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Owner	Jana Symonds
Policy Area	Patient Financial Services

Financial Assistance Policy

Policy

Whitman Hospital is committed to the provision of health care services to all persons in need of medical attention regardless of ability to pay. In order to protect the integrity of operations and fulfill this commitment, 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. These criteria will assist staff in making consistent objective decisions regarding eligibility for financial assistance while ensuring the maintenance of a sound financial base.

COMMUNICATIONS TO THE PUBLIC

Whitman Hospital and Medical Clinic's Financial Assistance Policy shall be made publicly available through the following elements:

1. A notice advising patients that WHMC provides charity care shall be posted in key public areas of the hospital, including Admissions, the Emergency Department, Billing, and Financial Services.
2. WHMC will distribute a written notice of their financial assistance policy to patients at the time the hospital requests information pertaining to third party coverage. This written information shall also be verbally explained at this time. If for some reason, for example in an emergency situation, the patient is not notified of the existence of charity care before receiving treatment, he/she shall be notified in writing as soon as possible thereafter.
3. WHMC shall train front-line staff to answer charity care questions effectively or direct such inquiries to the appropriate department in a timely manner.
4. Written information about WHMC's financial assistance policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. WHMC's

sliding fee schedule, if applicable, shall also be made available upon request.

ELIGIBILITY CRITERIA

Financial assistance is generally secondary to all other financial resources available to the patient, including: group or individual medical plans; Workers' Compensation; Medicare; Medicaid or medical assistance programs; other state, federal, or military programs; third liability situations (e.g. auto accidents or personal injuries); or any other situation in which another person may have a legal responsibility to pay for the costs of medical services.

In those situations where appropriate primary payment sources are not available, patients shall be considered for financial assistance under the WHMC policy based on the following criteria:

- The full amount of WHMC charges will be determined to be financial assistance for a patient whose gross family income is at or below 100% of the current federal poverty level (consistent with WAC 246-435).
- A sliding fee schedule shall be used to determine the amount that shall be written off for patients with incomes between 101 and 300 percent of the current federal poverty level (please see the *Credit and Collection Brochure* for a copy of the sliding fee schedule).
- In those situations where appropriate primary payment sources are not available, patients shall be considered for charity care under this hospital policy based on the following criteria as calculated for the 12 months prior to the date of request:
  The full amount of hospital charges will be determined to be charity care for any patient whose gross family income is at or below 100% of the current federal poverty guidelines (consistent with WAC 246-453).
  The following sliding fee schedule shall be used to determine the amount to be written off for patients with incomes between 100% and 300% of the current federal poverty level.
  Applicants whose income is greater than 100% of the poverty guidelines and less than 125%, will receive a reduction in their bill of 85%.
  Applicants whose income is greater than 125% of the poverty guidelines and less than 150%, will receive a reduction in their bill of 70%.
  Applicants whose income is greater than 150% of the poverty guidelines and less than 175%, will receive a reduction in their bill, of 55%.
  Applicants whose income is greater than 175% of the poverty guidelines and less than 200%, will receive a reduction in their bill of 40%.
  Applicants whose income is greater than 200% of the poverty guidelines and less than 300%, and who are uninsured will receive a reduction in their bill of 22%.
- catastrophic Charity Care is defined as Medical debt in excess of 25% of their gross income as recorded on a tax return.
- The hospital may write off as charity care, amounts for patients with family income in excess of 300% of the federal poverty level when circumstances indicate severe financial hardship or personal loss.

The responsible party's financial obligation which remains after the application of any sliding fee schedule shall be payable 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.

Whitman Hospital shall not require a disclosure of resources from charity care applicants whose income is less than 100 percent of the current Federal Poverty Level, but may require a disclosure of resources from charity care applicants whose income is at or above 101 percent of the current Federal Poverty Level.

PROCESS FOR ELIGIBILITY DETERMINATION

A. Initial Determination

1. WHMC shall use an application process for determining eligibility for charity care. Requests to provide charity care will be accepted from sources 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 Privacy Policies. All requests shall identify the party financially responsible for the patient.
2. The initial determination of eligibility for charity care shall be completed at the time of admission or as soon as possible following initiation of services to the patient.
3. Pending final eligibility determination, the hospital will not initiate collection efforts or request deposits, provides the responsible party is cooperative with the hospital's efforts to reach a final determination of sponsorship status.
4. If WHMC becomes aware of factors which might qualify the patient for financial assistance under this policy, it shall advise patient of this potential and make an initial determination that such account is to be treated as financial assistance.

