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|---------------------------|--|---------------------------|
| Policy # <b>O-091</b>     | Title: Financial Assistance            |                           |
| Effective Date: 7/16/2020 | Category: Corporate Operational Policy |                           |
| Origination Date: 5/2001  | Next Review Date: 7/16/2023            | Page <b>1</b> of <b>7</b> |

#### **PURPOSE:**

This policy provides guidelines for managing requests for financial assistance from patients receiving care at OHSU Health. OHSU Health currently includes patients being seen at Oregon Health and Sciences University and Hillsboro Medical Center. Specifically, this policy:

- Includes eligibility reasons for Financial Assistance, including both free and discounted care;
- Describes how OHSU Health decides the amount patients who qualify for Financial Assistance will pay under this policy;
- Describes how patients apply for Financial Assistance;
- Describes how the facility will publicize this policy in the community it serves;
- Describes how the facility limits the amount billed to patients who qualify for Financial Assistance; and
- Describes the facility's billing and collection practices.

#### **PERSONS AFFECTED:**

This policy applies to OHSU Health patients receiving care in both inpatient and ambulatory settings.

#### **POLICY:**

OHSU Health meets community obligations to provide financial assistance in a fair, consistent and objective manner. Based on eligibility, OHSU Health assists persons with financial need by providing discounts or by waiving all or part of the charges for services provided.

#### **DEFINITIONS:**

1. **Financial Assistance:** Financial Assistance is defined as the forgiveness of charges on an account for Medical Necessary services provided to patients who are unable to pay based on income level, financial analysis or demographic indicators.
2. **Medically Necessary Services:** "Medically Necessary" refers to inpatient or outpatient health care services provided for the purpose of evaluation, diagnosis and/or treatment of an injury, illness, disease or its symptoms which otherwise if left untreated would pose a threat to the patient's ongoing health status; services must be clinically appropriate and within generally accepted medical practice standards. OHSU Health uses the Department of Medical Assistance Programs (DMAP) list of prioritized Health Services when determining if a service is medically necessary and eligible for financial assistance. Services that are cosmetic, experimental or part of a clinical research program are not considered Medically Necessary Services for purposes of this policy.
3. **Primary Service Area:** The community of patients served by OHSU Health and eligible for financial assistance includes all State of Oregon residents and patients residing in the following State of Washington counties adjacent to Oregon: Pacific, Lewis, Wahkiakum, Cowlitz, Clark, Skamania, Yakima, Klickitat, Benton, Walla Walla,

and Columbia. Oregon and Washington identification card, residential lease agreement or suitable documentation (i.e., shelter usage, state issued assistance, etc.) is required to show proof of residency.

4. **International Patient:** Anyone seeking and/or receiving medical care at OHSU Health who does not have proof of residency in the US (e.g., state issued identification card, residential lease agreement or suitable documentation (i.e., shelter usage, state issued assistance, etc.)).
5. **Household Assets:** All cash or non-cash assets owned by a member of a household that can be converted to cash including:
  - a. Cash held in savings accounts and checking accounts
  - b. Cash value of stocks, bonds, treasury bills, certificates of deposit and money market accounts.
  - c. Lump sum or one-time receipts of funds, such as inheritance, lottery winnings, and insurance settlements.
6. **Qualified Assets:** Assets that meet the defined criteria in excess of \$100,000 will be added to the annual income when making a determination
7. **Household/Family Members:** A household is a single individual 18 years or older, or an individual and their spouse, domestic partner, and dependent children under 18 years, who live in the same household, and any other person for whom the individual is financially responsible, and claimed as a dependent on the individual's taxes.
8. **Federal Poverty Guidelines:** Level of income the federal government uses to define poverty.
9. **Household Income:** Income of all family members who live in the same household as the patient, or at the home address the patient uses on tax returns or on other government documents.
10. **Presumptive Financial Assistance:** When it is assumed a patient will qualify for financial assistance based on information available (i.e., current Medicaid program status, credit based financial assessment, etc.).
11. **DMAP/OHP non-covered services:** The Oregon Health Evidence Review Commission maintains a list of condition and treatment pairings known as the "List of Prioritized Health Services". These pairings have been ranked by the State in priority from most important to least important and subsequently assigned a line number. Services prioritized as most important are funded by the State as part of the Oregon Health Plan. The funding level is set at a line designated by the State. This means any pairing that occurs above the line is considered funded. Any pairing that occurs below the line is not funded. Below the line services are typically categorized as treatments that do not have beneficial results, treatments for cosmetic reasons, and conditions that resolve on their own. In addition some medical services are excluded from funding by ORS statute 410-120-1200 "Excluded Services and Limitations".
12. **Amounts Generally Billed (AGB):** The average amount received from Medicare, Medicaid, other payers' and patient payments for services, procedures and tests. This is usually described as a percent of gross charges.

