TYPE: Policy and Procedure
EFFECTIVE: 7/1/2014
REVISED: 5/12/2016

OBJECTIVE
To ensure that Sky Lakes Medical Center provides Financial Assistance in a fair, consistent and objective manner.

POLICY

Sky Lakes Medical Center provides emergency care services pursuant to the Emergency Medical Treatment and Active Labor Act (EMTALA) regardless of a patient's insurance or financial status. Discounts for emergency services are determined after EMTALA obligations are met.

Sky Lakes Medical Center will give services free of charge for traditional, non-elective services to patients who meet the financial requirements set by the facility. The Federal Poverty Income Guidelines, published each year, will be used as the financial measurement tool.

Sky Lakes Medical Center does not discriminate on the basis of race, color, religion, sex, age, handicap, or national origin.

Financial Assistance provided by Sky Lakes Medical Center is intended to aid the resident members of the communities served by Sky Lakes Medical Center: including Klamath County and Lake County in Oregon, as well as Modoc County and Siskiyou County in California. Proof of current residency will be required along with the application.

Any patient residing outside of this service area that requires emergent/urgent treatment while traveling, visiting or temporarily working within Sky Lakes Medical Center's primary service area may also be considered eligible for Financial Assistance.

Financial Assistance applies only to accounts billed by Sky Lakes Medical Center. Other independent physicians, including anesthesiologists, surgeons, pathologists and other specialists may bill separately. Hospital Financial Assistance would not be applied to those bills.

Other **EXCLUDED SERVICES** may include:

- Services considered non-covered or not medically necessary by the State of Oregon Medicaid program or a patient's private insurance.
- Non-emergent services provided to a patient who chooses to come to Sky Lakes Medical Center out of their insurance plan network.
- Patients who have insurance but opt not to use it.
- Elective procedures.
- Take home prescriptions or supplies issued by the Pharmacy.
- Durable Medical Equipment.
- Services rendered as a result of the patient's criminal behavior.

HOUSEHOLD INCOME
Household income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Income includes earnings, unemployment compensation, worker's compensation, social security, supplemental security income, public assistance, veterans' payments, survivor benefits, pension or

retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, and child support.
- Benefits such as health insurance, food stamps and housing subsidies are excluded.
- Capital gains or losses are also excluded.

These are generally accepted guidelines. Please note that if a patient's financial circumstances, such as other medical bills, future earning capacity, or a major catastrophic event greatly affect a patient's ability to make future payments, there may be additional consideration for Charity Care.

CHANGE HEALTHCARE/CHAMBERLIN EDMONDS
We contract with a vendor named Change Healthcare (formerly Chamberlin Edmonds) to help us identify patients who may qualify for coverage through the following government programs:

- Crime Victims Assistance
- Emergency Medicaid for Undocumented Aliens
- Medicaid for pregnant women and children
- Oregon Breast and Cervical Cancer Program
- Medicaid
- Medicare
- Supplemental Security Income (SSI)
- Temporary Aid for Needy Families (TANF)
- Veterans

Change Healthcare will work with these individuals through the process of qualifying for coverage until Sky Lakes Medical Center receives reimbursement for the services rendered to these patients.

Patients who have been contacted by Change Healthcare must complete a full Change Healthcare screening prior to receiving a final approval for hospital Financial Assistance. Patients who have been deemed non-compliant by Change Healthcare may not be considered for Financial Assistance. Likewise, patients who are deemed eligible for Financial Assistance by Change Healthcare might be granted Presumptive Approval status and may not be required to submit additional documentation for proof of eligibility.

PROCEDURE:

1. Applicants for Financial Assistance will complete a Financial Assistance Packet (FAP), available at all Sky Lakes Medical Center registration areas. Patients will be asked to provide the following:
    - Federal income tax records for the past two years. If a patient states that they or their spouse are unemployed or that they did not file taxes for the previous year, a wage record will be required.
    - Three months of income verification
    - Three complete months of the most recent bank statements (to include all sequential pages).
2. All applicants must have either a Social Security Number, a working Pin Number, or Valid Travel Visa to qualify.
    a) If married, both spouses must have a Social Security number or working PIN number and must provide proof of income.
    b) In the case of a non-working spouse we will require a work history from the employment office.
    c) Exception will be if the spouse only has a working pin number, a wage record cannot be obtained from the employment office. The spouse will need to be listed on the tax return.
3. Family size will be determined by the information supplied on the most recent federal income tax return of number of dependents claimed. If a patient's family size has increased since the last tax return was filed, we will require additional documents (i.e. court decrees, proof of birth, etc.) to validate the change.

