

ST. ALOISIUS MEDICAL CENTER  
HARVEY, ND  
FINANCIAL ASSISTANCE POLICY

## Charity Care Policy

St. Aloisius Medical Center's mission in union with the Sisters of Mary of the Presentation, works for the glory of God by bringing the Word and Healing of Jesus Christ to all, with a special concern for the poor and elderly. As part of that commitment, St. Aloisius Medical Center appropriately serves patients in difficult financial circumstances and offers financial assistance to those who have an established need to receive medically necessary medical services.

Charity care is defined as healthcare services provided at no charge or at a reduced charge to patients who do not have nor cannot obtain adequate financial resources or other means to pay for their care. This is in contrast to bad debt, which is defined as patient and/or guarantor who, having the financial resources to pay for health care services, has demonstrated by their actions an unwillingness to resolve a bill. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account race, creed, gender, national origin, disability, age, social immigrant status, or sexual orientation.

## Purpose

To establish policies and procedures necessary to insure that patients of St. Aloisius Medical Center, who for economic and financial reasons cannot meet the requirements of the collection policy, are provided with the St. Aloisius Medical Center's Financial Assistance Policy.

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

**Charity Care:** Healthcare services that have been or will be provided but are never expected to result in cash inflows. Charity care results from the organization's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

**Family:** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to the Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

**Family Income:** Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- 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, child support, assistance from outside the household, and miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;

- Excludes capital gain or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

**Medically necessary:** As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

## Procedure

For purposes of this policy, “charity” or “financial assistance” refers to healthcare services provided by St. Aloisius Medical Center without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity.

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis at St. Aloisius Medical Center’s discretion for patients whose permanent address is within a 40 mile radius of Harvey city limits and they have lived within this radius for more than 12 months.

Eligibility for charity will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of charity shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social immigrant status, sexual orientation or creed. St. Aloisius Medical Center shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.

The basis for calculating amounts charged to patients, St. Aloisius Medical Center has chosen to use the Medicare critical access method (outpatient interim rate); meaning the billing and coding process used for self-pay patients is the same process used in assessing Medicare costs. St. Aloisius Medical Center will provide a written explanation to the patient showing the charges and the discount amount applied to the patient’s account. The discount will be applied once the patient has submitted a complete application 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 patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need; Information collected from the application will include.
  - Name, address, date of birth and social security number of applicant and spouse
  - Marital status
  - Over 65, blind or Permanently Disabled, and date of disability determination
  - Employer information, including position and years employed; if less than 3 years name of former employer
  - Health Insurance Provider, including group number and insured subscriber number. Medicare number and Medicaid number.
  - Monthly Household Income including:
    - Employment (Gross/Net Pay)
    - Part-Time Jobs (Gross/Net Pay)
    - Farm or Self-Employment
    - Social Security/Disability
    - Veteran Pension
    - Military Family Allotments
    - Retirement (all sources)
    - Unemployment Compensation
    - Workers Compensation
    - Union Benefits
    - Inheritance
    - ADC/WIC/Food Stamps
    - Alimony/Child Support
    - Savings Interest Income
    - Investment Income
  - Assets
    - Cash on hand/Bank/Savings
    - Investments/CD's (Market value)
    - Vehicle: Year/Model (Primary and Secondary Vehicles)
    - Farm Real Estate: number of acres
    - Rental Property
    - Business
    - Inheritance/settlement pending
    - Recreational vehicles (snowmobiles, ATV, jet skies, etc.,)
    - Other Assets
  - Monthly Household Expenses
    - Rent/Mortgage
    - Food
    - Utilities
    - Car Payments
    - Child Care
    - Transportation/car expense
    - Medical/Dental
    - Insurance (car, medical, etc.,)
    - Credit Cards
    - Other (List Each)

- Liabilities
  - All Medical Bills
  - All Credit Cards
  - Home Loan
  - Vehicle Loan (Primary and Secondary Vehicles)
  - Real Estate Loan
  - Loan on Rental Property
  - Loan on Business
- Banking Name and Balance (List All) (Copy of most recent bank statement)
  - Checking, Savings, Money Market, etc.
- Name, Address and Phone Number of Contract/Mortgage Holder
- Name, Address and Phone Number of Landlord
- Take into account if insurance was offered from employer.
- Take into account if employer denied health insurance coverage.
- Take into account eligibility for COBRA benefits
- Take into account if application was made for Medicaid or other government assistance program.
- Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
- Include reasonable efforts by St. Aloisius Medical Center to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
- Take into account the patient's available assets, and all other financial resources available to the patient; and
- Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.

