

JACKSON HOSPITAL & CLINIC, INC.
POLICY AND PROCEDURE

Name of Policy: Financial Assistance Policy	Effective Date: October 28, 2019
Manual Section: Administration Fiscal Management	Date (this revision): March 24, 2021
Policy #617	Date (Original policy): October 28, 2019
Approved By: Board Of Trustees	Authorized Signature: President & CEO

I. POLICY

II. PURPOSE

The purpose of this policy is to establish and ensure a fair and consistent method for the review and awarding of charitable medical care to our patients. Financial assistance provided by Jackson Hospital & Clinic, Inc. applies to all emergency and other medically necessary care provided by the facility, including care provided in the hospital facility by a substantially-related entity. This emergency care is provided without discrimination and regardless of an individual's ability to pay.

IV. PROCEDURES

It is the policy of Jackson Hospital & Clinic to discount all self-pay accounts by 81% and to offer financial assistance to patients who are unable to pay their hospital bills due to difficult financial situations. The Financial Assistance Coordinator or a designated business office representative will review individual cases and make a determination of financial assistance that may be offered.

Jackson Hospital & Clinic determines the need for financial assistance by reviewing the particular services requested or received insurance coverage or other sources of payment and current financial situation. This method allows for a fair and accurate way to assist patients who are experiencing financial hardship.

Eligible individuals include patients who do not have insurance and patients who have insurance but are underinsured. Patients must cooperate with any insurance claim submission and exhaust their insurance or potential insurance coverage before becoming eligible for financial assistance.

Other factors affecting eligibility are included in Attachment to this policy and are available on our website at www.jackson.org.

Measures to Publicize Jackson Hospital’s Financial Assistance Policy

Jackson Hospital & Clinic is committed to offering financial assistance to eligible patients who do not have the ability to pay for their medical services. To accomplish this charitable goal, Jackson Hospital & Clinic will widely publicize this Policy in the communities that we serve.

Jackson Hospital & Clinic will make a copy of this Policy available by posting it on their webpage including the ability to download a copy of the Policy free of charge. Individuals in the community served will be able to obtain a copy of the Policy in locations throughout each registration areas or upon request.

Definitions

Medically necessary care as defined by Medicare is “health-care services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, disease, or its symptoms and that meet accepted standards of medicine.”

Financial Assistance is the cost of providing charity care to any individual, who cannot afford to pay. Financial Assistance eligible individuals will receive a 100 percent write-off of their patient responsibility.

Bad debt is the cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

Amount Generally Billed – the amount that would be the total expected payment amount for the services rendered by Jackson Hospital & Clinic, Inc. if the patient has a third-party coverage. The calculation of the amount generally billed percentage is available on our website at www.jackson.org.

Procedure for Financial Assistance

Identification of Patients Who May Be Eligible

There are a number of ways a patient can be identified and evaluated for financial assistance prior to, during, or following care. Following is a non-exhaustive list of examples for identification to receiving services:

- Patients or their representatives may request financial assistance.
- Jackson Hospital & Clinic employees may refer patients to the Financial Assistance Coordinator or business office representative.
- Referring physicians may refer patients.

Method of Applying for Financial Assistance

Patients who want to apply for financial assistance or who have been identified as potentially eligible for financial assistance will be informed of the application process either before receiving services if the facts suggest potential eligibility or after the billing and collection process has begun.

Patients or their representative can also obtain a free copy of the plain language summary and/or financial assistance application

- From the hospital's main registration desk, Emergency room registration desk or any other registration area throughout the facility located at 1725 Pine St., Montgomery, AL 36106.
- From the Business Office customer service clerk in the main registration area
- By calling the Business Office at (334) 293-8153 and one will be mailed to the patient
- By downloading the application and plain language summary at the JH website: <http://www.jackson.org>
- By calling the Financial Assistance Coordinator at (334) 293-6970

Applications are available in both English and Spanish.

Guidelines are contained on Attachment to this policy and are available on our website at www.jackson.org.

The Financial Assistance Coordinator will review all returned Financial Assistance applications within five (5) days for completeness. Once a decision has been made for financial assistance, a letter is sent to each applicant advising them of approval or denial. If the patient is approved for Financial Assistance and has made any payments toward their account balance, those payments will be refunded.

The following is a list of other providers who have agreed to accept financial assistance approval by us for dates of service January 1, 2016 and after.

Alabama Pathology Associates
Montgomery Anesthesia Associates
Radiology Reading Physicians
Jackson Hospital Hospitalists
Jackson Hospital employed physicians

Any other provider not contained in the list above has not agreed to follow the facility's Financial Assistance policy.

