserves the right to review enrolled applicant's eligibility at any time. The guarantor's potential for earning is considered during the review process and may result in interim payment arrangements with the expectation of full payment with future earnings.

Notification of Altru Health System's determination will be provided to the applicant(s) in writing. If the application is approved for less than 100% or denied, the patient and/or responsible party must establish payment arrangements immediately with AHS.

A safe harbor is provided for when a hospital facility charges more than AGB for emergency or other medically necessary care to a FAP eligible individual if the individual has not submitted a complete FAP application as of the time of the charge and the hospital facility continues to make reasonable efforts to determine whether the individual is FAP eligible during the applicable time periods.

Altru partners with providers that are not employed by Altru (such as private and/or non-Altru medical and physician professionals). Patients are encouraged to contact these providers directly to discuss any available assistance that may be available through their practice and the possibility of other resources, such as payment plans, that could be available. To see what providers are approved for Altru's Charity Policy, please follow this [link](#). For a list of non-Altru providers that would not qualify for Altru's Charity Policy, please follow this [link](#)

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PRESUMPTIVE CHARITY

A third-party vendor is used to conduct an electronic review of patient information to assess financial need. This review utilizes a healthcare industry recognized model that is based upon public record databases. Assistance available under our predictive model is set at a minimum threshold for offering full financial assistance. However, it is not utilized for determination of partial assistance. The predictive model may be used to supplement an incomplete application for determination of complete or partial financial assistance.

In order to qualify for presumptive charity, the following criteria must be met:

- Patient must be uninsured
- Collection efforts as outlined in Altru's Collection Policy have been unsuccessful
- Completion of gathering any requested documentation must be provided to support financial reports*

**Requests may be individually reviewed by the certified application counselor team*

ALTRU COMMUNITY CARE (ACC) PROGRAM

Altru Community Care (ACC) is a part of Altru Health System charity care and is designed to provide financial assistance to those who have no insurance and/or limited means to pay for their medical services and do not qualify for other programs. ACC provides eligible patients with directed, supervised, and coordinated care from their AHS primary care physician (PCP) for a maximum of six (6) months in each two (2) year period. Existing patients will be able to retain their current primary care physician, while new patients to the AHS will be assigned a primary care physician. Eligible participants in the program will be provided with a phone number to call to schedule an appointment with their primary care provider.

In addition to quality healthcare, patients/guarantors are provided financial counseling regarding their medical bills by someone who can understand other possible solutions for those who cannot pay in full. Patient abuse of medical services and/or access will result in denial of or removal from ACC.

PAYMENT DISCOUNT POLICY

AHS will offer a payment discount of 10-80% to the uninsured patient who wishes to make one lump sum payment. For approved requests, the discount will be applied, and patient's portion must be paid within the agreed upon terms. Payment can be made via cash, check, credit card or bank loan agreement. Default of the collection agreement could result in continued collection efforts.

ELIGIBILITY REQUIREMENTS

- When a payment discount is requested, completion of the application process and information gathering (requested documentation) must be done within two (2) weeks.
- Patients must be uninsured and ineligible for medical coverage through state, federal or 3rd party.
- Income level must be below 250% of the FPL.
- Discount **does not** apply towards elective or cosmetic procedures.

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- Extraordinary situations or medical hardships may call for review by Business Management Review Team(s).

REDUCED MONTHLY PAYMENTS

The Altru Health System Board of Directors has established guideline monthly payments based on outstanding balance that are required by the guarantor to remain in good standing. We recognize that medical expenses are not always expected and can cause financial hardship. Upon review of the financial assistance application and guarantor's credit history, monthly payments below the established guidelines may be allowed. Default of the payment arrangement may result in continued collection efforts.

MEDICAL HARDSHIP CRITERIA

In some instances, there may be extenuating circumstances that require special consideration in the determination of eligibility of AHS financial assistance. While it is not possible to provide a complete list of all extenuating circumstances that may arise, some important factors to consider include:

- The amount owed by the patient in relation to his/her total means.
- The medical status of the patient or of his/her family's provider.
- The employment potential of the patient in light of his/her medical condition and/or skill in the job market.
- The likely medical impact of financial indebtedness upon the patient and family.
- The effect a catastrophic illness has on the ability of the patient to work.

FEDERAL POVERTY GUIDELINES/DISCOUNTS

The federal government updates the Federal Poverty Guidelines (FPL) annually and publishes the results. The published FPL will be used as follows to determine the level of assistance that may be provided by AHS.

Percentage of Federal Poverty Guidelines								
Net Income % of FPL	150-160%	161-170%	171-180%	181-190%	191-200%	201-210%	211-220%	221-250%
% Discounted	80%	70%	60%	50%	40%	30%	20%	10%

MEASURES TO PUBLICIZE FINANCIAL ASSISTANCE POLICY

Altru Health System communicates the availability and terms of its financial assistance program to all patients through means which include, but are not limited to:

- Business Office communications or by calling 701-780-1515 or 800-464-7574
- The publication of notices on patient bills
- Posted notices in the emergency room and urgent care department
- Signs and/or brochures placed throughout AHS
- Information on AHS website
- Reference within the patient handbook

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- Staff knowledgeable on the charity care policy who answer patient questions or refer patients to the program.

AHS also shall publish and make available a summary of this policy in the primary languages spoken by the population serviced by AHS. Assistance is available in accordance with AHS Policy#2136 for non-English speaking patients. Referral of patients for financial assistance may be made by any member of the AHS staff or medical staff, including physicians, nurses, financial counselors, business office staff, social workers, case managers and chaplains. A request may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

RELATIONSHIP TO COLLECTION POLICY

AHS management has developed policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for charity from AHS, and a patient's good faith effort to comply with his or her payment agreements with AHS. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, AHS may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. AHS will not impose extraordinary collections actions such as wage garnishments, liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital
2. Documentation that AHS has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

ESTABLISHED DATE: July 1, 1997

Approved by: Chairperson, Altru Health System Board

Signed by Kris Compton

Kris Compton

REVIEW DATE AND INITIAL

6/27/00, 9/15/04

REVISION DATES

4/4/02, 12/27/04, 7/7/05, 6/9/06,

8/28/08, 3/17/09, 5/19/10, 10/5/11

9/7/12, 1/15/13, 12/21/15, 7/25/17, 1/4/21, 3/11/21, 4/12/21