

PORTER HOSPITAL, INC.

Subject: Financial Assistance Policy - 2014	
Department: Patient Financial Services – Porter Hospital and Porter (Physician) Practice Management	
Original Effective: January 2012	Last Revised: 07/14

MISSION:

- Porter Hospital will provide emergency care to patients regardless of their ability to pay.
- Porter Hospital will accept a variety of payment methods and will offer resources to assist in resolving any outstanding balance. We will define the standard to be used by any outside agencies that are collecting on our behalf and will ensure that these policies are incorporated throughout the entire collection process.
- We will communicate our policy to those in need accurately and consistently. We will assist patients in applying for known programs of financial assistance that may be applicable. We will treat all patients with dignity, respect, and compassion.
- Financial assistance will be based solely on ability to pay and will not be judged on the basis of any particular race, color, religion, national origin, ancestry, creed, handicap, sex, age, marital status, or sexual orientation.

PURPOSE:

This policy will define the eligibility criteria for financial assistance and provide administrative guidelines for identification, evaluation, and documentation of eligibility.

POLICY:

It is the policy of Porter Hospital to have an organized financial assistance program designed to support the healthcare needs of the community, specifically the uninsured, underinsured, those ineligible for a government program, or otherwise unable to pay. This policy will include eligibility criteria for financial assistance, describes the method by which patients may apply for financial assistance, and describes how the hospital will widely publicize the policy within the community served.

DEFINITIONS:

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

- **Bad Debt:** the charges incurred by a patient who based on available financial information, appears to have the financial resources to pay the charged healthcare services, but who has demonstrated by their actions an unwillingness to resolve the bill.
- **Family:** Using the Census Bureau definition, a group of two or more people who reside together and are related by birth, marriage, or adoption.

- **Family Income:** Using the Census Bureau definition, the following income is used when computing federal poverty guidelines:
 - Includes earnings, unemployment compensation, workers compensation, Social Security benefits, Supplemental Security income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support, assistance from outside the household, and other miscellaneous sources,
 - Non-cash benefits such as food stamps and housing subsidies do not count,
 - Excludes capital gains or losses,
 - Determined on adjusted gross income,
 - Includes the income of all family members residing together (non-relatives, such as housemates, do not count).
- **Federal Poverty Income Guidelines:** The poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
- **Gross Charges:** The total charges at full established rates before deductions are applied.
- **Medically Necessary:** As defined by Medicare, services or items reasonable and necessary for the diagnosis or treatment of illness or injury.
- **Monetary Assets:** Assets which can be turned into cash quickly with little or no loss of value.
- **Underinsured:** Some level of insurance or third-party assistance but has an out-of-pocket expense that exceeds a patient's financial abilities.
- **Uninsured:** No level of insurance or third-party assistance to help with meeting payment obligations.

PROCEDURES:

Porter Hospital will provide a discount to any qualified patient who applies for financial assistance and has a family income of not more than 350% of the federal poverty income guidelines for all medically necessary healthcare services.

Method by Which Patients May Apply For Financial Assistance

Financial need will be determined in accordance with procedures that involve an individual assessment of financial need, and may:

- Include an application process, in which the responsible party is required to cooperate by supplying personal, financial, and other information and documentation relevant to making a determination of financial need,
- Include the use of publically available data that provides information on a responsible party's ability to pay,
- Include reasonable efforts by Porter Hospital to explore alternative sources of payment from public and private payment programs,
- Take into account assets available to the responsible party,
- Include a review of the patient's outstanding accounts and their payment histories.

It is preferred but not required that a request for financial assistance occur prior to the rendering of non-emergent medically necessary services. However, the request and determination may be done at any point. The need for financial assistance shall be reevaluated at each subsequent time of service if the last financial evaluation was

completed more than one year prior, or at any time additional information relevant to the eligibility of financial assistance becomes known.

Eligibility Evaluation Process

For the purpose of financial assistance, all sources of income and monetary assets will be included in the calculation of financial need.

