



01-27-2020

Standard Precautions

YES X NO

TITLE

Financial Assistance

POLICY NO.

B9045.01

ORIGINATING DEPARTMENT

Patient Financial Services

REPLACES PREVIOUS POLICY #

EFFECTIVE DATE

February 7, 2020

NEW	REVIS	X	REVIEWED ONLY - NO CHANGES (ENTER DATE REVIEWED BY DEPT.)			REVIEW CYCLE "X"			ANNUAL	X	2 YEAR	3 YEAR
UPLOAD INTO EHR	YES	X	NO									
REQUIRED POLICY	X	YES	NO									

Responsible Party & Ext. (Contact Person for policy content )	Attachments List attachments below including number and name assigned to each document.
Loretta Hester Ext 7074	
APPLICABLE STANDARDS *** (Required Information)	
<b>Joint Commission (JC)</b> List Chapter, Standard & EP	
<b>National Pt. Safety Goals</b> List Goal No. & Suffix	
<b>CMS</b>	
OTHER:	

APPROVAL DATES: (IF APPLICABLE - place date approved below before sending to Policies)				
P&P Committee	Infection Prevention	Med. Exec.	P & T	Critical Care
EEC	PCS Leadership Council	Education	Other:	
~ EDUCATION REQUIRED ~ Contact the Education Department to determine if either is required. If yes, Director of Education must approve policy and their approval date must appear above				
SKILL VALIDATION REQUIRED	YES	X	NO	Place an "X" in both boxes to prevent policy processing delay
DIDACTIC/EDUCATION REQUIRED	YES	X	NO	

APPROVAL TEAM MEMBERS	
Place an "X" in the box next to the Administrators applicable and add name of applicable Directors	
X David Briele Director Patient Financial Services	Shana Ross, MSHR, MBA Vice President, Human Resources
(Add name & title) Department Medical Director	Brenda Blain, DNP, RN, FACHE, NEA-BC Senior Vice President and Chief Nurse Executive
(Add name & title) Additional Applicable Leadership	Lindsay Rhodenbaugh, D. Min Senior Vice President, Chief Development Officer and President, Bayhealth Foundation
(Add name & title) Additional Applicable Leadership	Jonathan Kaufmann, DO Vice President, Chief Medical Information Officer
Dina Perry, MBA Vice President, Physician Services	Gary Siegelman, MD, MSc, CPE Senior Vice President and Chief Medical Officer
Brian Dolan Vice President, Supply Chain	X Michael J. Tretina, CPA, MBA, FHFMA, FACHE, Senior Vice President/Chief Financial Officer
Mary Finn, CPA, MBA Vice President, Finance	Rick Mohnk, MSA, MT (ASCP) Vice President, Chief Information Officer
Brad D. Kirkes, MBA, MHA, OTR/L, CHT, FACHE Vice President, Ancillary and Clinical Services	Michael Ashton, FACHE Administrator, Bayhealth Sussex Campus
Mike Metzger, Vice President, Corporate Support Services	John Van Gorp Senior Vice President, Planning & Business Development
Vacant Vice President, Medical Affairs	Deborah Watson, FACHE, FACMPE Senior Vice President/Chief Operating Officer
Pam Marecki, MS Assistant Vice President, Marketing & Communications	X Terry Murphy, FACHE President and Chief Executive Officer

Policies become effective upon completion of electronic approval route for designated Approval Team Members

Revision Information: (Required for all revised policies) For New Policy, Write "New"

Bullet 4.3.2.1 is new  
Section 4.4.4 is new

#### Purpose Statement:

The Financial Assistance Program (FAP) was established to provide financial relief to those who are unable to meet their obligation to Bayhealth Medical Center, regardless of age, gender, race, national origin, social or immigration status, sexual orientation or religious affiliation.

#### 1. Policy Statement

Bayhealth Medical Center, Inc. (Kent General and Milford Memorial Hospitals, and Bayhealth Medical Group) is committed to providing Health Care Services to patients in the Kent and Sussex counties and surrounding areas regardless of their ability to pay.

