



TITLE: Financial Assistance Programs for Financially Qualified Patients of Banner Lassen Medical Center			
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Facility: Banner Lassen Medical Center			
Population (Define): All Employees			
Replaces: Charity Care Policy			
Approved by:			

TITLE: *Financial Assistance Programs for Financially Qualified Patients of Banner Lassen Medical Center*

I. Purpose/Expected Outcome:

- A. This policy and the Financial Assistance Programs outlined herein are intended to address the dual interests of providing access to care to those without the ability to pay and to offer a discount from billed charges for those who are able to pay a portion of the costs of their care. This policy sets forth the basic framework for two Financial Assistance Programs: the Basic Financial Assistance Program, and the Enhanced Financial Assistance Program. Each program will apply to Banner Lassen Medical Center (“BLMC”), which is owned and operated by Banner Health (BH). This policy and the Financial Assistance Programs set forth herein will constitute the official financial assistance policy (within the meaning of Section 501(r) of the Internal Revenue Code) for BLMC. In addition, the Basic Financial Assistance Program will constitute the discount policy for Financially Qualified Patients (defined below) and the Enhanced Financial Assistance Program will constitute the charity care policy for BLMC within the meaning of California Health and Safety Code Section 127405.

II. Definitions:

- A. Expected Government Payment means the total payment BLMC would reasonably expect to receive under Medicare fee-for-service for the Covered Services provided to a Financially Qualified Patient if the patient were eligible for Medicare, including any amount that would be paid by a Medicare beneficiary in the form of co-payments, co-insurance or deductibles; or, if Medicare does not have an established payment for such Covered Services, the total payment BLMC would reasonably expect to receive from Medi-Cal.
- B. BLMC Billing and Collections Policy means the Policy entitled: “Patient Financial Services: Billing and Collection Policy for BLMC Financially Qualified Patient Accounts,” as the same may be amended from time to time.
- C. Covered Services means those inpatient and outpatient services provided by BLMC which are Medically Necessary in accordance with the standards of BLMC’s Medicare fiscal intermediary
- D. Emergency Physician means a physician credentialed by BLMC and contracted by BLMC to provide emergency medical services in the Emergency Department of BLMC, but does not include

a physician specialist who is called into the Emergency Department or who has privileges at BLMC outside of the Emergency Department.

- E. Emergent Condition means a medical condition of an patient that has resulted from the sudden onset of a health condition with acute symptoms which, in the absence of immediate medical attention, are reasonably likely to place the patient's health in serious jeopardy, result in serious impairment to bodily functions of the patient or result in serious dysfunction of any bodily organ or part.
- F. Emergent Services means the services necessary and appropriate to treat an Emergent Condition.
- G. Extended Payment Plan means, as applicable: (1) a payment plan pursuant to which a participant in either the Basic or Enhanced Financial Assistance Program agrees in writing to make regularly scheduled payments to BLMC with respect to the outstanding balances owed by the participant to BLMC; or (2) if a participant in either the Basic or Enhanced Financial Assistance Program does not agree to any schedule of payments with respect to the outstanding balances, a payment plan providing for monthly payments that are not more than 10% of a participant's family income for a month, excluding deductions for essential living expenses. Essential living expenses to be deducted from a family's monthly income mean rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses (including insurance, gas and repairs), installment payments, laundry and cleaning, and extraordinary expenses. All Extended Payment Plans shall be interest free.
- H. FAP-Eligible Individual means an individual eligible for financial assistance under this Policy and one or both of the Financial Assistance Programs hereunder without regard to whether the individual has applied for financial assistance.
- I. Financially Qualified Patient means a patient (or person legally responsible for a patient) who is (1) either (a) Uninsured or (b) a Patient with High Medical Costs, *and* (2) who has a family income that does not exceed 350% of the Federal Poverty Line.
- J. Medically Necessary means those services required to identify or treat an illness or injury that is either diagnosed or reasonably suspected to be Medically Necessary taking into account the most appropriate level of care. Depending on a patient's medical condition, the most appropriate setting for the provision of care may be a home, a physician's office, an outpatient facility, or a long-term care, rehabilitation or hospital bed. In order to be Medically Necessary, a service must:
 - 1. Be required to treat an illness or injury;
 - 2. Be consistent with the diagnosis and treatment of the patient's conditions;
 - 3. Be in accordance with the standards of good medical practice;
 - 4. Not be for the convenience of the patient or the patient's physician; and
 - 5. Be that level of care most appropriate for the patient as determined by the patient's medical condition and not the patient's financial or family situation.

