

POLICY #: Admin-08  
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## **TYRONE HOSPITAL**

### **FINANCIAL ASSISTANCE AND EMERGENCY MEDICAL CARE POLICY**

#### **PURPOSE**

To further Tyrone Hospital's ("Hospital") mission in meeting community need through the provision of financial assistance for emergency and other medically necessary care in a fair, consistent, respectful and objective manner to low-income patients whether they are uninsured or underinsured.

#### **DEFINITIONS**

AGB – Amount generally billed. The Hospital will charge the amounts generally billed to individuals with Medicare prior to applying any Financial Assistance discount to patient bills.

Annual Family Income – Includes but is not limited to assets such as bank account balances, trusts and investments but excludes primary residence.

Assets – These include checking accounts, savings accounts, trust funds and other investments. Additionally, countable assets include the liquidated value of land (including farmland), equity in recreational vehicles, boats, second home, etc. Assets included in the formula for financial assistance consideration will be the amount in excess of two months normal living expenses.

Emergency Care or Emergency Treatment – An acute medical condition that, if not given immediate medical attention, could reasonably be expected to result in (a) Placing the health of the individual in serious jeopardy; (b) serious impairment of bodily functions; or (c) serious dysfunction of any bodily organ or part.

EMTALA – The Emergency Medical Treatment and Active Labor Act (42 U.S.C. §1395dd).

Family – The patient, patient's spouse (regardless of whether they live in the home) and all of the patient's children, natural or adoptive, under the age of eighteen who live at home. If the patient is under the age of eighteen, the "family" shall include the patient, the patient's natural or adoptive parent(s) (regardless of whether they live in the home), and the parent(s)' children, natural or adoptive under the age of eighteen who live in the home. In the case of unmarried adults living together all adults' income will be considered as income in financial assistance determination.

FPG – The Federal Poverty Income Guidelines (FPG) that are published from time to time by the U.S. Department of Health and Human Services and in effect at the date of service for award of financial assistance under this Policy.

FAP – Financial Assistance Policy.

Medically Indigent – Guarantor with current self-pay medical balances that equal or exceed 25% of Annual Family Income.

Medically Necessary Care – Medically necessary care are those services reasonable and necessary to diagnose and provide preventive, curative or restorative treatment for physical conditions in accordance with professionally recognized standards of health care generally accepted at the time services are provided.

Notification Period – From date of service until 120-days following date of first statement to patient/guarantor when Hospital patient account representatives will notify patient/guarantor in all written and oral communications of the Policy.

Policy – This Financial Assistance Policy as in effect from time to time.

Underinsured Patients – Patient who are insured or qualify for governmental or private programs that provide coverage for the services rendered but do not have resources to pay the private portion of the bill.

Uninsured Patients – Individuals who do not have governmental or private health insurance or whose insurance benefits have been exhausted.

## **POLICY FOR EMERGENCY AND MEDICALLY NECESSARY CARE**

1. Policy to Provide Care. The Hospital's policy is to provide Emergency and Medically Necessary Care to Uninsured or Underinsured Patients who do not have adequate financial resources to pay for services provided at the Hospital. Uninsured and Underinsured Patients may request to be considered for awards of financial assistance under the Policy. The eligibility criteria for financial assistance and the procedures to apply for financial assistance set out in this Policy are intended to ensure that the Hospital will have the financial resources necessary to meet its commitment to providing care to patients who are in the greatest financial need. Elective Procedures shall not be eligible for financial assistance without prior approval from the Director of Patient Financial Services.
2. Policy Relating to Emergency Medical Care. Consistent with EMTALA, the Hospital will provide an appropriate medical screening to any individual, regardless of ability to pay, requesting treatment for a potential emergency medical condition. If, following an appropriate medical screening, Hospital personnel determine that the individual has an emergency medical condition the Hospital will provide services, within the capability of the Hospital, necessary to stabilize the individual's emergency medical condition, or will affect an appropriate transfer as defined by EMTALA.
3. Notice of Financial Assistance Policy

- a. The Hospital will post this Policy, along with a summary, in the emergency department, outpatient waiting room, and registration area and on the Hospital's website in a downloadable printable user-friendly format along with the Financial Disclosure Application. The summary will be included in inpatient packets.
  - b. At the earliest feasible time, Hospital personnel will attempt to determine whether a patient has third-party coverage for any part of their bill.
  - c. The request for financial assistance may originate from the patient, family member or friend of the family, as well as from any employee of the Hospital or member of the medical staff.
  - d. Hospital communications both verbal and written to patients/guarantors will include mention of our financial assistance policy during the timely notification period of 120-days since the date of patient/guarantor first statement. Should the patient/guarantor submit a completed Financial Disclosure Application within notification period the notification period will be considered met.
4. Eligibility Criteria for Financial Assistance.
- a. General – In general, patients whose Annual Family Income does not exceed 300% of the FPG, who meet the other criteria set forth in this Policy.
  - b. All insurances must have paid or denied payment and have entered a self-pay status, however, accounts in self-pay status longer than 120 days that are in collections will not be considered for financial assistance.
  - c. Geographic Requirement – Only patients who are residents of the Geographic Area Served by the Hospital are eligible for assistance under this Policy. The Hospital reserves the right to request proof of legal residency from patients applying for financial assistance.
5. Method of Applying for Financial Assistance
- a. To be eligible for financial assistance under this Policy, individuals must first exhaust all financial resources, including Medicare, Medical Assistance (individuals are required to apply for Medical Assistance benefits through the Pennsylvania Department of Welfare. However, do not wait for the Medicaid Notice of Decision to submit the Financial Disclosure Application), individual or group medical plans, Worker's Compensation, other federal, state, or military programs, or any other situation in which another person or entity may have legal responsibility to pay for the cost of services. Then, individuals must apply for financial assistance submitting a completed Financial Disclosure Application with requested documentation and cooperate with the Hospital in determining whether the patient is eligible for any other benefits or if the individual is eligible for financial assistance under this Policy.

