

POLICY:

In order for North Valley Hospital (“NVH”) to protect the integrity of operations and fulfill its commitment to patient care, the following criteria for the provision of charity care/financial assistance, consistent with the requirements of the Washington Administrative Code, Chapter 246-453, are established.

SCOPE:

I. This policy applies to all patients seeking care at North Valley Hospital for in-patient, out-patient and NVH-employed (or contracted) physician (ambulatory clinic) care. This policy excludes patients residing in the District’s long-term care division.

RESPONSIBILITIES:

I. The Business Office Manager and Chief Financial Officer are responsible for ensuring compliance with this policy.

II. On its website, www.nvhospital.org, North Valley Hospital will make available current versions of this policy, a plain language summary of this policy, and the North Valley Hospital Charity Care application form.

III. Notice and Language Requirements:

A. The written notices, the verbal explanations, the policy summary and the application form will be available in any language spoken by more than ten percent of the population in the North Valley Hospital service area, and interpreted for other non-English speaking or limited-English speaking patients and for other patients who cannot understand the writing and/or explanations. The non-English translation of these documents are currently made available in Spanish.

B. A notice advising patients that North Valley Hospital provides Financial Assistance and Charity Care (“FA/CC”) will be posted in key public areas of the hospital, including Admissions and/or Registration, the Emergency Department, the Hospital’s clinics, the Billing and the Financial Services Departments.

C. North Valley Hospital billing statements and other written communications concerning billing or collection of a hospital bill by North Valley Hospital will include the following statement on the first page of the statement in both English and Spanish:

1. You may qualify for free care or a discount on your hospital bill, whether or not you have insurance. Please contact our financial assistance officer at (509) 486-2151 or (877) 542-2877.

IV. Staff Training Requirements:

A. North Valley Hospital has established a standardized training program on its Financial Assistance and Charity Care (“FA/CC”) policy and the use of interpreter services to assist persons with limited English proficiency and non-English speaking persons in understanding information about its Financial Assistance and Charity Care policy. North Valley Hospital provide regular training to front-line staff who work in registration, admissions and billing, and any other appropriate staff, to answer Financial Assistance and Charity Care questions effectively, obtain and necessary interpreter services, and direct inquiries to the appropriate department in a timely manner.

V. Timing of Income Determinations:

A. Annual family income of the applicant will be determined as of the time the North Valley Hospital services were provided, or at the time of the application for Charity Care or Financial Assistance if the application is made within two years of the date when the appropriate medical services were provided, the applicant has been making good faith efforts towards payment for the services, and the applicant demonstrates eligibility for Charity Care and Financial Assistance.

DEFINITIONS:

I. Charity Care:

A. Charity Care and/or Financial Assistance means financial support for patients to pay for medically necessary hospital or hospital-employed physician health care rendered to persons when third-party coverage, if any, has been exhausted, or, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy.

II. Third Party Coverage:

A. Third-party coverage means an obligation on the part of an insurance company, health care service contractor, health maintenance organization, group health plan, government program (Medicare, Medicaid or medical assistance programs, workers compensation, veteran benefits), tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others (for example, auto accidents or personal injuries) which have resulted in the medical condition for which the patient has received hospital health care services.

PROCEDURE:

I. North Valley Hospital's financial assistance and charity care policy shall be made publicly available through the following elements:

A. A notice advising patients that the hospital provides financial assistance and charity care shall be posted in key areas of the hospital, including Admissions, the Emergency Department, the Hospital’s clinics, the Billing and Financial Services departments.

B. The hospital will make a good faith effort to provide a written summary of the policy to

patients at the time the hospital staff requests information pertaining to third party coverage, or, upon intake, or, at the time of discharge. The information found on the written summary shall also be verbally explained to the patient and his/her caregiver. The patient must then sign the Financial Assistance and Charity Care Policy notice, indicating that he/she was duly informed of the availability of FA/CC. A copy of the signed notice will be placed in the patient's file. If for some reason (for example, an emergency situation) the patient is not notified of FA/CC before receiving treatment, he/she shall be notified in writing as soon as possible thereafter.

C. Both the written information and the verbal explanation shall be available in any language spoken by more than ten percent of the population in the hospital's service area, and interpreted for other non- English speaking or Limited-English speaking patients and for other patients who cannot understand the written documents and/or explanation. The hospital finds that the non-English translation(s) of this document shall be made available in Spanish.

D. The hospital shall train front-line staff to answer FA/CC questions effectively or direct such inquiries to the appropriate department in a timely manner.