Emergent Services are deemed to be Medically Necessary.

- K. Patient with High Medical Costs means a person whose family income does not exceed 350% of the Federal Poverty Line and:



1. The annual out-of-pocket costs incurred by the individual at BLMC exceed 10% of the patient's family income in the prior 12 months; or
 2. The annual out-of-pocket medical expenses paid by the patient or the patient's family in the prior 12 months, together with those incurred at BLMC, exceed 10% of the patient's family income in the prior 12 months, as shown by documentation provided by the patient of such paid medical expenses.
- L. PFS means Patient Financial Services, the operating unit of BH responsible for billing and collecting self-pay accounts for hospital services.
- M. Uninsured Patient means a patient without benefit of health insurance or government programs that may be billed for Covered Services provided to them.
- N. Usual and Customary Charges means the rates for Covered Services that are filed annually with the applicable state agency. If rates are not required to be filed annually with any state agency by the relevant Hospital, then the Usual and Customary Charges will be the rates for Covered Services as set forth in the chargemaster for BLMC at the time the Covered Services are rendered.

III. Policy:

- A. Overview. BLMC is dedicated to providing quality healthcare to all patients regardless of age, sex, sexual orientation, race, religion, disability, veteran status, national origin and/or ability to pay. This policy establishes two programs: the Basic Financial Assistance Program and the Enhanced Financial Assistance Program. Under the Basic Financial Assistance Program, Financially Qualified Persons will qualify for discounted pricing for Covered Services without having to apply for Medi-Cal assistance. Under the Enhanced Financial Assistance Program, Uninsured Patients having household incomes at or below 200% of the Federal Poverty Line and insufficient assets may, depending upon their assets and liabilities, qualify for Enhanced Financial Assistance in the form of free Emergent Services and other services required to be provided by BLMC under EMTALA, subject (in most circumstances) to application for Medi-Cal, and for discounted pricing for other Covered Services. This policy and the Financial Assistance Programs set forth under this policy are intended to comply with Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder, and California Health and Safety Code Sections 127400-127425, and shall be interpreted and applied in accordance with such laws and regulations.
- B. Exclusions. This policy and the Financial Assistance Programs hereunder apply solely to Financially Qualified Patients. There is **no** financial assistance program at BH available to persons who are not Financially Qualified Patients. This policy and the Financial Assistance Programs hereunder do **not** apply to non-Covered Services. Furthermore, this policy does not apply to charges for services from other providers whose services are coincident to those provided by BLMC, e.g., surgeons, anesthesiologists. The policy also does not apply to elective procedures except as may be determined in the sole discretion of BLMC on a case-by-case basis.
- C. Emergency Physician Discounts. Emergency Physicians who provide Emergent Services at BLMC are also required by California law to provide discounts to Uninsured Patients and to Patients with High Medical Costs who are at or below 350% of the Federal Poverty Line. Further information about the discounts available from Emergency Physicians at BLMC may be obtained by contacting Rooptown Emergency Physicians, A Medical Corporation at (469) 401-2386.
- D. Reservation of Right to Seek Reimbursement of Charges from Third Parties. In the event that any first or third party payor is liable for any portion of an Uninsured Patient's bill, BH will seek full reimbursement



of all charges incurred by the patient at the Hospital's Usual and Customary Charges from such first or third party payors despite any financial assistance granted pursuant to this policy.