- b. Proof of income and financial documentation will be required based on the patient's Annual Family Income at the time of service. Annual Family Income determination should be based on the two-month period immediately preceding the date of service on the Financial Disclosure Application, past year's Federal Income Tax Return, and bank statements for all family members for two months immediately preceding the date of service.
- c. Should the guarantor wish for their outstanding medical bills to be considered in the financial assistance determination the guarantor must include the most current medical bills with their application and other documentation.
- d. Patient Financial Services representatives may assist patient/guarantor in completing the Financial Disclosure Application and answer questions the patient/guarantor may have regarding same.
- e. The Financial Disclosure Application is due within 30 days of discharge to Patient Financial Services, Tyrone Hospital, One Hospital Drive, Tyrone, PA 16686-1898.

6. Evaluation of Consideration for Financial Assistance

- a. A Hospital representative will proceed through the following hierarchy in an effort to secure the best evidence available from the patient or guarantor (responsible party) at the time of their encounter:
  - i. A completed Financial Disclosure Application inclusive of the patient or guarantor's signature with the following hard copy documentation
    - 1. A signed copy of the current Federal Income Tax Return, including all forms and schedules or an explanation why an Income Tax Return is not available.
    - 2. Past two months of pay stubs/records for each employed member of the family, or a copy of the Social Security determination statement or a bank statement indicating direct deposit of monthly Social Security/Disability income.
    - 3. Self-employment Statements
    - 4. Unemployment and Worker's Compensation Forms
    - 5. All bank statements (including checking, savings, etc.) for each Family member holding such accounts for two consecutive months.

- 6. Any other documents supplied to verify income and other financial obligations.
  - 7. If there is a discrepancy with the information that was provided from the patient, a hospital representative or their agent may request additional information to support the document.
- b. Completed and signed Financial Disclosure Application will be forwarded to Patient Financial Services, Tyrone Hospital, One Hospital Drive, Tyrone, PA 16686-1898 once all documentation has been received for evaluation and processing. The Financial Disclosure Application is due within 30 days of discharge to Patient Financial Services,
  - c. The approval process may take up to 30 days. Following determination of financial assistance a letter will be sent to patient/guarantor notifying them of the determination of financial assistance.

7. Calculation of Financial Assistance

- a. When financial assistance is awarded at less than 100% the patient's bill will be discounted to the Hospital's current Medicare payment amount for each service received (AGB). The qualifying level of financial assistance is applied to charges after the AGB discount has been applied.
- b. Financial Assistance employs a sliding scale discount that takes into consideration a patient's household income and assets. The patient must establish through completion of the Financial Disclosure Application and submission of required documentation that the patient's household income is below 300% Federal Poverty Level (FPL). The discount provided per FPL income is provided in Appendix A.

Example: Patient's Annual Family Income is \$33,500. The patient has two total dependents including him/herself as reported on the Financial Disclosure Application.

Using the scale on Appendix A, the patient falls in the 70% w/o category of the sliding scale.

The discount for which the patient is eligible is 70%.

If the patient's responsibility was \$800, the calculation would be as follows:

Amount Owed	\$800
Financial Assistance%	70%
	\$560
	Financial Assistance Discount

Patient Owes

\$240

- c. Once the final determination is made, payment arrangements for any remaining patient responsibility can be established.
- d. For those patients on Medicare, charity care will be valid for a calendar year since their income is stable and charges may occur in January. However, a new Financial Disclosure Application will need to be submitted every January. All other patients will have charity care granted for six months from the date of approval since their income/assets may change. Any account in collections longer than 30 days will not be considered under this Financial Assistance Policy.
- e. Collection/legal action may be used to collect amounts due if the responsible party refuses to cooperate in the financial assistance determination process or make and follow suitable payment arrangements. In addition, collection/legal action may be used to collect amounts due that remain after financial assistance determinations have been made and the responsible person fails to make and follow suitable payment arrangements. Legal action may be taken to attach wages when it is believed that there is sufficient income to pay the amount due. The Hospital Patient Financial Services Director must give authority for such legal action.