Title/Description:		Manual:
FINANCIAL ASSISTANCE		**IV**
Effective Date:	Revision/Review Date:	Approved By:
2023-07-25	**06/18, 07/23**	*Joe Freudenberger*

Printed copies are for reference ONLY. Refer to the electronic version for the latest version.

I. POLICY

In fulfillment of its mission, OakBend Medical Center contributes appropriate resources, advocacy and community support to promote the health status of the community, which it serves, within its economic ability to do so. Financial assistance, or charity care, may be provided to patients with a demonstrated inability to pay, whether those patients are uninsured or underinsured (working poor or medically indigent). Patients, whether uninsured or underinsured, may qualify for financial assistance for an amount up to the full gross charges for their account where uninsured or the patient's balance, including deductible, co-insurance, co-pay or amounts not otherwise covered by the payer, where underinsured. The purpose of this policy is to establish criteria for determining if a patient's account qualifies for financial assistance. All patients will be evaluated for possible assistance under this program to determine the extent to which they qualify for financial assistance (charity).

The hospital will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance. The hospital will not engage in actions that discourage individuals from seeking emergency medical care, such as demanding that emergency department patients pay before receiving treatment for emergency medical conditions, or permitting debt collection activities that interfere with the provision, without discrimination, of emergency medical care. The hospital will provide the care for emergency medical conditions that the hospital facility is required to provide. This policy does not affect the hospital's obligation under the Emergency Medical Treatment and Active Labor Act.

This written policy:

- Includes eligibility criteria for financial assistance – free and discounted (partial charity) care;
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy;
- Describes the method by which patients may qualify for financial assistance; and
- Specifies the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance.

II. DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

A. **Family:** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue

Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

B. **Family Income:** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, alimony, child support and other miscellaneous sources;
- Non-cash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (non-relatives, such as housemates, do not count).

C. **Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

D. **Underinsured:** The patient has some level of insurance or third-party assistance but still has a balance, such as deductible, co-insurance, co-pays or amounts not otherwise covered by the payer, that exceed his/her financial abilities or the services are non-covered, benefits are exhausted, they have incurred a spell of illness or they have a denial for length of stay. These would apply to any commercial or government payer.

E. **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.

F. **Emergency medical conditions:** Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

G. **Medically necessary:** As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

III. PROCEDURES

A. **Services Eligible Under This Policy**. For purposes of this policy, "charity" or "financial assistance" refers to healthcare services provided by the hospital at a discount to qualifying patients, with the discount up to 100% of charges. Only medically necessary healthcare services are eligible for charity. The financial assistance offered under this policy does not apply to contractual allowances from government programs or commercial insurance, as well as physician or other professional fees billed separately from the hospital's fees. The financial assistance offered under this policy may include co-payments, co-insurance, deductibles or a combination of those, as well as exhausted benefits, length of stay denials, non-covered services, flat rate programs and services for which the hospital has no contract. The hospital reserves the right to define the services ultimately covered by this policy.

B. **Patients' Eligibility for Charity.** Patients' eligibility for charity will be determined based on financial need in accordance with this Policy. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account race, ancestry, religion, national origin, citizenship status, age, disability, or gender.

C. **Method by Which Patients May Qualify for Charity Care.**

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may

    a. Include an application process, in which the patient or the patient's guarantor supply personal, financial and other information and documentation relevant to making a determination of financial need;

    b. Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as income determination); such information may be obtained directly or through third party sources with expertise in this area;

    c. Include reasonable efforts by the hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs; and

2. The need for financial assistance may be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than six months prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. Documentation of family income will be required via one of the following mechanisms:

    a. By the provision of third-party financial documentation, including IRS Form W-2, paycheck remittance, individual tax return, bank statements, Social Security payment remittance, worker's compensation payment remittance; unemployment insurance payment notice; unemployment compensation determination letters and other publicly available information; or other appropriate indicators of the patient's income. Third party documentation provided under this subsection will be handled in accordance with the hospital's information security procedures and the requirements of securing protected health information.

    b. In cases where third-party documentation is unavailable, subject to the approval by the hospital Chief Financial Officer, family income can be determined (i) by obtaining a financial assistance application signed by the patient or responsible party attesting to the veracity of the patient's income information provided, or (ii) through the written attestation of the hospital employee completing the financial assistance application that the patient or responsible party verbally verified the patient's income information provided, or (iii) through outside agencies.

4. An expired patient with no surviving spouse may be deemed to have no family income. Documentation of family income is not required for expired patients; however, documentation of estate assets may be required. The surviving spouse of an expired patient may apply for financial assistance.