E. Methods for Applying for Financial Assistance. Patients may apply for Financial Assistance under either the Basic or Enhanced Financial Assistance Programs by any of the following means:

1. Advising PFS personnel at or prior to the time of registration that they are Uninsured or are Patients with High Medical Costs.
 - a. PFS personnel will offer patients a form for the Basic Financial Assistance Program if patients state that their annual household income is under 350% of the Federal Poverty Line.
 - b. PFS will provide information about the Enhanced Financial Assistance Program if patients state that they are Uninsured and their annual household income is under 200% of the Federal Poverty Line.
 - c. PFS will assist the patient in applying for Medi-Cal.
2. Downloading the application form from the BH or BLMC website and mailing it to PFS at the address on the application form.
3. Requesting an application form PFS by phone: 480-684-7409 or, if outside Arizona, 855- 244-7460 or by mail: 525 W. Brown Road, Mesa, AZ 85201 and mailing it to PFS at the address on the application form.
4. Any of the methods specified in the BLMC Billing and Collections Policy.

F. Basic Financial Assistance Program.

1. Eligibility Criteria and Determinations. Uninsured Patients and Patients with High Medical Costs will qualify for the Basic Financial Assistance Program if they have annual household incomes of less than 350% of the Federal Poverty Line. Eligibility for the Basic Financial Assistance Program will be determined solely upon recent pay stubs or income tax returns.
2. Amounts Payable Under Basic Financial Assistance Program. Participants in the Basic Financial Assistance Program will be charged for Covered Services at the Expected Government Payment; provided, however, that the Basic Financial Assistance Program does not apply to Covered Services for which BLMC has published a package price for procedures for self-pay patients (e.g., obstetric packages) if the price is below the Expected Government Payment. If the Covered Services are Emergent Services or services that the Hospital is otherwise required to provide under EMTALA, then the Hospital will provide such Covered Services without requiring any advance deposit or prepayment or agreement to (or creation of) an Extended Payment Plan. For all other Covered Services, BH will ordinarily require a substantial advance prepayment or deposit in the estimated amount of the Expected Government Payment for the Covered Services or agreement to (or creation of) an Extended Payment Plan.
3. Determination of Patient-Pay Portion for Insured Patients with High Medical Costs. Notwithstanding the foregoing, if the Patient with High Medical Costs is not Uninsured, the amount charged to the patient will be determined without regard to any reimbursement from the health insurance or program that covers the patient, but will not exceed the lesser of: (a) the



Expected Government Payment, or (b) the amount payable by the patient under the terms of the coverage provided by the patient's insurance company or program.

G. Enhanced Financial Assistance Program.

1. Eligibility Criteria and Determinations. Except as otherwise provided herein, an Uninsured Patient will ordinarily qualify for the Enhanced Financial Assistance Program if he or she meets each of the following requirements:
 - a. Has an annual household income equal to or less than 200% of the Federal Poverty Level;
 - b. If requested by BLMC in other states, applies for Medi-Cal and fully cooperates in the Medi-Cal application and eligibility determination process;
 - c. Is denied Medi-Cal coverage.

An Uninsured Patient who is required to apply for Medi-Cal but does not cooperate fully with the Medi-Cal application and eligibility determination process may not be eligible for participation in the Enhanced Financial Assistance Program. BLMC reserves the right to deny participation in the Enhanced Financial Assistance Program to Uninsured Patients who have annual household incomes equal to or less than 200% of the Federal Poverty Level if, in the judgment of PFS, such patients have sufficient monetary assets to pay for Covered Services at Expected Government Payment; provided, however, that in making this determination, an Uninsured Patient's monetary assets shall not include retirement or deferred compensation plans (whether qualified or non-qualified), nor shall such determination include the first \$10,000 of a patient's monetary assets or 50% of the patient's monetary assets over the first \$10,000.