E. The hospital's Financial Assistance and Charity Care Policy shall be made available to any person who requests the information, either by mail, by telephone or in person. The hospital's sliding fee schedule, if applicable, shall also be made available upon request.

II. NVH will ask patients to enroll in Financial Assistance and Charity Care is generally secondary to all other financial resources available to the patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g. auto accidents or personal injuries), or any other situation in which another person or entity may have a legal responsibility to pay for the cost of medical services.

III. Patients will be granted financial assistance and charity care regardless of race, color, sex, sexual orientation, religion, age, national origin, or immigration status.

IV. Financial Assistance and Charity Care shall be limited to "appropriate hospital-based medical services as defined in WAC 245-453-010(7)" and professional services provided by the hospital's employed or contracted providers.

V. Services that are eligible for payment from any other sources are not eligible for inclusion under qualified FA/CC. In those situations, where appropriate primary payment sources are not available, patients shall be considered for FA/CC under this hospital policy based on the following criteria:

A. The full amount of uncovered hospital charges will be determined to be charity care for a patient whose gross family income is at or below 100% of the current federal poverty level (consistent with WAC 246-435).

B. The following sliding fee schedule shall be used to determine the amount that shall be written off for patients with gross family incomes between 101% and 200% of the current federal poverty level. At the upper end of the sliding scale, the discount will be at least 25%.

INCOME AS A PERCENTAGE OF FEDERAL POVERTY LEVEL

PERCENTAGE DISCOUNT

D. The hospital shall also provide a discount to any uninsured or under-insured patients with incomes between 201% and 300% of the federal poverty level.

101 – 200% 100%

201 – 250% 75%

251 – 300% 50%

E. Available assets may be used to determine eligibility for FA/CC if the family income is greater than 200% of the federal poverty guidelines. This will be done on a case by case basis.

F. Catastrophic Charity: The hospital may write off as FA/CC amounts for patients with family income in excess of 300% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.

VI. The responsible party's financial obligation which remains after the application of any sliding fee schedule shall be payable in 12 equal monthly installments per hospital policy, without interest or late fees, as negotiated between the hospital and the responsible party. The responsible party's account shall not be turned over to a collection agency unless payments are missed or there is some period of inactivity on the account and there is no satisfactory contact with the patient. North Valley Hospital reserves the right to use an outside agency to manage any negotiated payment installments.

VII. If at any time after said arrangements are made, the patient makes known to North Valley Hospital an extenuating circumstance or a change in their current financial situation that creates a financial hardship resulting in their ability to pay over an extended period, North Valley Hospital will make arrangements for the account to be put in a "hold" status where collections will cease until such time that North Valley Hospital can perform a timely review of the current account balance and make an additional determination. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily before proceeding with further collection activities.

VIII. In such cases where the responsible party's financial obligation cannot be paid in 12 equal monthly installments, North Valley Hospital reserves the right to assist the patient with other payment financing options which could include referral of the outstanding balance to a third party collection agency.

IX. North Valley Hospital shall not require a disclosure of resources from FA/CC applicants whose income is less than 100% of the current Federal Poverty Level, but may require a disclosure of resources from charity care applicants whose income is at or above 101% of the current Federal Poverty Level.

X. Initial determination for eligibility shall occur as follows:

A. The hospital shall use an application process for determining eligibility for FA/CC. Requests to provide FA/CC will be accepted from sources knowledgeable about the patient's financial status, such as physicians, community or religious groups, social services, financial services personnel, and the patient, provided any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act privacy regulations and the hospital's policies. All requests shall identify the party that is financially responsible for reimbursing the hospital for the patient's portion of the cost of services (the "responsible party").

B. The initial determination of eligibility for FA/CC shall be completed as early in the patient's admission process as possible. Patients who are referred to North Valley Hospital for medical services on an outpatient or on a scheduled basis will be contacted prior to the date of service to determine eligibility.

C. During the patient registration process, intake, or as soon as possible following initiation of services and after the patient has been notified of the existence and availability of FA/CC, the hospital will make an initial determination of eligibility based on a verbal or written application.

D. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the hospital's efforts to reach a final determination of status.

E. If the hospital becomes aware of factors which might qualify the patient for assistance under this policy, it shall advise the patient of this potential and make an initial determination that such account is to be treated as qualified to receive FA/CC.

XI. Final determination for eligibility shall occur as follows:

A. **Prima Facie Write-Offs.** In the event the responsible party's identification as an indigent person is obvious to hospital personnel, and the hospital can establish that the applicant's income is clearly within the range of eligibility, the hospital will grant charity care based solely on this initial determination. In these cases, the hospital is not required to complete full verification or documentation. (In accordance with WAC 246-453-030 (3).)