Examples of income include, but are not limited to: wages and salaries before deductions, self-employment income, Social Security benefits, pensions and retirement distribution, unemployment compensation, workers compensation, Veteran's payments, Supplemental Security income, public assistance, alimony, child support, assistance from outside the household, military family allotments, regular insurance or annuity payments, income from dividends, interest, rents, royalties, estates, trusts, and legal settlements, and gambling or lottery winnings. Food or rent in lieu of wages, non-cash benefits, and payments from student loans and grants will not be considered income.

A patient whose income is documented as "\$0" **must** complete a "Statement of Zero Income" (Attachment A).

Examples of monetary assets include, but are not limited to: cash, checking and savings accounts, certificates of deposit, stocks, bonds, mutual funds, cash value of life insurance policies, and other investments. Primary places of residence, automobiles, personal property, and assets held in pension plans or retirement accounts will not be considered as monetary assets.

Each household member is allowed up to \$2,000 in monetary assets. Patients/Families may be eligible to receive assistance on a case-by-case basis based on their specific circumstances at the discretion of Porter Hospital.

Verification of Income and Assets

For determining eligibility, a patient who is requesting financial assistance must provide documentation of family income and monetary assets.

Requested information for eligibility verification may include, but is not limited to, where applicable: a copy of the most recent tax return, W-2, or 1099 forms, a statement of earnings from the Social Security Office (800-772-1213), copies of the two most recent pay stubs, income statement from self-employed persons, written income verification from an employer (if paid in cash), recent statements from financial institutions or other third parties verifying an asset's value, and/or evidence that all possible third party payers have been exhausted and the balance is due from the responsible party. If ineligible for government program, a copy of letter or notice received from government office documenting ineligibility.

General Application Guidelines

- Services eligible under this policy:
 - Emergency medical services provided in an emergency room,
 - Services for a condition, which if not promptly treated, would lead to an adverse change in the health status of an individual,
 - Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting.

- Medically necessary services, evaluated on a case-by-case basis at Porter Hospital's discretion.
 - Porter owned physician practice visits
- A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.
- For younger patients and Adults; they can apply for low cost plans available applying through the Vermont Health Connect and/or meeting with one of our Navigators which is preferred before applying for a slide.
- Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Porter Hospital's procedures for obtaining financial assistance or other forms of payment, and to contribute to the cost of their care based on their individual ability to pay.
- It is crucial that applicants' cooperate with Porter Hospital's need for accurate and detailed information within a reasonable time frame. Applications with information that is not legible or incomplete may be considered denied or returned until such time that all crucial information can be obtained. Applications should contain the applicant's signature or a signature of a representative acting on behalf of the applicant (i.e. power of attorney).
- Only patient balances will be considered for financial assistance.
- Once financial assistance eligibility is determined, it will be applied retroactively to all qualifying accounts that were incurred 12 months before approval of the application. This includes any outstanding balance with a collection agency. The patient shall also not receive any future bills based on undiscounted gross charges for the time the financial assistance is in effect. Any payments made to date will be counted toward the amount due and will not be refunded.
- Requests for financial assistance shall be processed promptly and Porter Hospital will notify the applicant of the financial assistance decision in writing within 30 days of receipt of a completed application.
- This policy applies only to Porter Hospital and Porter owned physician practice services

Financial Assistance Discounts

Services eligible for financial assistance under this policy will be discounted on a sliding schedule, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of determination. The basis for the amounts Porter Hospital will discount is as follows:

- Patients whose family income is at or below 200% of the FPL are eligible to receive financial assistance.
- Patients whose family income is at or above 201% but not more than 350% of the FPL are eligible to receive discounts based on the sliding scale matrix (see schedule A):
- Patients whose family income is above 350% of the FPL may be eligible to receive assistance on a case-by-case basis based on their specific circumstances at the discretion of Porter Hospital.

Catastrophic Financial Assistance

In the event of a catastrophic illness where proper documentation has been submitted, but the patient still has a responsible balance from Porter Hospital bills that causes an undue hardship upon the household, the Patient Financial Services Director along with Senior Management may review and determine if additional discounts are merited.