Basis for Calculating the Amounts Charged to Patients

The Federal Income Poverty Guidelines will be used in determining the amount of the write off and the amount charged to patients, if any, after an adjustment.

Amounts charged for emergency and medically necessary medical services to patients eligible for Financial Assistance will not be more than the amount generally billed to individuals with insurance covering such care.

Collection Activity

Jackson Hospital & Clinic will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy. Collection activity will proceed based on a separate Credit & Collection Policy.

Jackson Hospital & Clinic will request payment for any known patient responsibility for medical care (including co-pays, co-insurance or deductibles) at the time of service. When medically necessary care is needed, Jackson Hospital & Clinic will not deny or delay that care if an outstanding bill from a previous visit exists. The patient will be billed if he/she is not able to pay at the time of their service.

A patient's first statement marks the beginning of the 240 day period which no Extraordinary Collection Activity (ECA) may occur. All reasonable efforts will be made to reach the patient during this period. If a patient does not respond during this 180 day period, their account will be turned over to a collection agency for additional collection activities. No ECA activity can occur however until after 240 days from the patient's first statement.

Eligibility Criteria Considered for Financial Assistance

The Financial Assistance Coordinator will review all circumstances surrounding the request. The patient will be notified about the decision within a reasonable time after submitting a completed financial assistance request. A patient's request will be deemed complete after Jackson Hospital receives a complete financial assistance application, and all required documentation, including current pay stubs, income tax statements, and bank statements, if applicable. Complete list of criteria is included in Attachment to this policy and are available on our website at www.jackson.org.

Delivery of charity care does not obligate Jackson Hospital & Clinic to provide continuing care unless the services and support are unique to our organization. Patients may be required to re-apply for charity care.

Jackson Hospital & Clinic makes every reasonable attempt to collect from insurance companies and other third-party payers. Financial hardship and charity care adjustments may be considered for those patients whose income and assets will not allow full payment within a reasonable time.

Reasons for Denial

Jackson Hospital & Clinic may deny a request for financial assistance for a variety of reasons including, but not limited to:

- Sufficient income
- Patient is uncooperative or unresponsive despite reasonable efforts to work with the patient
- Incomplete Financial Assistance application despite reasonable efforts to work with the patient

Jackson Hospital & Clinic may not deny financial assistance under its Financial Assistance Program based on an applicant's failure to provide information or documentation unless that information is described in the Financial Assistance policy or Financial Assistance application form.

- Pending insurance or liability claim

- Withholding insurance payment and/or insurance settlement funds, including insurance payments sent to the patient to cover services provided by Jackson Hospital & Clinic personal injury and/or accident related claims

Emergency Services

Jackson Hospital & Clinic policy is to provide emergency care to stabilize patients regardless of their ability to pay. Following medical evaluation, non-emergent patients requiring charity care consideration should be reviewed and approved before additional services are provided.

Equal Opportunity

Jackson Hospital & Clinic is committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state or local laws.

Jackson Hospital & Clinic will not consider: Bad debt, contractual allowances, perceived underpayments for operations, public programs, cases paid through a charitable contribution, professional courtesy discounts, community service or outreach programs, or employment status as a means to determine financial assistance.

Indigent Care

Emergency room patients who cannot pay their bills may be classified as "charity" if they do not have a job, mailing address, residence, or insurance. Consideration is also given to classifying emergency room only patients as charity if they do not provide adequate information as to their financial status. In many instances, these patients are homeless and have few resources to cover the cost of their care.

Government Assistance

In determining whether an individual qualifies for charity care, other county or governmental assistance programs will be considered. Many applicants are not aware that they may be eligible for public health insurance programs or have not pursued application.

Jackson Hospital Financial Assistance Coordinator will help the individual determine eligibility for governmental or other assistance, as appropriate.

Persons who are eligible for programs (such as State-sponsored Medicaid) but who were not covered at the time that medical services were provided may be granted financial assistance, provided that the patient completes an application for government assistance. This may be prudent, especially if the patient requires ongoing services.

Confidentiality

Jackson Hospital staff will uphold the confidentiality and individual dignity of each patient. Jackson Hospital will meet all HIPAA requirements for handling personal health information.

ATTACHMENT

TITLE: Financial Assistance Program

RESPONSIBILITY/SCOPE: All Hospital Services, Entities and Locations including JHC owned medical practices.