2. Amounts Payable Under Enhanced Financial Assistance Program. Uninsured Patients who qualify for the Enhanced Financial Assistance Program will be not charged for Emergent Services or other services that BLMC is otherwise required to provide under EMTALA, and their entire bill for such services will be written off. For all other Covered Services, Uninsured Patients who qualify for the Enhanced Financial Assistance Program will be charged Expected Government Payment, and BH will ordinarily require a substantial advance prepayment or deposit in the estimated amount of the Expected Government Payment for the Covered Services or agreement to (or creation of) an Extended Payment Plan. The determination of whether services constitute Emergent Services will be made by the Chief Medical Officer of each Hospital, whose determination will be final.

- H. Extended Payment Plan Offer. All Financially Qualified Individuals who qualify for the Basic Financial Assistance Program or who qualify for the Enhanced Financial Assistance Program and who have incurred charges for Covered Services that are not Emergent Services, will be offered an Extended Payment Plan enabling the Financially Qualified Individual to pay the discounted balance over time. PFS and the Financially Qualified Individual will negotiate an Extended Payment Plan that takes into consideration the Financially Qualified Individual's family income and essential living expenses. If PFS and the Financially Qualified Individual cannot agree on an Extended Payment Plan, PFS shall create and provide to the Financially Qualified Individual a payment plan providing for monthly payments that are not more than 10% of a participant's family income for a month, excluding deductions for essential living expenses. Essential living expenses to be deducted from a family's monthly income mean rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto

expenses (including insurance, gas and repairs), installment payments, laundry and cleaning, and extraordinary expenses.

- I. Write-Offs and Adjustments. Covered Services will be eligible for write-off, in whole or in part, if:
1. A patient qualifies for Medi-Cal after service has been provided by BLMC (100% write-off). This includes any bills for services that predate coverage.
 2. A patient qualifies for Medi-Cal but funding is not available to pay for services or Medi-Cal denies coverage for particular Covered Services (100% write-off).
 3. A patient is approved for participation in the Enhanced Financial Assistance Program (100% write-off of Emergent/EMTALA-mandated services, and adjustment of bills to Expected Government Payment for all other Covered Services provided for episode coinciding with successful application for participation in Enhanced Financial Assistance Program).
 4. A patient is approved for participation in the Basic Financial Assistance Program (adjustment of the portion of the account for which the Financially Qualified Individual is personally responsible bills to the lesser of: (i) Expected Government Payment for Covered Services provided for episode coinciding with successful application for participation in Basic Financial Assistance Program), or (ii) the amount payable by the patient under the terms of the coverage provided by the patient's insurance company or program).

Upon approval, write-offs and adjustments will be processed promptly in accordance with procedures, state statutes and regulations.

- J. Signature Authority for Write-Offs. Basic and Enhanced Financial Assistance Program write-offs will be granted subject to the following approval limits:
1. Up to \$5,000 – Patient Accounts Manager
 2. Over \$5,000 – Patient Accounts Director, unless delegated to hospital CFO by the Director.
- K. Collection of Balances owed by Patients; Patient Financial Services Billing and Collections Policy. Accounts for Covered Services for patients who are able, but unwilling, to pay are considered uncollectible bad debts and will be referred to outside agencies for collection in accordance with, and subject to, the BLMC Billing and Collections Policy. The unpaid discounted balances of patients who qualify for the Basic Financial Assistance Program are considered uncollectible bad debts and such patients will be referred to outside agencies for collection and other actions, in accordance with and subject to the BLMC Billing and Collections Policy. The BLMC Billing and Collections Policy will be posted to the BH website and the BLMC-specific website. In addition, a free copy of the BLMC Billing and Collections Policy can be obtained by any member of the public upon request to the Registration office at BLMC or to PFS at the address and phone number listed at the end of this Policy.
- L. Monitoring of Programs. The Patient Accounts Director will be responsible to monitor the appropriateness of the Basic Financial Assistance and the Enhanced Financial Assistance Programs, the charges, patient days, and allowances. PFS has the responsibility for monitoring and ensuring that a reasonable effort to determine whether an individual is FAP-eligible and for determining whether and when extraordinary collection actions may be taken in accordance with this policy and the BLMC Billings and Collections Policy.