#### 2. Areas Involved:

- 2.1 Hospital Administration
- 2.2 Patient Financial Services
- 2.3 Financial Counseling
- 2.4 Admissions
- 2.5 Finance

#### 3. Forms Involved:

- 3.1 Financial Assistance Application

#### 4. Procedure:

- 4.1 Eligible Services: Financial Assistance applies to (1) emergency medical services provided in an emergency room setting; (2) non-elective medically necessary services to patients that meet the financial criteria set by the Medical Center using the Federal Poverty Income Guidelines.

Effective 7/1/18 Bayhealth's Financial Assistance program provides a 100% discount (full coverage) for those with incomes at or below 250% of the current Federal Poverty Levels (FPL). Prior to 7/1/18 determinations were based on the income threshold being at or below 200%. The uncompensated care schedule will change whenever the Federal Poverty Income Guidelines are changed which is normally annually. If services are not emergency related, but medically necessary, the Medical Center can seek input from the Physician and/or Utilization Management Director in determining the urgency of the services rendered.

Financial Assistance approvals through the application process are effective six months from the application approval date. Patients need to reapply after the six-month period. Presumptive Financial Assistance approvals are effective for a single visit/episode of care only.

4.2 Emergency Services: Emergency services as defined within the meaning of Section 1867 of the Social Security Act (42 U.S.C. 1395dd); will be provided to patients regardless of their ability to pay. Bayhealth's Emergency Medical Treatment and Active Labor Act (EMTALA) policy, B9000.57 contains further information on emergency services.

#### 4.3 Basis for Calculating Amounts Charged to FAP Eligible Patients

4.3.1 Patients are charged the same based on fees established in the charge master (catalog of procedures and associated fees). Discounts are applied to the set charges to determine final patient responsibility. The Amounts Generally Billed (AGB) are calculated using the look-back methodology and ranges between 46% - 50%.

4.3.2 Patients determined eligible for Financial Assistance will have balances written off at 100% of charges. As a result, no FAP eligible patient will be charged more than amounts generally billed.

4.3.2.1 Financial assistance discussions initiated and approved by a patient after the patient has made payments will be applied to current outstanding and future balances based on changes to the patient's financial situation/hardship. See section 4.4.4.

#### 4.4 Eligibility for Financial Assistance:

Financial Assistance will be provided for those patients who are uninsured, underinsured or who are otherwise unable to pay for care based upon a determination of financial need in accordance with this policy. The approval of Financial Assistance will be based upon an individualized determination of financial need.

##### 4.4.1 Financial Assistance Eligibility Determinations

4.4.1.1 Eligibility for Financial Assistance will be determined in accordance with procedures that involve an individual assessment of financial need. These procedures include:

4.4.1.1.1 An application process whereby the patient or patient's guarantor provides personal, financial and other information and documentation relevant to making a determination of financial need;

4.4.1.1.2 The use of external publicly available data sources that provide information on a patient's or patient's guarantor's ability to pay (such as credit scoring);

4.4.1.1.3 An accounting of the patient's available assets, and other financial resources available to the patient.

4.4.1.1.4 Financial Assistance approvals qualify the patient for a 100% discount on patient responsibility balances.

#### 4.4.2 Financial Assistance Application Process

4.4.2.1 Patients may apply for Financial Assistance by completing an application form. The form is available for download at [www.bayhealth.org](http://www.bayhealth.org) and may also be requested by calling our Billing Support office 877-744-7081. Instructions for completion and submission of the application form are on the form itself. A referral of patients for Financial Assistance may be made by any Bayhealth staff or medical staff member. A request for Financial Assistance may be made by the patient, family member, close friend, or associate of the patient, subject to applicable privacy laws.

4.4.2.1.1 Patients may apply for Financial Assistance up to 240 days from the first statement date from the date the billed care was provided.

4.4.2.2 Patients are prescreened prior to starting the application process and may be deemed ineligible if the patient is eligible for Medicaid or other third party reimbursement or if he/she refuses to complete the application process.

4.4.2.3 Patients are required to complete the application process and provide the supporting documentation identified below within 30 days to enable the financial need decision.