D. **Presumptive Financial Assistance Eligibility**. In instances when a patient has no financial assistance form on file or a lack of supporting documentation, the hospital may therefore use outside agencies in determining estimated income amounts for the basis of determining charity care eligibility and potential discount amounts. In addition to financial information obtained by an outside agency, presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;

2. Homeless or received care from a homeless clinic;

3. Participation in Women, Infants and Children programs (WIC);

4. Food stamp eligibility;

5. Subsidized school lunch program eligibility;

6. Eligibility for other state or local assistance programs including but not limited to Medicaid and the County Indigent Healthcare Program;

7. Low income/subsidized housing is provided as a valid address;

8. Incarceration in a correctional institute;

9. Residence in a homeless shelter; and

10. Patient is deceased with no known estate.

E. **Amounts Charged to Patients**. Financial assistance eligible under this Policy will be made available to the patient on a sliding scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. The basis for the amounts the hospital will charge patients qualifying for financial assistance is as follows:

1. Financially Indigent Patients: Patients whose family income is at or below 300% of the FPL are eligible for a discount on outstanding account balances. The discount will be 100% of the balance for family income at or below 200% of FPL. The discount will be 80% of the balance for family income between 200% and 300% of FPL. The balance eligible for discount for uninsured will be based on full gross charges. The balance eligible for discount for underinsured will be based on deductibles, co-insurance and co-pays or amounts not otherwise covered by the payer.

2. Medically Indigent Patients: Patients whose family income is between 300% and 400% of the FPL and whose medical or hospital bills from all related or unrelated providers, after payment by third parties, exceed 10% of such patients' family income OR patients whose family income is over 400% and whose medical or hospital bills from all related or unrelated providers, after payment by all third parties, exceed 25% of such patients' family income are eligible to receive a discount of 50% on outstanding patient account balances. The balance eligible for discount for uninsured will be based on full gross charges. The balance eligible for discount for underinsured will be based on deductibles, co-insurance and co-pays or amounts not otherwise covered by the payer.

After taking into account amounts qualifying for financial assistance (charity), any remaining patient balance will not be more than the amounts generally billed to commercially insured or Medicare eligible patients for emergency or other medically necessary care. In determining amounts generally billed, the hospital has elected to use the "look-back" method, in which the amounts generally billed are based on patients for whom Medicare fee-for-service or any commercial insurer is the primary payor. Information regarding the hospital's calculation of amounts generally billed may be obtained free of charge by contacting the hospital's Chief Financial Officer. In summary, the full gross charges related to a patient's service are eligible for financial assistance (charity) and any balance remaining after the charity adjustment will not exceed the amounts generally billed as defined above.

F. **Communication of the Charity Program to Patients and Within the Community**. Notification about charity available from the hospital, which shall include a contact number, shall be disseminated by the hospital by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments and hospital business offices that are located on facility campuses, and at other public places as the hospital may elect. The hospital also shall publish and widely publicize a summary of this charity care policy on the hospital website and at other places within the community served by the hospital as the hospital may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by the hospital. Referral of patients for charity may be made by any member of the hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

G. **Relationship to Collection Policies**. The hospital management shall develop billing and collections policies and procedures. The actions the hospital may take in the event of nonpayment are described in those policies and procedures. Information regarding those policies and procedures may be obtained free of charge by contacting the hospital's Chief Financial Officer.

H. **Application Process**. Applying for financial assistance can be initiated at any time by a patient requesting assistance in person, over the phone at 281-633-4074 or 281- 341-2858, through the mail at OakBend Medical Center at Attn: Patient Access – Financial Assistance, 1705 Jackson Street, Richmond, TX 77469, or via the hospital's website (www.oakbendmedcenter.org). Additionally, the hospital may initiate a financial assistance application on behalf of the patient.

I. **Providers Covered and Not Covered Under This Policy**. A list of providers covered under this policy and those not covered is attached to this policy and is maintained at www.oakbendmedcenter.org. This list may be updated from time to time by the Chief Financial Officer.

J. **Regulatory Requirements**. In implementing this policy, the hospital management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

K. **Community Health Assessment**. The hospital commits to conducting a Community Health Needs Assessment and adopting an implementation strategy at least once every three years.

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Signature Certificate

Reference number: PFR2K-RQJGA-AJHUO-GWA3H

Signer	Timestamp	Signature
Joe Freudenberger Email: jfreudenberger@obmc.org		
Sent:	20 Jul 2023 19:22:28 UTC	
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