Relationship to Collection Policies

Porter Hospital has developed policies and procedures for internal and external collection practices that include actions the hospital may take in the event of non-payment, including credit agency reporting. These collection

policies take into account the extent to which a patient qualifies for financial assistance, a patient's effort to apply for a governmental program/financial assistance, and a patient's effort to comply with his or her payment arrangements with Porter Hospital.

If a patient is requesting financial assistance and/or applied for other coverage and is cooperating with the hospital, the hospital will not pursue collection action until a decision has been made that there is no longer a reasonable basis to believe the patient may qualify for financial assistance

For patients who qualify for financial assistance discounts and who are cooperating in good faith to resolve their discounted hospital bills, Porter Hospital may offer extended payment plans and will not send unpaid bills to outside collection agencies.

Porter Hospital will not impose extraordinary collections actions such as wage garnishments, liens on residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for financial assistance under this policy.

Communication of the Financial Assistance Policy to Patients and the Community

Notification of the Financial Assistance policy, which shall include a contact number, will be distributed by various means including, but not limited to, posting notices in prominent patient locations and placing information on patient statements. Porter Hospital will also publicize a summary of the Financial Assistance policy on the facility website and in brochures available in patient access areas. Such notices and summary information will be provided in the primary languages spoken by the population served by Porter Hospital.

Confidentiality

All information relating to financial assistance applications will be kept confidential.

Financial assistance applications and supporting documentation will be kept for approximately 7 years to allow for subsequent retrieval and review.

Regulatory Requirements

In implementing this policy, Porter Hospital will comply with all other federal, state, and local laws and regulations that may apply to activities conducted pursuant to this policy.

**** A note will be placed into the patient's account stating that we have sent out an application to the patient. There is a spread sheet on the U Drive that will be updated with dates of approved or denied applications. ****

Porter Medical Center, Inc.

Patient Financial Services Department

37 Porter Drive * Middlebury, Vermont 05753 (802) 388-8808

APPLICATION FOR FINANCIAL ASSISTANCE

Please bring or mail to the Patient Financial Service Department your completed application, with written proof of all family member's income that reside together within the same household, for the preceding twelve months from the date of application.

Income includes; earnings, unemployment compensation, workers compensation, social security income, public assistance, veterans payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support, assistance from outside the household and other miscellaneous sources.

Until this office receives the completed application, along with your proof of income a determination cannot be made. Your account will remain your financial responsibility and we will expect payment according to hospital policy. If mailing your application please mail to Porter Medical Center, Inc. 37 Porter Drive Middlebury, VT 05753.

Financial Assistance is only available for medically necessary services; non-medically necessary services are not covered.

If you have any questions, please direct them to our Patient Financial Services Department at 802-388-8808 option 5 and you will be directed to one of our counselors for assistance, Monday thru Friday from 7:30-4:00.

Sincerely,

Patient Financial Services Department

******Please return this completed application with a COPY of your 2014 W-2 or Federal Income Tax Return (1040) and a Copy of your most recent paystub. If you do not file taxes and your only income is Social Security, please send a COPY of your Social Security Statement.***

If written proof of income is not received, your Financial Assistance Application will be denied.

PORTER HOSPITAL, INC.

And Porter Hospital Owned Physician Practices

STATEMENT OF ZERO INCOME

To be completed by an Applicant whose household has had no income for the past 30 days.

I, _____, state that no member
(your name)
of my household has received any source of income during the past 30 days.

Our household has been without income _____ . I hope and expect to receive
(date)
some income on or about _____ from _____ .
(date) (list where income will come from)

During the above period, how did your family meet their household needs for:

Food:

Shelter (i.e. housing, heat, electricity):

Living Expenses (i.e. medical bills, car expenses, clothing):

I understand that I can be denied financial assistance for making false statements, and do agree that all answers provided are complete and truthful to the best of my knowledge.