## **RESPONSIBILITIES:**

OHSU Health personnel involved in managing a request for financial assistance from a patient who is or has received care at OHSU Health are responsible for understanding and complying with this policy.

## **POLICY REQUIREMENTS:**

1. **Communication of Financial Assistance and Patient Education**
  - a. OHSU Health will make every effort to make Financial Assistance information available to our patients including, but not limited to:
    - i. Signage in main admitting areas of each hospital (in appropriate languages);
    - ii. Brochures explaining Financial Assistance shall be made available in all patient care areas;
    - iii. Billing statements will include information regarding the availability of Financial Assistance;
    - iv. Websites will include information regarding the availability of Financial Assistance;
    - v. OHSU Health will offer financial assistance customer service Monday through Friday with voice mail availability;
    - vi. Patient Financial Services staff will be available at each hospital to assist patients in understanding and applying for available resources, including the Financial Assistance Program;

- vii. OHSU Health will make copies of this policy available in main admitting areas of each hospital and satellite locations;
- viii. OHSU Health will offer the Financial Assistance Policy, instructions, and application available in predominant languages;
- ix. OHSU Health offers interpreter services to translate documents or help with the application process as needed;
- x. OHSU Health will require every collection agency, to which accounts are referred, to provide a telephone number a patient can call to request financial assistance. Patient Financial Services staff are available by phone to help patients identify appropriate financial options or assistance programs.

## 2. **Qualifying Care Under this Policy**

- a. OHSU Health uses the Department of Medical Assistance Programs (DMAP) Prioritized List of Health Services to determine Medically Necessary Services. Services that are not eligible for Financial Assistance under this policy include:
  - i. Services considered non-covered or not medically necessary by the Oregon Department of Medical Assistance Program (DMAP)/ Oregon Health Plan (OHP);
  - ii. Services provided to a patient for whom OHSU Health is considered out-of-network and under their insurance plan network are generally not covered. Exceptions may be made when appropriate out-of-network authorizations are obtained and after payment is received from the insurance company;
  - iii. Patients who are not responsible for the bill (e.g., Community/Agency funded support);
  - iv. Patients who have insurance but choose not to utilize coverage;
  - v. Elective cosmetic surgery procedures;
  - vi. Other elective procedures (e.g., include but are not limited to infertility services, andrology services, sterilization with the exception of in-house postpartum bi-lateral tubal ligation, reversal of sterilization, circumcision);
  - vii. Transplant and CAR-T therapy;
  - viii. Take home prescriptions or supplies issued by the Pharmacy;
  - ix. Medical equipment (i.e., eyeglasses, contact lenses, or equipment used in the treatment of sleep apnea); and
  - x. Experimental services or services that are part of a research trial.

## 3. **Eligibility**

- a. Eligibility for Financial Assistance will be determined for patients who have medical costs and are uninsured, underinsured or otherwise unable to pay for their care. The eligibility requirements are outlined below:
  - i. Patients may qualify for Financial Assistance under this policy if their household/family income is at or below 400% of the Federal Poverty Level (FPL). Eligibility levels are detailed in the Financial Assistance Levels section below.
  - ii. Financial assistance is generally secondary to all other financial resources available to the patient, including insurance, government programs, third-party liability, and assets.
  - iii. Consideration for assistance includes a review of the patient's or responsible party's (e.g., spouse, domestic partner, legal guardian, etc.) household income, number of people in the household, assets, credit history and other indicators of the party's ability to pay. A hardship allowance determination maybe made separately for extenuating circumstances.
  - iv. Financial assistance level is based on household size and income. Assets may also be taken into consideration. The current Federal Poverty guidelines may be found at <http://aspe.hhs.gov/poverty/>
  - v. OHSU Health will keep all applications and supporting documentation confidential. OHSU Health may, at its own expense, request a credit report to further verify the information on the application.

- vi. Financial assistance will not be considered without a completed Financial Assistance Application or Screening. If sufficient information can be obtained through screening that allows for a final determination, a financial application may not be needed.
- vii. The patient resides in the hospital's Primary Service Area.
  - 1) For unscheduled emergency services, an exception to the service area eligible for financial assistance may be extended to include U.S. residents of any state.
- viii. Financial assistance is not available for international patients. For patients receiving care at Oregon Health and Sciences University see the OHSU International Patient Payment Policy.
- ix. OHSU Health and collection agencies will not provide assistance after an account has entered legal court proceedings.

