

PURPOSE:

The purpose of this policy is to document the Fort Washington Medical Center (FWMC) process for granting financial assistance where patients are unable to meet their obligations to the organization due to lack of insurance or other financial resources or other conditions of financial hardship.

POLICY:

Fort Washington Medical Center provides care to all patients regardless of ability to pay.

It is the policy of Fort Washington Medical Center to provide Financial Assistance based on inability to pay or high medical expenses for patients who meet specified financial criteria and request such assistance.

The determination of probable eligibility for Financial Assistance (or charity care services) will be made within two business days following a patient's request for such services, application for medical assistance or both.

FWMC will communicate the availability of financial assistance on the hospital website and in hospital publications.

A notice of FWMC's Financial Assistance Plan will be posted in the Admitting & Registration (Admissions) Department, Patient Accounts (Business Office), in the Emergency Department, and Administration.

Individual notice regarding the hospital's charity care policy shall be provided at the time of preadmission or admission to each person who seeks services in the hospital.

PROCEDURE:

1. Patient's will be informed of the following upon admission through the Financial Assistance Brochure/Information Sheet:
 - a. Description of the Financial Assistance Policy;
 - b. Patient's rights and obligations with regard to hospital billing and collection under the law;
 - c. Contact information at the hospital that is available to assist the patient, the patient's family/significant other, or the patient's authorized representative in order to understand:
 - i. The patient's hospital bill;
 - ii. The patient's rights and obligations with regard to the hospital bill;
 - iii. How to apply for free and reduced cost care in the billing office;
 - iv. How to apply for the Maryland Medical Assistance Program and any other programs that may help pay the bill.

- d. Contact information for the Maryland Medical Assistance Program;
- e. Physician charges are not included in the hospital bill and are billed separately.
2. The patient's initial bill will include reference on whom to contact for Financial Assistance Information.
3. The Financial Assistance Brochure/Information sheet will be distributed to each patient.
4. An evaluation for Financial Assistance can be commenced in a number of ways:
 - a. A patient with a self-pay balance due notifies the self-pay collector that he/she cannot afford to pay the bill and requests assistance.
 - b. A patient presents at a clinical area without insurance and states that he/she cannot afford to pay the medical expenses associated with their current or previous medical services.
 - c. A physician or other clinician refers a patient for financial assistance evaluation for potential admission.
5. The Insurance Verification Representative/Financial Counselor (located in the Admitting office), Admitting and Patient Accounts personnel will be responsible for taking Financial Assistance applications.
6. When a patient requests Financial Assistance, the staff member who receives the request will:
 - a. **AFTERHOURS/WEEKEND:** Give the patient a Financial Assistance Program and Practices brochure and application (attached) and refer the patient to contact the Insurance Verification Representative/Financial Counselor. Patients may drop off applications with anyone in the Admitting area.
 - b. **DURING THE WORKWEEK NORMAL BUSINESS HOURS:** Refer the patient to the Insurance Verification Representative/Financial Counselor.
7. To make a determination of **probable eligibility** for Financial Assistance, the applicant must complete the Maryland State Uniform Application for Financial Assistance.
 - a. The Insurance Verification Representative/Financial Counselor will perform an assessment to determine if the patient meets preliminary criteria based on the family size/income as defined by Medicaid regulations (See Attached Poverty Level Guidelines Table).
 - b. **A Letter of Conditional Approval for probable eligibility (see attached) will be sent to the patient within two business days.**
 - c. The person seeking financial assistance may contact Insurance Verification at the end of the second business day to learn of the determination.
 - d. Applications received and preliminary determinations made by the Insurance Verification Representative/Financial Counselor will be sent daily to Patient Accounts for review

8. In order to make the final determination for Financial Assistance as provided for in the letter of conditional approval, following documents must be provided to any personnel in Admitting or Patient Accounts.
 - a. A copy of the conditional approval letter (attached).
 - b. A copy of their most recent Federal Income Tax Return (if married and filing separately, then also a copy of spouse's tax return and a copy of any other person's tax return whose income is considered part of the family income as defined by Medicaid regulations).
 - c. A copy of the three (3) most recent pay stubs (if employed) or other evidence of income of any other person whose income is considered part of the family income as defined by Medicaid regulations.
 - d. A Medical Assistance Notice of Determination (if applicable).
 - e. Proof of disability income (if applicable).
 - f. Reasonable proof of other declared expenses.

9. The following must be met in order for a review for a final determination for a Financial Assistance adjustment:
 - a. The patient must apply for Medical Assistance unless the financial representative can readily determine that the patient would fail to meet the disability requirement. In cases where the patient has active Medicare Prescription Drug Program or Qualified Medicare Beneficiary (QMB) coverage, it would not be necessary to reapply for Medical Assistance unless the financial representative has reason to believe that the patient may be awarded full Medical Assistance benefits.
 - b. Review viability of offering a payment plan agreement.
 - c. All insurance benefits have been exhausted.

10. A patient can qualify for Financial Assistance either through lack of sufficient insurance or excessive medical expenses. If the patient's application for Financial Assistance is determined to be complete and appropriate:
 - a. the Insurance Verification Representative/Financial Counselor will forward all documents and recommended patient's level of eligibility to the Director, Patient Accounts;
 - b. the Director of Patient Accounts has the authority to approve/reject charity amounts less than \$5,000; and
 - c. The Chief Financial Officer has the authority to approve/reject charity amounts estimated to exceed \$5,000.