Applicant Signature: _____ Date: _____

Patient Financial Services Representative Signature: _____ Date: _____

PORTER HOSPITAL, INC.

And Porter Hospital Owned Physician Practices

Applicant Name (First and Last): _____ Date of Birth: ____ / ____ / ____

Street address: _____ City/State/Zip: _____

Home Telephone: () _____ Work Telephone: () _____

Current Health Insurance Company: _____ Policy Number: _____ Group Number: _____

IF YOU ARE UNINSURED, YOU MAY QUALIFY FOR MEDICAID OR A QUALIFIED HEALTH PLAN THROUGH VERMONT HEALTH CONNECT.
 IF YOU ARE UNSURE PLEASE CONTACT OUR NAVIGATOR FOR ASSISTANCE AT 802-388-5625 BEFORE FILLING OUT THIS APPLICATION.

INCOME:

Wages/Salaries	\$ _____
Social Security	\$ _____
Pensions	\$ _____
Disability/SSI	\$ _____
Unemployment Comp	\$ _____
Workers Comp	\$ _____
Child/Spousal Support	\$ _____
VA Benefits	\$ _____
Public Assistance	\$ _____
Annuities	\$ _____
Trusts, Interest/Dividends	\$ _____
Other	\$ _____
Total Monthly Income	\$ _____
Total Annual Income	\$ _____

Expenses:

Mortgage/Rent	\$ _____
Property Taxes	\$ _____
Insurance	\$ _____
Automobile	\$ _____
Credit Cards (Total)	\$ _____
Water/Gas/Oil/Electric	\$ _____
Telephone	\$ _____
Medical	\$ _____
Child/Spousal Support	\$ _____
Health Savings Acct	\$ _____
Other	\$ _____
Total Monthly Expenses	\$ _____

ALL HOUSEHOLD MEMBERS:

<u>Name:</u>	<u>Relationship/Age:</u>
1 _____	Self / _____
2 _____	Spouse/ _____
3 _____	_____
4 _____	_____
5 _____	_____
6 _____	_____

HOUSEHOLD COUNTABLE RESOURCES (LIQUID ASSETS)

Checking Account Balance	\$ _____
Savings Acct. Balance (incl. seasonal savings)	\$ _____
Certificates of Deposits	\$ _____
Savings Certificates	\$ _____
U.S. Savings Bonds	\$ _____
Stocks/Bonds	\$ _____
Trust Fund	\$ _____
Health Savings Accounts (HSA) funds	\$ _____
Other (Please Explain)	\$ _____

I certify that the information contained in this application is true & complete. I understand that willful falsification of information contained in this application will result in denial of charity care. I am aware that the information provided on this application is subject to verification by Porter Hospital.

X _____ (Applicant Signature) _____ (Date)

Hospital Use Only -

Approved Date:	_____
Approved for %:	_____
Denied Date:	_____
Reason Denied:	_____
Date Notification Sent:	_____
Pt Financial Advocate:	_____
Account Number(s):	_____

**PORTER HOSPITAL AND PORTER HOSPITAL OWNED PHYSICIAN PRACTICES
SLIDING SCALE MATRIX
2015**

% of Adjusted Gross Income**	100%	80%	60%	40%	20%
Size of Household					
1	\$23,540	\$28,248	\$32,956	\$37,664	\$42,372
2	\$31,860	\$38,232	\$44,604	\$50,976	\$57,348
3	\$40,180	\$48,216	\$56,252	\$64,288	\$72,324
4	\$48,500	\$58,200	\$67,900	\$77,600	\$87,300
5	\$56,820	\$68,184	\$79,548	\$90,912	\$102,276
6	\$65,140	\$78,168	\$91,196	\$104,224	\$117,252
7	\$73,460	\$88,152	\$102,844	\$117,536	\$132,228
8	\$81,780	\$98,136	\$114,492	\$130,848	\$147,204

** Adjusted Gross Income based on the 2015 Federal Poverty Guidelines (multiplied by two)

The Guidelines are published in the Federal Register at: www.hhs.gov