

ADMINISTRATIVE POLICY MANUALS

Section: Business Office

Original: 10-89

Policy: Financial Assistance Policy

Revised: 10/09, 6/10,7/13, 3/15,7/18,8/20,4/22,9/23,1/24,8/26

Reviewed: 3/16,3/17,7/18,9/19,8/20,1/21,4/22,9/23, 1/24, 8/26

1 NCH Healthcare System (NCH) is committed to providing access to quality healthcare for the community it serves and offers financial assistance to those with an established need to receive emergency medical care or medically necessary hospital services. Per Florida Statute 409.9131 “Medical necessity” or “Medically necessary” means any goods or services necessary to palliate the effects of a terminal condition or to prevent, diagnose, correct, cure, alleviate, or preclude deterioration of a condition that threatens life, causes pain or suffering, or results in illness or infirmity, which goods or services are provided in accordance with generally accepted standards of medical practice. NCH bases its Financial Assistance Policy (FAP) and charity policies on the guidelines of the State of Florida. NCH is committed to providing healthcare services to all patients regardless of age, gender, race, ethnicity, disability or religious affiliation and acknowledges that in some cases an individual will not be financially able to pay for the services received.

2 This policy is intended to comply with Section 501(r) of the Internal Revenue Code and shall be interpreted and applied in accordance with such regulations. Patients who do not have the means to pay for services provided at NCH may request financial assistance and may be deemed eligible for assistance in accordance with the terms and conditions of this policy. Due to the significant financial burden of caring for individuals who do not have adequate resources to pay for their services, NCH will decide on a case-by-case basis the extent of non-urgent, non-emergent care provided to all patients. This policy covers services provided by all departments and campuses of NCH and the NCH Medical Group.

Charity discounts shall not be applied until all third-party payments on an account have been determined and applied.

3. NCH shall offer charity or financial assistance when the following conditions are met:
- a. Evaluation has been completed and denied for including but not limited to eligibility for insurance, eligibility for charitable cost sharing programs, liability settlements as it relates to services provided, workers compensation settlements as it relates to services provided, evaluation for Medicaid eligibility or other governmental program or other outside funding assistance
 - b. Patient or guarantor has completed a Financial Assistance Application listing income and assets.
Must provide the following for income verification as applicable:
 - Current pay stubs or written verification from employer
 - Income Tax return for the most recent prior year
 - W-2's and or 1099's
 - Recent Checking/Savings bank statement(s)
 - Written approval or denial of unemployment compensation or

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worker's compensation.

- Written verification from public welfare agencies or any governmental agency of the patient's income
- Self-employed provide complete tax forms from most recent filing including schedule C.
- No means to verify income: if the patient/guarantor has no income to document and no other means of income verification is available, a signed statement of support from the individual(s) providing the patient's support may be accepted in lieu of the above documentation. The statement should identify the supporter, the supporter's relationship to the patient, and the type and source of support provided.

- c. The Provider of service may, in its discretion, use a credit report, an approved technology-based tool such as a propensity-to-pay score, or the patients previously submitted financial information, diagnosis, and payment history, to confirm the information contained on the Financial Form and support the charity eligibility determination; patient or guarantor has complied with income verification requirements.
- d. Patients applying for financial assistance or charity evaluation who have had accounts previously approved for charity within the last six months do not require an additional review of the paper documentation or a new CBI report, if one was requested for the prior approval. This does not apply to charity provided under the 25% rule unless the services are for the same diagnosis or treatment plan. If the services are for a different diagnosis a new evaluation is required.
- e. Debt is greater than \$250.00

- 4 Florida statute allows Providers to classify charges as "charity" for patients whose family income is at or below 200% of the Federal Poverty Guidelines, or if their medical expenses exceed 25% of their annual income and documented financial information supports the patient does not have the ability to pay for services. "Charity care" or "uncompensated charity care" means that portion of the charges for service reported to the Agency for Health Care Administration for which there is no compensation, for care provided to a patient whose family income for the 12 months preceding the determination is less than or equal to 200 % of the federal poverty level, unless the amount due from the patient exceeds 25 % of the annual family income. However, in no case shall the Provider's charges for a patient whose family income exceeds four times the federal poverty level for a family of four be considered charity. (F.S.409.911) If the patient qualifies for the 25% rule for charity and the patient demonstrates the ability to pay a portion of the services; NCH may collect a maximum of the AGB (Amount Generally Billed) and apply charity for the remaining balance.