B. Financial assistance and charity care forms, instructions, and written applications shall be furnished to patients or the responsible party when requested, when need is indicated, or when financial screening indicates potential need. All applications, whether initiated by the patient or the hospital, should be accompanied by documentation to verify income amounts indicated on the application form. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of charity care eligibility:

1. A "W-2" withholding statement;
2. Pay stubs from all employment during the relevant time period;
3. An income tax return from the most recently filed calendar year;
4. Forms approving or denying eligibility for Medicaid and/or state-funded medical assistance;

5. Forms approving or denying unemployment compensation; or

6. Written statements from employers or DSHS employees.

C. During the initial request period, the patient and the hospital may pursue other sources of funding, including Medical Assistance and Medicare. The responsible party will be required to provide written verification of ineligibility for these governmental and other sources of funding. The hospital will not require that a patient applying for a determination of indigent status seek bank or other loan source funding.

D. Usually, the relevant time period for which documentation will be requested will be three months prior to the date of application. However, if such documentation does not accurately reflect the applicant's current financial situation, documentation will only be requested for the period of time after the patient's financial situation changed.

E. Income shall be annualized from the date of application based upon documentation provided and upon verbal information provided by the patient. The annual income will be determined by the hospital and will take into consideration seasonal employment and temporary increases and/or decreases of income.

F. In the event the responsible party is not able to provide any of the documentation described above, the hospital shall rely upon written and signed statements from the responsible party for making a final determination of eligibility for classification as an indigent person. (WAC 246-453-030 (4))

XII. The time frame for final determination and appeals is as follows:

A. Each applicant who has been initially determined eligible shall be provided with at least thirty (30) calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her charity care application prior to receiving a final determination of status.

B. The hospital shall notify the applicant of its final determination within fourteen (14) days of receipt of all application and documentation material.

C. The responsible party may appeal the determination of eligibility by providing additional verification of income or family size to the Patient Financial Services Manager within thirty (30) days of receipt of notification. If the responsible party appeals the denial, North Valley Hospital shall cease collection efforts until the appeal is finalized.

D. The timing of reaching a final determination of charity care status shall have no bearing on the identification of charity care deductions from revenue as distinct from bad debts, in accordance with WAC 246-453-020 (10).

XIII. Adequate notice of denial:

A. When a patient's application is denied, the patient shall receive a written notice of denial which includes:

1. The reason or reasons for the denial and the State's regulatory rules to support the hospital's decision;
2. The date of the decision; and
3. Instructions for appeal or reconsideration.

B. When the applicant does not provide requested information and there is not enough information available for the hospital to determine eligibility, the denial notice will also include:

1. A description of the information that was requested and not provided, including the date the information was requested;
2. A statement that eligibility for charity care cannot be established based on information available to the hospital; and
3. That eligibility will be determined if, within thirty days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.

XIV. The Chief Financial Officer or Chief Executive Officer will review all appeals. If this review affirms the previous denial of charity care, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

XV. The hospital will allow a patient to apply for FA/CC at any time post patient discharge date, recognizing that a patient's ability to pay over an extended period may be substantially altered due to illness or financial hardship, resulting in a need for FA/CC consideration that did not exist at the initial time of service. Any determination will be applied to the current account balance at the time of said documented notification and any future payments. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily rather than initiate FA/CC.

XVI. If the patient has paid a portion or all of the bill for medical services and is later found to have been eligible for charity care at the time services were provided, he/she shall be reimbursed for any payments in excess of the amount determined to be appropriate in accordance with WAC 246-453-040. The patient will be reimbursed within thirty (30) days of receiving the charity care designation.

XVII. If a patient has been found eligible for FA/CC care and continues receiving recurring services such as physical therapy or IV therapy/infusion services for an extended period of time without completing a new application, the hospital shall re-evaluate the patient's eligibility quarterly to confirm that the patient is still eligible. The hospital may require the responsible party to submit a new application and documentation.

XVIII. If a patient has multiple visits for different eligible services within the same quarterly time period and has been found eligible for FA/CC, the hospital may combine multiple visits on one application. The hospital shall re-evaluate the patient's eligibility quarterly to confirm that the patient is still eligible. The hospital may require the responsible party to submit a new application and documentation.

XIX. If more than one family member in the same household receive services at North Valley Hospital that qualify for FA/CC, each family member must complete a separate application. Only qualifying services received by the same person may be combined on a single application.