M. Publication of Policy.

1. Plain Language Summary. A plain language summary (each, a “Plain Language Summary”) that notifies an individual that BLMC offers financial assistance under the Basic and Enhanced Financial Assistance Programs will be prepared by PFS for BLMC, and will be updated based upon any modifications to the information contained therein. The basic template of the Plain Language Summary with information for BLMC is attached to this Policy as Appendix A. The Plain Language Summary will provide the following information in language that is clear, concise, and easy to understand:
 - a. A brief description of the eligibility requirements and assistance offered under the Basic and Enhanced Financial Assistance Programs;
 - b. the direct Web site address and physical location(s) (including a room number, if applicable) at BLMC where any individual can obtain copies of this Policy, the BLMC Billing and Collections Policy, and the application forms for the Basic and Enhanced Financial Assistance Programs;
 - c. Instructions on how any individual can obtain free copies of this Policy, the BLMC Billing and Collections Policy, and the application forms for the Basic and Enhanced Financial Assistance Programs by mail;
 - d. The contact information, including the telephone number(s) and physical location (including a room number, if applicable), of BLMC staff who can provide an individual with information concerning the Basic and Enhanced Financial Assistance Programs and the application process for these programs, as well as of the nonprofit organizations or government agencies, if any, that BLMC has identified as available sources of assistance with the Basic and Enhanced Financial Assistance Program applications;
 - e. A statement of the availability of translations of this Policy, the Billing and Collections Policy, and the application forms for the Basic and Enhanced Financial Assistance Programs and the Plain Language Summary in other languages, if applicable; and
 - f. A statement that no Financially Qualified Individual will be charged more for Emergent Services or other Medically Necessary care than Expected Government Reimbursement.
2. Dissemination of Plain Language Summary. The Plain Language Summary will be available in English and Spanish. The website for BH and BLMC shall either post the Plain Language Summary conspicuously in English and Spanish on their websites, or have a conspicuous link to another webpage having the summaries. Each billing statement for self-pay accounts shall include colorful inserts in English and Spanish advising of the Basic and Enhanced Financial Assistance Programs and containing a Plain Language Summary, and PFS representatives shall include information concerning the programs in follow-up collection calls to self-pay accounts. Each Hospital shall also distribute copies of the Plain Language Summary to community groups serving populations likely to include individuals who would be eligible for the Enhanced Financial Assistance Program.
3. Advertising and Posters. The availability of the Basic and Enhanced Financial Assistance Programs shall be publicized widely within the communities served by BLMC. All BLMC admitting areas shall have posters in English and Spanish prominently displayed that advise of the existence of the programs and how a free copy of the Policy and application forms for the Basic and Enhanced Financial Assistance Programs may be obtained upon request and by mail. Posters will include a toll-free telephone number for staff who can provide information about the Basic

and Enhanced Financial Assistance Programs and the application process for these programs application process, as well as of any nonprofit organizations or government agencies the hospital has identified as capable sources of assistance with FAP programs All admission staff shall advise individuals who may be FAP-Eligible Individuals of the existence of the programs at the time of registration and shall deliver the Hospital-Specific Plain Language Summary of the programs to such persons.

4. Notification of Potential FAP-Eligible Individual Patients. Patients who are potentially FAP-Eligible Individuals will be given the Plain Language Summary and application forms for the Basic and Enhanced Financial Assistance Programs prior to discharge from a Hospital. Patients will subsequently be notified as set forth in the BLMC Billing and Collections Policy.

- N. No Abuse in Determination of Eligibility. No determination that an individual is not eligible for the Basic or Enhanced Financial Assistance Program shall be based on information that any BH employee has reason to believe is unreliable or incorrect or was obtained from the individual under duress or through the use of coercive practices, which include delaying or denying emergency medical care to an individual until the individual has provided the requested information.