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FINANCIAL ASSISTANCE AVAILABLE AND ELIGIBILITY CRITERIA**Eligibility criteria for financial assistance:**

- The patient is a permanent resident of the United States and resides within NCH's designated service area (e.g., Collier County and contiguous counties), except that this residency criterion does not apply to emergency medical services provided in an emergency department, which remain subject to FAP evaluation regardless of the patient's residence.
- NCH must be in-network if the patient has health insurance coverage, unless the services were emergency medical services provided in an emergency department.
- The patient meets annual household income and family size criteria as set forth in the federal poverty guidelines.
- Completed financial assistance application including all required documentation if not eligible for Medicaid or presumptive eligibility and not otherwise excluded from financial assistance.
- NCH retains discretion to provide financial assistance based upon financial considerations specific to the patient and the amount due as it relates to their available resources, this excludes patients where NCH is out of network or non-contracted.
- Medical determination when treatment can only be provided by NCH.
- NCH Medical Group (MGR) charges are covered under this FAP only when the services are related to hospital patient visits or to patients in the hospital Emergency Department.

Patient's Income	Amount of Financial Assistance
At or below 200 % of the federal poverty guidelines	The patient is eligible for 100 % financial assistance of the hospital fees and Medical Group fees related to the hospital care.
Between 201 % and 400 % of the federal poverty guidelines	The patient is eligible for a 75% reduction in gross charges from NCH hospitals and Medical Group fees related to the hospital care, in other words, the patient pays 25% of the gross charges.
Patient's responsibility for hospital charges exceeds 25% of the household annual income but does not exceed four times the federal poverty level for a family of four.	The patient is eligible for 100 % financial assistance of the hospital fees and Medical Group fees related to the hospital care.

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PRESUMPTIVE ELIGIBILITY

Patients may be eligible for a discount on the full unpaid balance in the absence of a completed Financial Assistance Application Form if the patient meets one of the following and is not otherwise excluded within the eligibility criteria:

- Is homeless or resides in low income/subsidized housing.
- Is deceased and has no known estate available to pay medical bills.
- Is currently eligible for Medicaid (as primary insurance) but was not at date of service, or Medicaid benefits are exhausted or charges are for services that are non-covered by Medicaid.
- Is currently eligible for Rx Assistance, SNAP/Food Stamps or WIC
- Is eligible to receive benefits from a governmental agency as the victim of a violent crime or sexual assault and the treatment is related to the violent crime or sexual assault.
- A demonstrated inability to pay for services based on all available assets. Patients receiving care in or from the emergency department who are without financial resources may be eligible for the FAP if they are unemployed and cannot provide income or an income tax statement, are indigent without access to the required application documentation may still be eligible for financial assistance.

BASIS FOR CALCULATING AMOUNTS GENERALLY BILLED

When a patient qualifies for financial assistance of less than 100 % of gross charges as set forth above, the fees for which the patient is responsible will not exceed the amount generally billed ("AGB") to individuals who have insurance covering such care.

NCH uses the "look-back" method to calculate the AGB for its hospital facilities. The AGB is the maximum amount we will collect from a patient who is eligible for financial assistance under the Financial Assistance Policy. The AGB percentage is based on all claims allowed by Medicare and private health insurers over a 12-month period, divided by the associated gross charges for those claims.

5. NCH shall maintain adequate documentation for approval of charity care or financial assistance, including financial forms and other supporting documentation. A CBI report may be requested, at NCH's discretion, to support the determination, consistent with Section 3(c).
6. NCH shall extend charity on accounts following the completion of the approval process if the patient or guarantor has no insurance, cannot qualify for outside funding assistance.

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and is charity eligible. Prior to the determination and approval of eligibility for charity, NCH will pursue normal collection efforts NCH will cease all collection efforts upon charity approval and notify any third-party vendors pursuing payment from the patient or guarantor of the date of the charity determination.