#### 4. **Financial Assistance Levels**

- a. Full financial assistance usually will be provided to a responsible party with gross family income at or below 300% of Federal Poverty Level (FPL). See Appendix A for current Federal Poverty Level income.
- b. 65% assistance will usually be provided to a responsible party with gross household income between 300% and 400% of the Federal Poverty Level. The 65% discount is applied to the amount generally billed. See Appendix B for how amount generally billed is calculated.

| <b>Uninsured Patients – Emergency and Medically Necessary Care</b> |                                    |
|--|------------------------------------|
| Family Income  | Amounts Charged                    |
| 300% or less of the Federal Poverty Level                          | Zero                               |
| >300% to 400% of the Federal Poverty Level                         | 35% of the Amount Generally Billed |

| <b>Commercially insured patients – Emergency and Medically Necessary Care</b> |                                |
|---|--------------------------------|
| Family Income   | Amounts Charged                |
| 300% or less of the Federal Poverty Level                                     | Zero                           |
| >300% to 400% of the Federal Poverty Level                                    | 35% of balance after insurance |

#### 5. **How Patients Apply for Financial Assistance**

- a. Requests for financial assistance may be made verbally or in writing at any point before, during or after the provision of care.
- b. Information about the financial assistance policy may be obtained free of charge by phone, in person, or in writing. See Appendix D for contact information.
- c. Financial assistance requests may be proposed by sources other than the patient, such as the patient's physician, family members, community or religious groups, social services or hospital personnel. Staff will reach out to the patient/responsible person in order to complete a screening.
- d. Anyone requesting financial assistance from OHSU Health will be screened for eligible medical programs prior to being given a Financial Assistance Application, which includes instructions on how to apply.
- e. Consideration for financial assistance will occur once the applicant has completed Financial Assistance Screening and/or supplies a completed Financial Assistance Application with supporting documents, including verification of income. Acceptable verification of income includes the following:
  - i. Most recent three months' worth of payroll stubs;
  - ii. Copy of the most current year's IRS tax return;
  - iii. Verification of Social Security or unemployment benefits;
  - iv. Verification of assets, including the most current bank statement;

In the absence of income, a letter of support from individuals providing for the patient's basic living needs will be accepted. OHSU Health may require additional verification of income and assets.
- f. OHSU Health will make every attempt to make assistance determinations within 21 days of receiving a completed Financial Assistance Application.
- g. Financial assistance applications that are not complete will be held for a term of 90-days. If proper documentation is not received within those 90-days then a new application may be required to be completed.

- h. Notification of financial assistance determinations will be mailed to the responsible party. When a patient receives discounted care (rather than free care), reasonable payment arrangements consistent with the responsible party's ability to pay will be extended for amounts payable by the patient.

**6. Eligibility for other programs**

- a. Financial assistance is secondary to all other financial resources available to the patient including insurance, government programs, third-party liability, medical cost sharing program payments and liquid assets.
- b. Patients must apply for any other available coverage prior to financial assistance being considered. This includes, but is not limited to, State or federally funded programs, such as Medicaid and Medicare.

**7. Presumptive Financial Assistance Eligibility**

- a. Financial assistance may be granted in the absence of a completed application in situations where the patient does not apply but other available information substantiates a financial hardship that would make the debt virtually uncollectible. Examples of these exceptions where documentation requirements are waived include, but are not limited to:
  - i. An independent credit-based financial assessment indicates indigence;
  - ii. An automatic financial assistance determination of 100% assistance is applied in the following situations provided other eligibility criteria are met:
    - 1) Patient has an active limited Medicaid plan, including Citizen Alien Waived Emergency Medical (CAWEM) coverage, or a Medicare Savings Plan such as SMF, SMB, or QI-1; or
  - iii. Patients with current active Medicaid coverage will have assistance applied for past dates of service

**8. Eligibility Period**

- a. The notification of financial assistance will indicate an approval period for Financial Assistance. In general, the approval period for Financial Assistance will apply to existing patient balances as of the date of the approval and includes any eligible services provided by OHSU Health within six months from the effective date of the approval.
- b. The approval period may be shortened if the patient has other eligibility for coverage.
- c. Patients will need to reapply for Financial Assistance if additional services are needed after the expiration of the approval.

**9. Appeal Regarding Application of the Policy**

- a. Patients may submit a written request for reconsideration to the Patient Financial Services Manager if they believe their Financial Assistance application was not approved according to this policy.

**10. Covered Providers**

- a. Financial Assistance applications and determinations only cover OHSU Health balances. See Appendix C for a list of non-covered providers.

**11. Discounts for Uninsured Patients**

- a. OHSU Health provides discounts to patients who do not have health insurance coverage. This discount lowers the amount owed by 65%. This discount is not eligible for International Patients.
- b. The discount scale was established by calculating the average Amounts Generally Billed to Medicare using a look back method (See Appendix B).

