



Document Title: Financial Assistance	Norton County Hospital
Authors: Aaron Kuehn	Original Effective Date: 03/01/2018

Norton County Hospital
Policy and Procedures

POLICY SUMMARY: It is the policy of Norton County Hospital (NCH) to provide quality care to all who need it. Accordingly, NCH has created its NCH Financial Assistance Policy (FAP) to ensure access to emergency or other medically necessary services in both the hospital and clinic to people in the communities it serves, including individuals without means or with limited ability to pay for emergency or other medically necessary services. In order to continue its mission to provide quality care, however, NCH understands that the financial assistance provided must be balanced to ensure NCH’s on-going financial viability. Determination of eligibility of a patient for financial assistance shall be applied regardless of the source of referral and without discrimination as to race, color, creed, national origin, age, handicap status, or marital status.

DEFINITIONS:

“ASSETS” assets of the business that can reasonably be converted to cash within 90 days.

“BILLING STATEMENT” is the statement sent directly to the patient/guarantor which lists the patient’s/guarantor’s responsibility for payment.

“DISCHARGE” is the date the service episode is closed in the patient’s medical record.

“UNDER INSURED” is when a patient has health insurance coverage but that coverage does not cover certain services or the coverage leaves the patient partially responsible for payment for services.

“UNINSURED” is when a patient has no health insurance coverage.

PURPOSE: Compliance with IRS 501(r)(4).

PROCEDURES:

Applying for Financial Assistance

A patient/guarantor may apply for financial assistance by completing the financial assistance application and submitting it to the Norton County Hospital Business Office, PO Box 250, 102 E. Holme St., Norton, KS 67654. An application may be requested from the location shown previously, from Norton Medical Clinic, PO Box 408, 807 N. State St., Norton, KS 67654 or by calling Norton County Hospital business office at 785-877-3351. An application may be picked up at any registration point in the hospital or clinic. A patient/guarantor may also download an application from the NCH website, www.ntcohosp.com. A patient/guarantor may seek assistance in completing the application by contacting a representative at the business office or by calling 785-877-3351 between the hours 8am to 5pm, Monday through Friday (excluding holidays).



Document Title: Financial Assistance	Norton County Hospital
Authors: Aaron Kuehn	Original Effective Date: 03/01/2018

The information or documentation required to be submitted along with the financial assistance application are:

- a. Twelve-month salary history (e.g. W-2 or paystubs); and
- b. Prior year federal tax return.

NCH may also request a current financial statement (e.g. balance sheet or profit and loss statement).

Patient Eligibility Criteria

Financial assistance is secondary to all other financial resources available to the patient. This includes but is not limited to:

- a. Group or individual medical insurance plans
- b. Workers Compensation plans
- c. Medicaid, State, or County Medical programs
- d. Other state, federal, or military programs
- e. Third party liability situations (e.g. auto accidents or personal injury claims)
- f. Any other persons or entities who may have a legal responsibility to pay for the medical services.
- g. Crime victims.

Financial assistance may be defined as full (free care) or partial (discounted care) depending on eligibility. NCH must determine that the NCH services requested are medically necessary (K.A.R. 30-5-58). Financial assistance under the NCH FAP is not available in the event patient care is:

- a. cosmetic
- b. experimental
- c. deemed to be generally not reimbursable by traditional insurance carriers and governmental payers
- d. services where the patient's condition permits adequate time to schedule the availability of a suitable accommodation
- e. intermediate swing-bed services
- f. medication
- g. supplies to non-patients.

The FAP applies to emergency or other medically necessary services for which NCH bill the patients. A list of providers, other than NCH employees, delivering emergency or other medically necessary services at NCH, as well as if their services qualify for financial assistance, is included in Appendix A to this policy.

NCH must verify that the patient is UNINSURED or UNDER INSURED and does not have access to other governmental or other third party coverage. Patients determined to have potential eligibility in government programs who fail to complete the appropriate paperwork associated with those programs will not be eligible for financial assistance. Payment from all other payer sources must be exhausted before the patient will be eligible for financial assistance.

Document Title: Financial Assistance	Norton County Hospital
Authors: Aaron Kuehn	Original Effective Date: 03/01/2018

An applicant must complete and submit the financial assistance application and present proof of his/her income and spouse’s income before consideration of assistance.