7. Third party debt collection agencies may help resolve accounts where patients are uncooperative in making payments, have not made agreed upon payments, or have been unwilling to complete the Financial Assistance Application and/or provide supporting documentation to support their request for financial assistance. Collection agencies may be enlisted only after all reasonable collection and payment options have been exhausted. NCH maintains a separate **Billing & Collection Policy** outlining its billing and collection procedures. A copy of this policy is available on the NCH website [here](#). In accordance with these policies, NCH will not engage in, nor will it authorize its collection agencies to engage in, any Extraordinary Collection Actions as defined in section 501(r) of the Internal Revenue Code, before verifying patients have been given the opportunity to apply for charity or financial assistance.
8. In order to be valid, financial assistance applications must be signed and dated. Financial assistance applications are valid for 6 months prior to and 6 months after the date of signature. As an exception, the financial forms may be valid for an additional 6 months if the patient's income is limited to a fixed income such as social security or disability and his/her income has not changed. If the patient is unable to sign due to their medical condition, the form may be signed by the guarantor, the person providing the financial information (state their relationship to the patient) or the Financial Counselor/Public Benefits Representative documenting the form either in writing or verbally by phone. The form should be documented: "the patient is unable to sign due to medical condition".
9. NCH reserves the right to reverse financial assistance and pursue appropriate reimbursement or collections as a result of newly discovered information, including insurance coverage or payment to the applicant or pursuit of a personal injury claim related to the services in question. All payments received by NCH, after financial assistance is awarded will result in the reversal of the adjustment amount to resolve the remaining self-pay balance without creating a balance due or a credit balance. In the event the patient/guarantor does obtain a settlement or is reimbursed for the care provided and refuses to pay for care previously deemed charity or assistance, the patient/guarantor will no longer be eligible for financial assistance and may result in a balance due.
10. Providing financial assistance does not obligate NCH to provide continuing care, however it is at the sole discretion, service and support that are medically necessary and unavailable elsewhere may be provided on a continuing basis. Patients may be required to

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- re-apply for the FAP at least every 6 months.
11. NCH requires prior financial clearance from Business Office Management for all elective (scheduled or non-scheduled) services if the patient is uninsured, underinsured, or self-pay and the service is non-urgent, non-emergent. Payment in full based on the NCH self-pay discount policy (or agreed amount) is required to be obtained prior to services.
 12. A Financial Counselor will contact all patients prior to scheduled services to evaluate the patient's ability to pay. This process will include obtaining the patient's current financial information, requesting a current credit report if warranted and reviewing the patient's payment history with the NCH.
 13. The Business Office management team will review the patients' financial information. Based on their evaluation, Senior Management and or the attending/ordering Physician may be contacted to determine if elective services can be delayed, rescheduled, or denied based on the patient's inability to pay.
 14. Previous approval of an account(s) for charity does not guarantee future charity. Each (non-emergent) service will be evaluated on a case-by-case basis.
 15. Patients insured by Medicare as primary and Medicaid secondary with a balance due after both insurances have been billed will be adjusted as Medicare crossover bad debt, not written off to charity.
 16. NCH has an agreement with the Neighborhood Health Clinic (NHC) and Physician Led Access Network (PLAN) to provide services to their referred patients that are approved by NCH management. NHC and PLAN are required to provide NCH with a completed Financial Assistance form when requesting approval for services. The accounts are placed on a NHC or PLAN hold upon approval and the balances are adjusted to charity after services are provided.
 17. Uninsured patients who are not eligible for financial assistance under this policy may be eligible for a Self-Pay discount. A Self-Pay Discount of 60% is applied to total charges of applicable healthcare services provided by the Hospital. A Self-Pay Discount of 30% is applied to charges for services provided by the NCH Medical Group. This discount does not apply to cosmetic surgery, patient convenience items, program fees, or other non-medically necessary services that are billed according to a pre-determined self-pay schedule. The Self-Pay discount does not relieve or forgive point of service payments that the patient may be required to pay. Any Self-Pay discount will be reversed if third party insurance or other source of coverage is identified.