- CRITERIA:
1. Exempt Services
 - Services resulted from involvement in an illegal activity
 - Services that are cosmetic or plastic service in nature or not medically necessary
 - Bariatric
 - Maternity
 - Contracted
 - Ambulance
 - Any Physician or Mid-level in private practice
 2. JHC reserves the right to investigate, verify, interview and request assignment of:
 - A. All benefits from any third-party insurance source, such as those listed, but not limited to:
 1. Medicare or Medicare Advantage Plans
 2. Blue Cross/Blue Shield
 3. Commercial or Managed
 4. Worker's Compensation
 5. COBRA
 6. No Fault Automobile insurance, including Assigned Claims
 7. Private or Individual policies
 8. Liability policies or claims
 - B. All benefits from any State or Federal assistance program the individual may be eligible for, such as those listed, but not limited to:
 1. Medicaid
 2. Veteran's Administration (VA)
 3. Victims of Crime (VOC)
 - C. All benefits from any charity program such as those listed, but not limited to:
 1. Church affiliation
 2. Social club or organization
 - D. Pending litigation from various sources.

Failure by the patient to fulfill all responsibilities under any of the above programs, or to use available personal resources, may result in denial of the application for financial assistance.

1. Applicants must first be screened for or receive a denial from the Alabama Medicaid Program.
2. If an applicant is found to have had the option of insurance through their employer or COBRA but refused, chosen not to report their insurance because they opted for a high deductible plan or refused to use an available flex spending account, their application will be refused.

3. Applications that are received more than 6 months (180 days) from the date of service or three months from the date of the last insurance payment are not eligible.
4. Zero income is not acceptable without a letter defining the cause for this situation and an explanation regarding survival. If the applicant is living with or receiving assistance from another party, that person's income may be requested or verification regarding the gift amount. Additionally, two written statements from non-family members, as verification, is required and must include a signature, date, phone number, address, relationship, how they know the applicant and the document must be notarized.
5. Applicants, regardless of age, who are reported as a dependent on their parents/guardian Federal Income Tax Return must include their parents/guardian's income. This applies whether the parents are married or not.
6. Citizenship of the United States of America is required.
7. Approvals are accepted for 6 months (180 days), from the approval date, for future services at JHC hospital and clinic entities only. It is the responsibility of the applicant to notify the hospital of their approval status during this 6-month period. It is also the responsibility of the patient to notify their other clinicians who may honor the JHC discount.
8. Balances on a bill relating to all or a portion of a Medicaid Spend Down are not eligible.
9. Falsifying an application is grounds for denial or revoking financial assistance. Falsifying an application includes but is not limited to; failure to disclose assets or transferring assets to avoid reporting them.
10. Balances remaining after partial write-off will be subject to the collection provisions of the JHC Credit Policy. Applicants who default on their remaining partial balances will be subject to a reversal of their adjustment relating to the prior Financial Assistance approval.
11. Accounts that have been placed with a collection agency and are in bad debt will not be eligible for financial assistance consideration.
If an application is incomplete, the hospital will make best efforts to obtain the missing information. However, if the information remains inadequate after 15 business days, the application will be denied, and the applicant must reapply.
12. Special consideration may be given to applicants whose income the past 12 months exceeds 300% of the FPL but now has catastrophic disabilities or illnesses causing significant reduction in income and increases in healthcare expenses. Generally, a rule of thumb is to use an applicant's income from the past 3 months which is then annualized.
13. JHC will use a sliding scale up to 300% of the current Federal Poverty Level (FPL) Guidelines as a basis for income eligibility. These guidelines are revised annually, generally in the Spring, or as frequent as the Federal Poverty

Guidelines and announced in the Federal Register. Individuals will qualify using the following formula:

- 100% to 150% of the FPL base = 100% adjustment/write off
- 151% to 200% of the FPL base = 75% adjustment/write off
- 201% to 250% of the FPL base = 50% adjustment/write off
- 251% to 300% of the FPL base = 25% adjustment/write off

14. Income total will be based on the Gross Total Income of the household. Household is defined as anyone living within the same home, address, location, or abode - under one roof. The exception to this is the Self Employed whose income will be based upon Net Income. The following will be considered income, but is not limited to:

- Wages
- Self-Employment earnings
- Worker Compensation income, insurance, or settlement
- Liability or court settlement
- Public Assistance
- Food Stamp Allowance
- Social Security
- Pensions or retirement benefits
- Dividends
- Interest
- Rent
- Strike benefits
- Alimony/Child Support