The applicant must demonstrate an inability to pay in accordance with the income criteria as established by the current Federal Poverty Guidelines (FPG). Gross annual income and family size will be used to make financial assistance determinations. If the applicant or spouse of applicant is a business owner, net annual income and ASSETS of the business will also be used to make financial assistance determinations. Catastrophic medical expenses will also be a factor in determining eligibility for financial assistance. Catastrophic being defined as medical expenses that exceed 150% of annual income. See Figure 1 below for level of financial assistance that will be provided based off annual income, ASSETS of the business and/or catastrophic medical expenses. Medical expenses in excess of 150% of annual income qualify for full financial assistance.

Figure 1

Annual Income	Medical Expenses	Discount Off Gross Charges
0-150% of FPG	Greater than 150% of annual income	100%
150-175% of FPG	N/A	75%
175-200% of FPG	N/A	50%

Self Employed

Annual Income	Business Assets	Medical Expenses	Discount Off Gross Charges
0-150% of FPG	Less than \$10,000	Greater than 150% of annual income	100%
150-175% of FPG	\$10,000-\$15,000	N/A	75%
175-200% of FPG	\$15,001-\$20,000	N/A	50%

Eligibility Determination Process

All applicants requesting information or identified as potentially eligible for financial assistance shall be referred to the NCH business office staff to assist them in processing their application and documentation. NCH staff shall document the date an application is received. Assets of the applicant or spouse will not be considered when determining financial assistance for emergency department or outpatient clinic services. A written determination will be made by the appropriate NCH staff within five business days of receiving a completed application, along with other required documents as identified previously. Financial assistance determination will be applied to qualifying NCH emergency or other medically necessary services for which the first BILLING STATEMENT after DISCHARGE was processed 240 days prior to the date of the completed application, along with other required documents, is received and any future services as agreed upon by the appropriate NCH staff and the applicant. FAP discounts will be applied to future accounts with approved FAP balances within the calendar year

Document Title: Financial Assistance	Norton County Hospital
Authors: Aaron Kuehn	Original Effective Date: 03/01/2018

of the patient/guarantor FAP approval. Patient/guarantors will be instructed to reapply for the following year.

If extenuating circumstances prevent a patient from completing a financial assistance application, the patient may still qualify for full financial assistance through a presumptive eligibility process. The criteria used for presuming eligibility for full financial assistance:

- a. Prior financial assistance determinations;
- b. Accounts returned by collection agencies – accounts that are sent to a professional collection agency are written off as bad debt. If the collection agency returns any accounts as uncollectible because the patient is unable to pay, these accounts can be reclassified as charity. Each professional agency has an established methodology that determines the patient’s ability to pay. If the likelihood regarding the ability to pay is so small that the agency does not want to expend their resources, the accounts will be closed and returned, and reclassified as charity. If presumptive eligibility is established using this method, it will be account specific and will not apply to previous or future accounts;
- c. Homelessness;
- d. Deceased with no estate;
- e. Mental incapacitation with no one to act on patient’s behalf; and
- f. Medicaid eligibility, but not on date of service or for non-covered service.

If an applicant is determined to be eligible for partial financial assistance or non-eligible for financial assistance, the NCH Point of Service Collections Policy and Billing and Collections Policy shall remain in effect for any amount determined to be the responsibility of the patient/guarantor. This includes referring the account(s) to an outside collection agency which may result in an adverse entry on the patient’s/guarantor’s credit rating or the initiation of legal proceedings. A copy of the NCH Point of Service Collections Policy and Billing and Collections Policy is available upon request to the NCH billing office.

Determination may be appealed in writing to the NCH Board of Trustees.

Amounts Charged to Patients

NCH establishes gross amounts charged to patients using the Charge Master Policy. NCH accepts discounts from third party payers for patients who have insurance. NCH shall offer similar discounts to patients who are eligible for financial assistance. Following the determination of FAP eligibility, a FAP eligible individual will not be charged more for emergency and/or other medically necessary care than the amounts generally billed (AGB) to individuals who have insurance covering such care. For detail information about the AGB please see Appendix B or please feel free to contact NCH business office staff at 785-877-3351 or visit us at www.ntcohosp.com. The computation of the amount generally billed is the responsibility of the Chief Financial Officer and will be computed annually.

Communication with NCH Patients



Document Title: Financial Assistance	Norton County Hospital
Authors: Aaron Kuehn	Original Effective Date: 03/01/2018

Notification about financial assistance available from NCH shall be disseminated by NCH 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 areas, business offices, and at other public places as NCH may elect. NCH shall also publish and widely publicize a summary of this financial assistance policy on the facility website. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Norton County Hospital. Referral of patients for financial assistance may be made by any member of the NCH staff. A request for financial assistance may be made by the patient or family member, close friend, or associate of the patient, subject to applicable privacy laws.

TRAINING: Training is the responsibility of the Business Office Supervisor.