4. Patients with a household income that falls below 200% of the Federal Poverty Level will need to apply for healthcare coverage through the Cover Oregon healthcare exchange. Financial Counselors are able to partially assist with this process. Additionally, Change Healthcare will be available to assist patients through this process.
5. For accounts related to Motor Vehicle Accidents and On the Job Injuries, no charity care discount will be offered until a denial from the insurance is received. If at a later date it is determined that litigation is in process or a settlement may be made, then the offer of charity will be withdrawn until a letter from the patient's attorney is received stating there is no settlement.
6. It is the responsibility of the patient to let the hospital know which accounts should be included in the consideration of Financial Assistance. It is likewise the responsibility of the patient to inform the hospital when additional accounts for the patient or approved family members should be included in the Financial Assistance determination. Patients receiving statements for any amount owed should contact the hospital immediately to ensure that these amounts are included. Sky Lakes Medical Center will not assume this responsibility.
7. For each application the patient will receive a letter of approval, denial or a letter explaining the additional information needed to process the application within 20 days.
8. Each application will be considered effective for three calendar months starting from the date of approval.
9. We will not refund any self-pay payments received during the application process or after Financial Assistance is approved.
10. Any patient who has qualified for Financial Assistance will not be held financially liable for an annual patient balance in excess of 20% of the patient's total family income. Additionally, any individual deemed eligible for Financial Assistance under the FAP will not be charged more than the amounts generally billed to individuals who have insurance for emergency or other medically necessary care.

PRESUMPTIVE FINANCIAL ASSISTANCE ELIGIBILITY

Presumptive charity may be considered when all other avenues of payment have been exhausted.

In the event there is no evidence to support a patient's eligibility for charity care, Sky Lakes Medical Center can use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility. Presumptive eligibility may be determined on the basis of the individual life circumstances that may include, but may not be limited to:

- State-funded prescription programs
- Medicaid eligibility
- Homeless or received care from a homeless clinic
- Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down)
- Low income/subsidized housing is provided as a valid address
- Patient is deceased with no known estate

Once it is determined that a patient account qualifies for presumptive charity, an assistance application will be filled out by the representative. The account(s) will be noted patient qualifies for presumptive charity. This may also include accounts that are in the collection agency as long as legal action has not been taken.

COLLECTION PRACTICES

1. Statements are mailed once a patient's self-pay balance is determined, followed by three additional statements for a total of four billing statements. All statements will include clear language regarding no-interest payment plans and Financial Assistance options.

2. Sky Lakes Medical Center will make every effort to determine whether or not a patient is FAP eligible during the 120 days following a patient's date of care. During this 120 day period, known as the "notification period", the medical center will make concerted attempts to engage the patient in determining FAP eligibility. During this determination period, a patient may formally apply for Financial Assistance with the assistance of Change Healthcare or on their own accord through the Financial Counseling office. Once an application is submitted, an additional 120 day extension may be applied to a patient's accounts while a determination is made.
3. Collection phone calls are made throughout the billing process, with no less than one mandatory phone call made to the patient. Sky Lakes Medical Center will make certain efforts to provide uninsured patients with information about our Financial Assistance policy and no-interest payment plans before Sky Lakes Medical Center or our collection vendors take certain actions to collect payment. These efforts will include notifying the patient about the FAP process, providing the patient with information relevant to completing an incomplete FAP application, making a determination as to whether or not the patient is FAP eligible and documenting said determination.
4. No extraordinary collection actions will be pursued against any patient without first making reasonable efforts to determine whether that patient is eligible for Financial Assistance. Reasonable efforts shall include, but not be limited to, validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by Sky Lakes Medical Center. Reasonable efforts also include a prohibition on extraordinary collection actions (ECAs) pursued against an uninsured patient (or one likely to be underinsured) until the patient has been made aware of the care site's Financial Assistance policy and has had the opportunity to apply for it or has availed themselves of a reasonable payment plan. Examples of ECAs are:

    - Placing a lien on an individual's property
    - Foreclosing on an individual's property
    - Attaching or seizing an individual's bank account or any other personal property
    - Commencing a civil action against an individual
    - Causing an individual's arrest
    - Garnishing an individual's wages
    - Reporting adverse information about an individual to a credit bureau
    - Selling an individual's debt to another party

5. Sky Lakes Medical Center may pursue collection actions against patients found ineligible for Financial Assistance, patients who received discounted care or medical hardship discounts but are no longer cooperating in good faith to pay the remaining balance, patients who are non-compliant with attempts to contact them, or patients who have established payment plans but are not in accordance with the payment plan.

Fraudulent statements or information given by the patient for the purpose of obtaining financial assistance may be forwarded to the Oregon Department of Justice for Prosecution. Patients who falsify the program application will no longer be eligible for the program and will be held responsible for all charges incurred while enrolled in the program retroactively to the first day that charges were incurred under the program.