B. Final Determination

1. 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 the applicant's income is clearly within the range of eligibility, WHMC will grant charity care based solely on this initial determination. In these cases, WHMC is not required to complete full verification or documentation (in accordance with WAC 246-453-030(3)). This includes cases where the patient is deceased and it has been determined that there is no estate and no assets in which we expect a full payment or a settlement dividend.
2. Financial assistance forms, instructions, and written applications shall be furnished to the responsible party when charity care is 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 information indicated on application. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of financial assistance eligibility:
    - A W-2 withholding statement
    - Pay stubs from employment during the relevant time period
    - An income tax return from most recently filed calendar year
    - Forms approving or denying eligibility for Medicaid and/or state-funded

medical assistance

- Forms approving or denying unemployment compensation
- Written statements from employers or DSHS employees

3. During the initial request period, the patient and 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 all other sources of funding. The hospital may not require a patient applying for a determination of indigent status seek bank or other loan source funding.
4. 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.
5. 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 documents from the responsible party for making a final determination of eligibility for classification as an indigent person (WAC 246-453-030(4)).

C. WHMC will allow a patient to apply for financial assistance at any point from pre- admission to final payment of bill, 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 charity services. If the change in financial status is temporary, the hospital may choose to suspend payments temporarily rather than initiate financial assistance.

D. Time Frame for Final Determination and Appeals

1. Each financial assistance applicant who has been initially determined eligible for financial assistance shall be provided with at least 14 calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his/her care application prior to receiving a final determination of sponsorship status.
2. WHMC shall notify the applicant of its final determination within 10 days of receipt of **ALL** application and documentation material.
3. The responsible party may appeal the determination of eligibility for charity care by providing additional verification of income or family size to Business Office within 30 days of receipt of notification.
4. The timing of reaching a final determination of financial assistance status shall have no bearing on the identification of financial assistance deductions from revenue as distinct from bad debts, in accordance with WAC 246-453-020(10).

E. If the patient or responsible party has paid some or all of the bill for medical services, and is later found to have been eligible for financial assistance at the time the services were provided, he/she shall be reimbursed for any amounts in excess of what is determined to be owed. The patient will be reimbursed within 30 days of receiving the financial assistance designation.

F. Adequate Notice of Denial

1. When an application for financial assistance is denied, the responsible party shall receive a written notice of denial, which includes: A copy of the denial needs to be provided to the DOH in accordance with the law.
    - The reason or reasons for denial
    - The date of the decision
    - Instructions for appeal or reconsideration
2. When the applicant does not provide requested information and there is not enough information available for the hospital to determine eligibility, the denial notice also includes:
    - A description of the information that was requested and not provided, including the date the information was requested.
    - A statement that eligibility for financial assistance cannot be established based on information provided to hospital.
    - A statement that eligibility will be determined if, within 30 days from the date of the denial notice, the applicant provides all specified information previously requested but not provided.
3. The Chief Financial Officer and/or the Administrator will review all appeals. If this review affirms the previous denial of financial assistance, written notification will be sent to the responsible party and the Department of Health in accordance with state law.

G. If a patient has been found eligible for financial assistance and continues receiving services for an extended period of time without completing a new financial assistance application, the hospital shall re-evaluate the patient's eligibility for financial assistance at least annually to confirm the patient remains eligible. The hospital may require the responsible party to submit a new financial assistance application and documentation.

H. Amounts Generally Billed Calculation

If you receive financial assistance under the Whitman Hospital and Medical Clinics Financial Assistance Policy, the hospital may not charge you more for emergency or medically necessary care than the amounts generally billed (AGB) to individuals with insurance covering such care.

A patient eligible for financial assistance is considered to be “charged” only the amount he/she is personally responsible for paying, after all discounts (including discounts available under the financial assistance policy) and the insurance payments have been applied.

Whitman Hospital uses the “look-back method” to determine the amounts generally billed. The AGB percentage is calculated using all claims allowed by private pay insurers, including Medicare Advantage and traditional Medicare, for inpatient and outpatient services from January 1, 2016 through December 31, 2016. Claims for Medicaid and workers’ compensation were excluded. Total payment from allowed claims was divided by the total billed charges for the same claims. The AGB percentage will be updated annually.

The following is the AGB percentage for Whitman Hospital, a charitable hospital organization

under section 501(c)(3) of the Internal Revenue Code, is effective January 1, 2017: 78%

DOCUMENTATION AND RECORDS

A. Confidentiality. All information relating to the application will be kept confidential. Copies of documents supporting the application will be kept with the application form.

B. Documents pertaining to financial assistance shall be retained for five years.

APPROVAL

Approved by the Board 6/15/16

Approval Signatures

Step Description	Approver	Date
	Abby Smith: Chief Financial Officer	4/6/2022, 3:57PM EDT
	Jana Symonds: Revenue Cycle Director	2/15/2022, 1:47PM EST