15. To qualify, the applicant must provide proof of household income, providing the following:

Verification Needed

- Copy of the most recent year's tax return including all schedules. Applicants may call 800-829-1040 for a free transcript of their Tax Return, if they do not have one on file.
- Two most recent months checking account statements
- Two most recent months savings account statements
- Two most recent pay stubs
- Copy of Social Security check as applicable
- Food Stamp Letter as applicable
- SSI Disability letter from SS office, as applicable
- Proof of all income not covered in the above
- Copy of driver's license
- One additional proof of Alabama Residency such as a utility bill

Self-employment verifications

- Two most recent month's business banking statement
- Most recent Balance Sheet
- Most recent Profit and Loss Statement
- Most recent year's business tax return

16. Individuals who have significant equity on fixed assets may be refused. Examples of items to be considered, but not necessarily limited to, are:

- Land that is separate from home
- Business Assets
- Investments
- CD's
- Luxury vehicles
- Real Estate
- Rental Property

17. Individuals who have significant liquid (cash) assets more than the below limits, may be refused. Protected asset levels will be as follows:

- \$2,000.00 for a single individual
- \$3,000.00 for a couple
- \$200.00 for each additional dependent

24. When reviewing the request for Financial Assistance the following criterion may be assessed. JHC views reasonable amounts of the following as life's basic necessities:

- Home mortgage or rent payments for primary residence.
- Food allowance, depending upon household size
- Nominal auto payments and maintenance for primary vehicle
- Insurance
- Clothing
- Utilities
- Childcare
- Tuition/educational expenses
- Prescription medications
- Other healthcare bills

25. JHC does NOT view the following as necessities that should take priority claim over JHC debt because these assets can be terminated or sold with their related liabilities liquidated:

- Satellite or Cable Television
- Unnecessary auto payments and maintenance for retaining a luxury auto with a high monthly loan or lease payment. (Classic or Hobby Vehicle)
- Health club memberships (unless due to physician's order)
- Donations
- Credit card payments
- Entertainment
- Boat, sports car, second home, motor home, cottage, snowmobile, hi-tech electronics, and Television payments

The following expenses are considered essential. These essential items may be used to reduce the gross income of those applicants who are not eligible without such consideration. They will not be used to adjust an applicant from one sliding scale level to another. The living expenses that qualify are:

- Medical bills
- Rent or Mortgage
- Home Utilities
- Food
- Automobile

GUIDELINES:

1. Applications are available from any Patient Access Associate or Customer Service agent.
2. Patient will receive bills until determination is reached.
3. Applicant will receive a letter detailing the determination within 15 business days of receipt of application.
4. Denials may be appealed and must be in writing. This must be completed within 15 calendar days of the date of the determination. First level appeals determinations are made to and by the Director of Patient Access while second level appeals are to the Hospital VP of Revenue Cycle and are final.
5. A Credit Report may be obtained on all applications.
6. Applications may be submitted in advance of services rendered. In such a case, the 6 month time frame will begin on that particular date of service.
7. Applicants are required to complete and sign the application. When this is not possible, completion of the process for screening purposes via the phone is acceptable, provided two JHC associates witness application. However, all documents must ultimately be sent in.
8. Applicants identifying themselves as homeless will be offered assistance based on lack of third-party coverage and no available assets. Provider will contact the shelter where the patient is resident to verify, and a credit check will be performed to confirm the patient's present situation.
9. Applicants are invited to submit any additional documentation they feel may be useful in the evaluation and determination process including information detailing permanent or severe illness, extenuating circumstances and expenses such as prescription drugs, childcare, alimony or child support.
10. Where applicable, the insurance is filed, and payment is received from the insurance company before any adjustment will be applied to an account. However, this will not delay determination. If at such time it is determined that the patient did not cooperate with the carrier to allow for payment, any applicable approval will be rescinded.

11. At any time JHC Financial Assistance policy is revised, the new guidelines will not be retro-active. Patients must re-apply for eligibility consideration based upon the revised criteria. However, those patients who have previously been approved and are still in their six-month approval period will remain as approved.
12. Patient Access Director is responsible for monitoring the Federal Poverty Levels and for updating and publishing the Income Criteria Table on which this policy is based. The updated Table will become effective automatically on the first month of publication.
13. Granting assistance is at the sole discretion of Jackson Hospital & Clinic.
14. The following is the approval range using the summary of patient liability for write offs:

-\$2,500 or less	Financial Assistance Coordinator
-\$2,501 to \$25,000	Director, Patient Access
->\$25,001	VP, Revenue Cycle