##### 4.4.2.3.1 Proof of Income Documentation:

4.4.2.3.1.1 A copy of the most recent tax return;

4.4.2.3.1.2 Copies of the most recent month's pay stubs from formal sources;

4.4.2.3.1.3 Written income verification from an employer if paid in cash.

4.4.2.3.2 Family income includes earnings, unemployment compensation, worker's compensation, Social Security, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and other miscellaneous sources.

4.4.2.3.3 Family size

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

4.4.2.3.3.2 Family members visiting from abroad are not considered dependents.

4.4.2.3.4 Asset Documentation

4.4.2.3.4.1 Bank statements from savings, checking and investment accounts for the most recent three months;

4.4.2.3.4.2 Additional information may be required as identified on the application based on an individual's circumstances.

4.4.2.4 Bayhealth Medical Center reserves the right to check the legitimacy of the information at their discretion.

4.4.3 Appeal Process

4.4.3.1 Patients may appeal a financial assistance denial decision. To be considered for an appeal, patients will submit a written letter with copies of medical bills to support their hardship. Additional documentation may be required to support the hardship appeal.

#### 4.4.4 Subsequent Applications

4.4.4.1 Patients may apply for financial assistance every six (6) months based on changes to their financial situation or other criteria used in making a financial assistance decision.

4.4.4.2 Patients who are approved for financial assistance upon a subsequent application, after a denial decision, will only have current outstanding and future balances considered.

4.5 Bayhealth Medical Center recognizes some patients will be unable to apply for financial assistance or otherwise be unresponsive to traditional FAP processes. In an effort to remove barriers for these patients and improve community benefits, Bayhealth will utilize an electronic screening process post discharge (prior to bad debt assignment). In some cases electronic screening may be used at the time of scheduling to avoid a disruption in medically necessary services. The information returned via this electronic screening will constitute adequate documentation under Bayhealth's policy. Patients eligible for financial assistance through this process will not be assigned to bad debt.

#### 4.5.1 Presumptive Financial Assistance Eligibility

4.5.1.1 Effective July 1, 2014 Bayhealth has a presumptive charity care program whereby uninsured patients will be screened for financial assistance.

4.5.1.2 Bayhealth uses an outside agency to determine estimated income amounts and ability to pay from an individual's credit/payment history for the basis of determining Financial Assistance.

4.5.1.3 Patients/Guarantors meeting the pre-defined criteria will have their balance for that visit, and visits 30 days from the approval date forward, discounted at 100% under the Financial Assistance program.

4.5.1.4 Patients not meeting the Financial Assistance presumptive criteria are eligible to apply for Financial Assistance through the application process.

#### 4.5.2 Migrant Workers and Homeless

4.5.2.1 Migrant workers and the Homeless often cannot be contacted to complete the Financial Assistance application process and are challenging to qualify through the Presumptive Financial Assistance process. Once Bayhealth confirms the patient is a migrant worker

or homeless, the account may be written off at 100% under the Financial Assistance program.

4.5.2.1.1 Documentation to confirm migrant worker status is a letter from the farm documenting the hourly wage, frequency of payment and length of employment.

4.6 Delaware's Adult Poverty Medicaid program does not provide retroactive coverage to the individual's application date. Rather, qualified individuals are eligible from the approval date forward. Effective July 1, 2013 forward, patient balances incurred between Bayhealth's Medicaid eligibility vendor application submission date and approval date for Delaware Medicaid will be deemed as Financial Assistance program qualified upon Medicaid's approval determination.

4.7 Federally Qualified Health Centers: Bayhealth does not participate in the CHAPS program but is committed to serving the Community and will honor the Federally Qualified Health Center's approval for diagnostic services only. Proof, in the form of a card or letter, of the Health Center's financial assistance approval is required. Patients necessitating further services will be required to apply for Financial Assistance through Bayhealth.

4.7.1 Effective July 1, 2014 forward, patients receiving diagnostic services who are uninsured are screened through our presumptive charity process.