**12. Billing/Collections Practices**

- a. OHSU Health will send a minimum of three (3) statements to the patient, which informs the patient of the amount due and of the patient's opportunity to complete a Financial Assistance Application. OHSU will make an attempt to contact the patient by telephone at the number provided by the patient (if any) to inform the patient of the amount due and of the patient's opportunity to complete a Financial Assistance Application, and stating that completion of such application may afford the patient free or discounted care;

- b. A patient who is making timely payments on all agreed-upon in-house installment arrangements for payment of health care services shall not be charged interest on outstanding amounts. . Interest on amounts owed will not exceed the weekly average one-year constant maturity treasury yield as published by the Board of Governors of the Federal Reserve System, for the week preceding the date when the patient was first billed, except that the interest may not be less than two percent per annum or more than five percent per annum.
- c. If there is a balance owed after financial assistance determination and the patient does not comply with agreed-upon payment arrangements, OHSU Health will make two attempts to provide the patient with notice by mail. If the patient's financial situation has changed, the patient will be given an opportunity to work out new payment arrangements.
- d. If the patient does not make payment arrangements, or if the patient fails to comply with any payment arrangements made, OHSU Health may refer the outstanding account balance to a collection agency. Prior to sending a patient to collections, OHSU Health will complete a presumptive financial assistance screening for the patient.
- e. OHSU Health may choose to classify delinquent accounts as "presumptive charity" when independent results indicate an inability to pay; using pre-collection / early out vendor screening.

**RELEVANT REFERENCES:**

N/A

**RELATED DOCUMENTS/EXTERNAL LINKS:**

- Statement of Financial Resources
- OHSU Self-Pay Discount Policy
- OHSU International Patient Payment Policy

**TITLE, POLICY OWNER:**

- Patient Access Manager
- Senior Director Ambulatory Services

**APPROVING STAKEHOLDER(S)/COMMITTEE(S):**

| Stakeholder Role/Committee | Name/Chair               | Action   | Date      |
|----------------------------|--------------------------|----------|-----------|
| Policy Owner               | Lynne Padua / Alan Lines | Approved | 7/10/2020 |
| Vice President, Finance    | Meredith Peterson        | Approved | 7/11/2020 |
| President                  | Lori James-Nielsen       | Approved | 7/15/2020 |
|                            |                          |          |           |

**REVISION HISTORY LOG:**

| Version | Date      | Author      | Section                                | Nature of Change                              |
|---------|-----------|-------------|--|---|
| 1.0     |           |             |  |   |
| 2.0     | 7/10/2020 | Lynne Padua | Policy Requirements and Appendix A & C | Added requirements and updated the FPL table. |
|         |           |             |  |   |

**Supersedes:** Replaces AMB 1.04.01, AMB 1.04.08, and AMB 1.04.09; 12/17/2007; minor changes 3/3/2015; 11/2016; 1/2019;

## Appendix A

### 2020 Federal Poverty Levels (FPL) Table

| <u>Persons in family</u>               | <u>48 Contiguous States and District of Columbia</u> |
|--|--|
| <u>1</u>                               | <u>\$12,760</u>                                      |
| <u>2</u>                               | <u>\$17,240</u>                                      |
| <u>3</u>                               | <u>\$21,720</u>                                      |
| <u>4</u>                               | <u>\$26,200</u>                                      |
| <u>5</u>                               | <u>\$30,690</u>                                      |
| <u>6</u>                               | <u>\$35,160</u>                                      |
| <u>7</u>                               | <u>\$39,640</u>                                      |
| <u>8</u>                               | <u>\$44,120</u>                                      |
| <u>For each additional person, add</u> | <u>\$4,480</u>                                       |

## Appendix B

### AGB calculations & Table

The method used to calculate AGB is a historical look-back method based on actual paid claims for Medicare fee-for-service, including portions paid by insured individuals. A single average percentage of gross charges or multiple percentages for separate categories of care or separate items or services. The AGB rate will be updated annually on January 1<sup>st</sup> of each year and implemented with 120 days of any AGB rate change.

| <u>Facility</u>                    | <u>Service</u>      | <u>Effective</u> | <u>AGB Rate</u> | <u>Self-pay Discount</u> |
|------------------------------------|---------------------|------------------|-----------------|--------------------------|
| <u>OHSU Hospital &amp; Clinics</u> | <u>All Services</u> | <u>1/1/2020</u>  | <u>33.1%</u>    | <u>35%</u>               |
| <u>Hillsboro Medical Center</u>    | <u>All Services</u> | <u>1/1/2020</u>  | <u>29.3%</u>    | <u>35%</u>               |

## Appendix C

Below is a list of entities affiliated with OHSU Hospital or Hillsboro Medical Center, but who make their financial assistance determinations independent of OHSU Health and may or may not honor a determination letter previously provided to the patient by OHSU Health:

- Medical Imaging Group of Hillsboro (radiologist interpretation fees)
- Washington County Pathologists (pathologist interpretation fees)
- North West Emergency Physicians (emergency room physician fees)
- Sound Inpatient Physicians (hospitalist's fees)
- Anesthesia Business Associates (anesthesiologist's fees)
- Richmond Family Medicine