



Title:	Financial Assistance
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Scope:	Huerfano County Hospital District
Lead Author:	Stephanie Warth
Expert Reviewer:	N/A
Committee:	N/A
Approver:	Board of Directors
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Standard/Rule #:	C.R.S. 25-3-112 Colorado Hospital Payment Assistance Program Colorado Indigent Care Program and Hospital Discounted Care Operations Manual https://hcpf.colorado.gov/sites/hcpf/files/2022-23%20Hospital%20Discounted%20Care%20Manual.pdf I.R.S 501(r) Financial Assistance

POLICY

Huerfano County Hospital District (HCHD) provides financial assistance to patients.

- Eligibility criteria for financial assistance and free care.
- The basis for calculating amounts charged to patients under this policy.
- The methods by which patients apply for financial assistance under this policy.
- Limitations on the actions that may be taken in the event of non-payment including collections actions and reporting to credit agencies.
- The methods by which the health system will widely publicize the policy within the communities it serves.
- Limitations on the amounts charged for emergency or other medically necessary care provided to individuals eligible for financial assistance under this policy to not more than the amounts generally billed.
- A list (Appendix B) of any providers, other than the hospital facility itself, delivering emergency or other medically necessary care in the hospital facility that specifies which providers are covered by this policy and which are not.

To the extent any other HCHD policies or portions of policies conflict with this policy and/or Section 501(r) of the Code and the applicable Income Tax Regulations (the "regulations"), this policy and/or Section 501 (r) will prevail.

PURPOSE

The purpose of this policy is to identify and assist patients that do not have health insurance and need help paying their hospital bills. This policy is applicable to all service areas/divisions of HCHD. The Hospital and Clinics will widely publicize this policy to members of the public in communities served by the Hospital.

This policy is drafted with the intention of satisfying the requirements in Section 501(r) of the Internal Revenue Code of 1986, as amended (the "Code") regarding financial assistance and emergency medical care policies, limitations on charges to persons eligible for financial assistance, and reasonable billing and collection efforts and shall be interpreted accordingly.

This policy is also intended to comply with the Colorado House Bill 21-1198 by way of the Hospital Discounted Care (HDC) and Colorado Indigent Care Program (CICP) Operations Manual, Fiscal Year 2022-23, Section V: Hospital Discounted Care, effective June 1, 2022 ("HDC").

This policy replaces the Compassionate Care Program Policy and is intended to be used in conjunction with the following policies: Colorado Indigent Care Program, Self-Pay Discounts, Prompt Pay Discounts, and Patient Payment Plans.

If this policy applies with respect to a specific patient, this policy overrides application of the relevant *Self-Pay Discounts Policy* with respect to such patient. Application of this policy to any individual patient is contingent upon satisfactory completion of the *Financial Assistance Application* (Application) with all necessary documentation. Any patient who refuses to satisfactorily complete the financial assistance application including the supporting documentation is not eligible for financial assistance under this policy (provided the patient has received the notifications required by the proposed regulations under Section 501 (r)).

PROCEDURE

PATIENT REFERRAL

Hospital staff responsible for scheduling appointments or registration must refer all patients without insurance and/or unable to pay for care to a Financial Counselor for completion of the Colorado Department of Healthcare Policy and Financing's Uniform Application ("Uniform Application") to determine if a patient is likely to qualify for hospital discounts and/or public health care coverage (HDC §3.01).

SCREENING PROCESS (HDC Article III and Article IV)

HCHD will screen all uninsured patients at the time of service in accordance with the HDC and CICP Operations Manual Article III and Article IV.

MEDICALLY NECESSARY CARE [501(r)-4(b)(1)(i)]

Services and items (other than emergency care) must be medically necessary as determined by the patient's physician to be eligible for financial assistance.

APPLICATION AND ELIGIBILITY [501(r)-4(b)(1)(iii)(A)]

Patients are assumed to be eligible for financial assistance in the following situations 501(r)-4(b)(1)(iii)(E):

- Applicant became CICIP, CHP, or Medicaid-eligible and has balances prior to the effective date;
- Applicant is eligible for CICIP, CHP, or Medicaid but incurs a non-covered service;
- Applicant is eligible for out-of-state Medicaid and SPRHC does not participate in that state's Medicaid program;
- Applicant has a mental incapacity and is unable to complete the Application; or
- Patient is deceased and left no estate.

Patients who complete the screening process and appear eligible for HDC or the CICIP and want to apply, or patients who appear ineligible but who still wish to complete the application to find out for sure have 45 days from the date of the screening to submit all required documentation to Patient Financial Services (Appendix A). [501(r)-4(b)(1)(iii)(C)]

If a patient needs an application or assistance in completing the application, the patient may contact or visit the Patient Financial Services department specific to the location of services (Appendix B). [501(r)-4(b)(1)(iii)(F)]

HCHD will assist patients with applying for Medicaid, HDC, or CICIP coverage. Patients are expected to cooperate in applying for coverage including providing documentation as described in the application and HDC §5.02. Applicants will not be denied financial assistance based on their failure to provide information or documentation that this Policy or the Application does not explicitly require (HDC §1.01). The decision to provide financial assistance is approved by the Patient Financial Services management team. [501(r)-4(b)(4)(i)(C)] Once a patient is determined to be eligible for financial assistance, that patient shall not receive any future bills for the previously provided services based on undiscounted gross charges.