IV. Procedure/Interventions:

N/A

V. Procedural Documentation:

A. N/A

VI. Additional Information

- A. Template form for BLMC-Specific Plain Language Summary
- B. Applications for Basic and Enhanced Financial Assistance
- C. Contact Information for Patient Financial Services:
 1. By phone: if outside Arizona, 855- 244-7460
 2. By mail: Banner Health, Patient Financial Services Department, 525 W. Brown Road, Mesa, AZ 85201

VII. References:

- A. Patient Protection and Affordable Care Act, Section 9007
- B. Internal Revenue Code, Section 501(r)
- C. California Health and Safety Code Section 127400 et seq

VIII. Other Related Policies/Procedures:

- A. This policy replaces the following policies: Financial Assistance Programs for Uninsured Patients; Financial Assistance Program for Insured Patients; Financial Assistance Program for Insured and Uninsured Patients (Fairbanks Memorial Hospital and Denali Center).

IX. Keywords and Keyword Phrases:

- a. Financial Assistance Program
- b. Patient Assistance Program
- c. Uninsured Patients
- d. Legal
- e. Board



- f. Finance
- g. Charity Care

X. Appendix:

- A. Plain Language Summary



APPENDIX A
SUMMARY OF FINANCIAL ASSISTANCE PROGRAMS AT
BANNER LASSEN MEDICAL CENTER

Banner Lassen Medical Center (BLMC) offers a Basic and an Enhanced Financial Assistance Program to uninsured patients and insured patients with high medical costs. An uninsured patient is someone who does not have any health coverage at all, whether through insurance or any government program, and who does not have any right to be reimbursed by anyone else for their healthcare expenses. An insured patient with high medical costs is someone whose family income is less than 350% of the Federal Poverty Level and whose annual out-of-pocket medical costs (either at BLMC alone, or together with all other medical expenses paid in the prior 12 months) exceed 10% of the family's income.

If you are an uninsured patient or a patient with high medical costs, you will qualify for the Basic Program if you have an annual family income of less than 350% of the Federal Poverty Level. If you qualify for the Basic Program, you will be charged the amount that BLMC would receive from Medicare for your services (together with co-pays and deductibles) if you had been covered by Medicare, or the balance you owe under your insurance coverage (if any), whichever is less.

If you are an uninsured patient, you will qualify for the Enhanced Program (1) if you have an annual household income equal to or less than 200% of the Federal Poverty Level and lack other assets to pay BLMC's full charges and, (2) if requested to do so by the hospital, you apply for Medi-Cal, fully cooperate in the application and determination process, and are denied Medi-Cal coverage. If you qualify for the Enhanced Program, emergency services will be provided to you free of charge. You will be charged for other medically necessary services at the same amount as BLMC would have received from Medicare (together with co-pays and deductibles).

You will never be required to make advance payment or other payment arrangements in order to receive emergency services. In most other situations, you will be required to make a substantial advance deposit or other payment arrangements, or agree to or accept an extended payment plan for payment over time of your account. If BLMC and you cannot agree upon an extended payment plan, then BLMC will offer you a monthly payment plan with payments that are not more than 10% of your family's monthly income, excluding deductions for essential living expenses, including rent, house payments and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses (including insurance, gas and repairs), installment payments, laundry and cleaning, and extraordinary expenses.

A free copy of the BLMC financial assistance policy, the billing policy, and the application forms are available on the Banner website at www.Bannerhealth.com, and select the "Facility" tab for BLMC. Copies are available at BLMC in the Admitting area located near the main entrance of BLMC (located at **1800 Spring Ridge Drive, Susanville, CA 96130** and follow the signs to "Admitting" or "Registration"). Copies of this information are also available by mail by contacting Banner Patient Financial Services at 480-684-7409.

The Banner Patient Financial Services staff is available to answer questions and provide information about the Basic and Enhanced Programs, the application process and nonprofit organizations and government agencies that can assist with these applications.

Spanish translations of this Summary, the Hospital's financial assistance and billing policies, and the applications forms are available on the Banner and Hospital websites and in the Hospital's Admitting area. They may also be requested by contacting the Banner Patient Financial Services staff at 530-252-2251.