4.7.2 To support this decision, Federally Qualified Health Centers are required to submit a copy of their financial assistance policy, application and example redacted approvals to support their determination. Bayhealth will maintain this information on file and the Federally Qualified Health Center will provide new copies annually.

4.8 Relationship to Collection Policies

4.8.1 Bayhealth entities will comply with the Bayhealth guidelines for collection agencies and attorneys and Federal and State laws and regulation governing healthcare billing and collections. Bayhealth's collection policies take into account the extent to which the patient qualifies for Financial Assistance and a patient's good faith effort to comply with his or her payment plan agreements. For patients who qualify for Financial Assistance and those who are cooperating in good faith to pay their payment plans, Bayhealth will not send unpaid bills to collection agencies. Patients delinquent on their payment plans will be sent to collections.

4.8.2 No Bayhealth entity will impose extraordinary collection actions (ECAs) such as decisions to deny or defer financial assistance based on a patient's outstanding accounts receivable and payment

history, reporting adverse information to a consumer credit reporting agency or credit bureau, wage garnishments, estate claims, or other legal actions against any patient without first making reasonable efforts to determine whether that patient is eligible for assistance under this Financial Assistance policy.

Reasonable efforts will include:

- 4.8.2.1 Multiple invoices to the patient, from both Bayhealth and Bayhealth's external collection agencies;
- 4.8.2.2 Attempts to contact non-responsive patients via telephone or other means of communication to inform the patient of the amount owed and discuss payment options, including eligibility for Financial Assistance;
- 4.8.2.3 Documentation that Bayhealth has or has attempted to offer the patient the opportunity to apply for Financial Assistance pursuant to this policy and that the patient has not complied with the Bayhealth application requirements;
- 4.8.2.4 Documentation that the patient does not qualify for Financial Assistance on a presumptive basis;
- 4.8.2.5 Documentation that the patient has been offered a payment plan but has not honored the terms of the plan.

#### 4.8.3 Estimated ECA Timeframes

- 4.8.3.1 Accounts placed in collections between 120 – 150 days from the date of first statement.
- 4.8.3.2 Unpaid debt is reported to the credit bureau no less than 30 days post placement with collection agency.
- 4.8.3.3 Legal action is recommended by our collection agency after they have exhausted their collection efforts. Collection agencies use publicly available data from the credit bureaus to identify patients who may have a means to pay before recommending legal action. Bayhealth reviews each recommended legal action to confirm patients have not subsequently qualified for Medicaid or our Financial Assistance Program as legal action is not pursued on those patients. Legal actions may result in wage garnishments.

- 4.9 Provider List: Bayhealth contracts with several physician groups to provide physician and/or supervisor and interpretation services within Bayhealth entities. Please [see Appendix A](#) for a list of contracted physicians/physician



groups who provide service at Bayhealth.

4.9.1 The provider list can be obtained by called the Billing Support office at 877-744-7081.

4.10 Limited English Proficiency (LEP) Translation Services

4.10.1 Patients with LEP may come to our office at one of the addresses below and Bayhealth will call the Language Line (800-481-3289) with the patient to have an interpreter assist in communication.

4.10.1.1 Kent Campus: 522 South State St, Dover, DE 19901

4.10.1.2 Sussex Campus, 100 Wellness Way, Milford, DE 19963

4.11 Policy Communication Methods:

4.11.1 Policy is available on Bayhealth's website.

4.11.2 Patient Access refers patients to a Financial Counselor if the patient is uninsured or expresses concern over the cost of services.

4.11.3 Clinical departments performing registration functions have the "Guide to Bayhealth Billing" pamphlet which provides information on the financial assistance policy and how to apply for assistance.

4.11.4 Patient statements include information on how patients can apply for and contact information for financial counselors.

4.11.5 We attempt to contact self-pay/balance after insurance patients via the telephone and certified mail as appropriate, prior to placing the account in Bad Debt. If the patient indicates they are unable to pay, we advise them of our policy and screen them for financial assistance

5. References

5.1 None

6. Exhibits

6.1 None

Attachment: Appendix A (list of contracted physicians/physician groups)