Patients will be considered as eligible for financial assistance up to 250% of the federal poverty level (FPL). The determination of eligibility for financial assistance generally should be made prior to or at the time of admission, or shortly thereafter. However, events after discharge could change the ability of the patient to pay. The determination must be completed within 14 days of receipt of all required documentation (HDC §5.05). Patient eligibility for financial assistance is based on comparison of household income (calculated in accordance with HDC §5.03) to the FPL. The discount is based on the amounts generally billed (AGB). AGB is determined annually and is based on the Look-back method as described in Section 501(r) of the Code and the regulations thereunder. A revised AGB percentage will be calculated annually and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations.

HCHD will notify patients, in accordance with HDC §6.01 and §11.01, of the determination

(including, if applicable, the assistance for which the individual is eligible) and HCHD basis for making the determination (HDC §5.01).

Patients who qualify for CICP and HDC will be issued laminated cards including effective dates. The cards will be either mailed or issued in person.

APPEALS OF DETERMINATION (HDC Article XI)

HCHD will follow the appeal process as outlined in HDC Article XI.

CALCULATION OF AMOUNT CHARGED [501(r)-4(b)(1)(iii)(B)]

Patients who are eligible for financial assistance will pay the **lesser** of AGB or the co-payment amount per the HDC guidelines.

In no event shall the reduced rate charged to patients eligible for financial assistance for emergency care or medically necessary services be greater than the AGB for such services. With respect to medical care provided other than emergency care and medically necessary services, patients eligible for financial assistance shall not be charged more than gross charges for such care. 501(r)-4(b)(2)(i)(A) The AGB will be calculated on at least an annual basis. A revised AGB percentage will be calculated annually and applied by the 45th day after the first day of the start of the fiscal year used to determine the calculations. 501(r)-4(b)(2)(i)(C)

BILLING AND COLLECTIONS (HDC Article VII)

HCHD will not bill patient balances to those who qualify for CICP or HDC. Patient balances will be adjusted to the hospital's internal financial assistance program.

Information related to HCHD's billing and collections policies can be obtained by requesting a paper copy at no charge at the telephone number relevant to the location of service, listed below or is available on HCHD's website.

HCHD will permit members of the public to readily obtain, in writing and free of charge, HCHD's actual AGB percentage as well as the way HCHD calculated such percentage.

HCHD shall make reasonable efforts to determine whether an individual is eligible for financial assistance before engaging in any "extraordinary collection actions" as such term is defined in Section 50 I (r)(6) of the Code. HCHD has adopted a specific billing and collections policy consistent with Section 50 I(r)(6) of the Code referred to as the Patient Collections Policy, separate and apart from this policy, and widely publicizes and makes copies of the policy available. The policy defines extraordinary collection actions, defines the notification period for informing patients about the financial assistance policy, describes the procedures applicable to incomplete applications for financial assistance and describes the actions HCHD, or an authorized party, may take in the event of nonpayment.

NOT ELIGIBLE FOR FINANCIAL ASSISTANCE

If it is determined after complete evaluation of the application that a patient does not qualify

for Health First Colorado, CHP+, Medicare, Emergency Medicaid, CICIP or HDC financial assistance under this policy, and the patient does not have insurance, the Self-Pay Discount policy will apply.

COORDINATION WITH EMERGENCY CARE POLICY [501(r)-4(c)]

At all times, HCHD shall maintain an emergency medical care policy that requires it to provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act (EMTALA), section 1867 of the Social Security Act (42 U.S.C. 1395dd)) to individuals regardless of their eligibility under this policy.

At no time will any HCHD personnel or HCHD contractors engage in any actions that discourage individuals from seeking emergency medical care without discrimination, which includes requiring pre-payment of any fees or conducting debt collection activities in the Emergency Center or in other hospital venues where such activities could interfere with the medical screening examination or stabilizing treatment of an emergency medical condition.

PUBLICATION OF FINANCIAL ASSISTANCE POLICY [501(r)-4(b)(5)]

This policy shall be widely publicized to the communities served by each HCHD. Accordingly, at a minimum, HCHD shall take actions in a manner consistent with Section 501(r) of the Code, and any related regulations, to widely publicize this financial assistance policy.

To apply for financial assistance or for additional information on the Financial Assistance Policy, you may contact the Financial Counseling Specialist:

**Spanish Peaks Regional Health Center
23500 US Highway 160
Walsenburg CO 81089
719-738-4544 Telephone**

Appendix B: Providers List

The following is a list of providers delivering emergency or other medically necessary care in the HCHD facilities. Providers with a check mark after their names are covered by this Financial Assistance Policy. This list is current as of August 1, 2022.

RESCISSION

This document was revised on 08/01/2022.