In addition the patient is required to submit documentation of their financial status. The patient must submit a completed Financial Assistance Application.

- As a minimum requirement the patient must furnish a copy of last year's tax return, last three month's income or a bank statement for proof of income, checking and savings account balances and investment account balances.

Accounts eligible for Charity Care are to be addressed within 240 days of first bill.

Patients can only apply once per fiscal year October – September for claims up to the date of filing for current fiscal year.

Charity Care is not an insurance program; all patients are considered self pay unless coverage is provided through private or government programs.

It is preferred but not required that a request for charity and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle.

St. Aloisius Medical Center's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and St. Aloisius Medical Center shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care. St. Aloisius Medical Center could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance program that are unfunded (e.g., Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address; and
8. Patient is deceased with no known estate.

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. The basis for the amounts St. Aloisius Medical Center will charge patients qualifying for financial assistance is as follows:

1. Patients whose family income is at or below 100% of the FPL are eligible to receive free care;
2. Patients whose family income is over 100% and below 126% of the FPL would be eligible for a 75% discount.
3. Patients whose family income is over 125% and below 151% of the FPL would be eligible for a 50% discount.
4. Patients whose family income is over 150% and below 176% of the FPL would be eligible for a 25% discount.
5. Patients whose family income exceeds 175% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of St. Aloisius Medical Center; however the discounted rates shall not be greater than the amounts generally billed commercially insured patients. Once the patient has been deemed eligible, St. Aloisius Medical Center will apply the FAP discount to the patients account.

Notification about charity care available from St. Aloisius Medical Center which shall include a contact number shall be disseminated by St. Aloisius Medical Center by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments, hospital business offices. St. Aloisius Medical Center also shall publish and widely publicize a summary of this charity care policy on facility website, in brochures available in patient access sites. Such notices and summary information shall be provided in the primary language spoken and any other language spoken by 10% of the community population serviced by St. Aloisius Medical Center.

Professional charges rendered by the following healthcare professionals are eligible for coverage under this financial assistance policy:

- Charles Nyhus MD (charges associated with an emergency room visit)
- Rick Geier MD
- Imran Dean MD
- Kim Thorson FNP
- Tyesha Dent PA
- Kelly Krohn MD
- Deborah Buxa FNP
- Lisa Neumiller FNP
- Marcia Ketterling FNP
- Ronald Skipper MD – contracted services
- Michael Page MD – contracted services
- Trinity Health contracted CRNA's
- Contracted locum providers from Homestead Recruiters

This policy does not apply to certain groups of providers that may treat St Aloisius Medical Center patients. Professional charges rendered by the following providers are not applicable:

- CHI St Alexius, Bismarck
- Dr. Monte Leidenex - Eye Clinic of North Dakota
- Harvey Ambulance Service
- Sanford AirMed
- NorthStar Criticair/Trinity
- Angel MedFlight
- Avera e-Emergency providers

St. Aloisius Medical Center's management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of nonpayment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from St. Aloisius Medical Center, and a patient's good faith effort to comply with his or her payment agreements with St. Aloisius Medical Center. For patients who qualify for charity and who are cooperating in good faith to resolve their discounted hospital bills, St. Aloisius Medical Center may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts St. Aloisius will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for charity care under this financial assistance policy. Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;
2. Documentation that St. Aloisius Medical Center has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

St. Aloisius' annual amount of charity care given will be established by the Board of Director's in the annual budget. Once this maximum is met, funds are not available for charity care for all applicants until the new fiscal year's budget period begins.

In implementing this Policy, St. Aloisius Medical Center's management shall comply with all other federal, state, and local laws, rules and regulations that may apply to activities conducted pursuant to this Policy.