13. A Letter of Final Determination (see attached) will be sent to the patient within 30 days to inform him/her eligibility for:
 - a. Financial Assistance (Full or partial)
 - b. Payment Plan

14. FWMC has the option to designate certain elective procedures for which no Financial Assistance options will be given.

15. Once a patient is approved for Financial Assistance, it is expected that the patient will continue to meet his/her required financial commitments to Fort Washington Medical Center. If a patient is approved for a percentage allowance due to financial hardship and the patient does not make the required initial payment within 60 days towards their part of the bill, the Financial Assistance allowance will be reversed and the patient will owe the entire amount. It is recommended that the patient make a good faith payment at the beginning of the Financial Assistance period.

16. Any payment schedule developed through this policy will ordinarily not exceed two years in duration. In extraordinary circumstances, a payment schedule may extend to three years in duration, with the approval of the Chief Financial Officer.

17. The Director of Patient Accounts will advise ineligible patients of other alternatives available to them including Medical Assistance or bank loans.

18. Financial Assistance may be extended when a review of a patient's individual financial circumstances has been conducted and documented. This should include a review of the patient's existing (including any accounts having gone to bad debt within 3 months of application date) and any projected medical expenses.

19. A determination of Financial Assistance will be re-evaluated every six (6) months as necessary.

GLOSSARY

TERM	DEFINITION
Catastrophic circumstances	A situation in which the self-pay portion of the FWMC medical bill is greater than the patient/guarantor's ability to repay with current income and liquid assets in 24 months or less.
Current Medical Debt	Self-responsible portion of current inpatient and outpatient affiliate account(s). Depending on circumstances, accounts related to the same spell of illness may be combined for evaluation. Collection agency accounts are considered.
Liquid Assets	Cash/Bank Accounts, Certificates of Deposit, bonds, stocks, Cash Value life insurance policies, pension benefits.
Living Expenses	Per person allowance based on the Federal Poverty Guidelines times a factor of 3. Allowance will be updated annually when guidelines are published in the Federal Register.
Permanent Resident	Holder of a United States Permanent Resident Card, also known as a "green card," which is an identification process card attesting the permanent resident status of alien in the United States of America. The green card serves as proof that its holder, a Lawful Permanent Resident (LPR), has been officially granted immigration benefits, which include permission to conditionally reside and take employment in the USA. The holder must maintain his permanent resident status, and can be removed if certain conditions of such status are not met.
Projected Medical Expenses	Patient's significant, ongoing annual medical expenses, which are reasonably estimated, to remain as not covered by insurance carriers (i.e. drugs, co-pays, deductibles and durable medical equipment.)
Qualified Medicare Beneficiary (QMB)	The QMB program is for persons with limited resources whose incomes are at or below the national poverty level. It covers the cost of the Medicare premiums, coinsurance and deductibles that Medicare beneficiaries normally pay out of their own pockets.
Spell of Illness	Medical encounters/admissions for treatment of condition, disease, or illness in the same diagnosis-related group or closely related diagnostic-related group (DRG) occurring within a 120-day period.
Supporting Documentation	Pay stubs; W-2s; 1099s; workers' compensation, social security or disability award letters; bank or brokerage statements; tax returns; life insurance policies; real estate assessments; and, credit bureau reports.
Take Home Pay	Patient's and/or responsible party's wages, salaries, earnings, tips, interest, dividends, corporate distributions, net rental income before depreciation, retirement/pension income, social security benefits, and other income as defined by the Internal Revenue Service, after taxes and other deductions.

TRAINING:

All staff will be informed of the Financial Assistance Plan and their specific responsibilities related to this plan.

Training will be provided at orientation, annual professional update and periodically as indicated.

DOCUMENTATION:

Registrars will document that they provided the newly admitted patient with the Financial Assistance Brochure/Information Sheet in the information system by placing a check in the HIPAA box. This check indicates that HIPAA, Patient’s Rights Brochure and the Financial Assistance Brochure was given to the patient.

ANNUAL EVALUATION:

FWMC Trends of Annual Percent of Financial Benefit
Update Poverty Table
Review of literature for national, state and local legislative review to maintain current compliance.

APPROVAL PROCESS/COMMITTEE FLOW:

Finance Committee
Patient Safety/Performance Improvement Committee (for information)
President and CEO

REFERENCE (S):

Federal Register (Poverty Level Guidelines)
Maryland legislation §19-214.1
Maryland State Uniform Financial Assistance Application located at www.hscrc.state.md.us/consumers_uniform.cfm
FWMC Patient Rights and Responsibilities brochure
HB 1069 HSCRC Financial Assistance and Debt Collection Policy (Effective 6/1/2009)

ATTACHMENT(S):

Financial Assistance Program and Practices brochure
Letter of Conditional Approval
Letter of Determination
Financial Assistance Notice for lobby
2012 Poverty Level Guidelines (January 2012 Federal Register)
Maryland State Uniform Financial Assistance Application

DATE REVIEWED:	SIGNATURE:	DATE REVIEWED:	SIGNATURE:
APPROVED: Verna S. Meacham, President/CEO		DATE ISSUED: 11/1998	DATE REVISED: 12/21/07, 6/2009, 4/2012 ,3/2013, 11/2014