

Adm. Policy Number: 1.64

Effective Date: June 2016

SUBJECT: Financial Assistance Policy (FAP)

SPONSOR: Patient Accounting

POLICY:

It is the policy of Heritage Valley Health System to provide quality care in a compassionate manner regardless of the patient's ability to pay for such services. Consistent with this policy, Heritage Valley Health System is committed to providing necessary health care services at no charge, or reduced charges, to patients who are willing to meet his/her financial obligations, but do not have or cannot obtain adequate financial resources. Financial Assistance is available to patients who are uninsured or underinsured to assist with necessary healthcare services provided.

PURPOSE:

This policy is intended to identify the action that may be taken with respect to billing and collection of hospital charges for services provided to patients of Heritage Valley Health System. This Policy also describes the uninsured discount, self-pay statement generation process and collection actions that may be taken for unpaid balances.

PROCEDURE:

Uninsured Discounts: Heritage Valley Health System automatically reduces total charges for all uninsured patients prior to mailing statements. As a result of this discount, an uninsured patient will not be charged more than the "Amount Generally Billed" for emergency or other medical necessary care. HVHS will use the Prospective Medicare method to determine AGB.

Inpatient: Uninsured rates are calculated based on Medicare's Inpatient Base Rate Table. In the event the reduced rate is higher than total charges, HVHS has the ability to review and determine a reasonable rate for the services received.

Outpatient: Uninsured rates are determined annually based on the overall Medicare outpatient collection percentage.

Patient Billing Practices

Heritage Valley Health System sends 4 statements (1 per month) to all patients who are uninsured for any out of pocket balance deemed a patient's responsibility by the insurance carrier. Uninsured discounts are applied prior to sending out the first statement. Below is a description of the 4 statements consecutively:

- Initial Notice - first statement sent for an outstanding balance.
- Second Notice - sent 30 days following the Initial Notice if no payment is received
- Final Notice - sent 30 days following the Second Notice if no payment is received
- Final Letter - sent 30 days following the Final Notice if no payment is received

Patients will continue to receive a monthly statement until the claim is paid in full. If a payment is received on a monthly basis, collection activity will not escalate beyond the statement generation process.

Each statement provides a phone number, hours of operations for the Billing Office, a billing email address (BILLING@HVHS.ORG), and the Heritage Valley Health System website (www.heritagevalley.org) in an effort to facilitate the recipient in satisfying the debt. In addition, each statement references Heritage Valley's Charity Care Program. The application can be requested via telephone, email or online.

If no payment is received during the self-pay billing span of 4 months (or 120 days) of statements, the claim is turned over to a collection agency for additional collection efforts. In addition to collection efforts from the agency, delinquent debt will be reported to the credit bureau.

Financial Assistance Determination

Heritage Valley Health System determines financial assistance based primarily on financial information provided on the Charity Care Application form. Applications for Charity Care are available in the Patient Accounting Department, Emergency Room, and all Registration areas. In addition, the Charity Care application is available on our website. Patients can contact the Patient Accounting Department and request that a copy of the application be mailed by calling 412-749-4200 or 724-773-5681. The Charity Care Application is also available to print from the web site. If additional assistance is needed, a representative from the Patient Accounting Department will be able to provide individual assistance. Heritage Valley Health Systems Payment Billing and Payment Center is located at 200 Ohio River Blvd. Baden, PA 15005.

To request financial assistance, patients will complete the Charity Care Application providing household income. If information included on the application is found to be incomplete the application, along with all documentation accompanying the application, will be sent back to the patient along with a letter indicating what information is required to complete the application process. The patient will need to review the information received, provide the additional information requested and return the application along with all applicable documentation for consideration.

The approval guidelines are based on **Federal Poverty Guidelines (FPG)** as established and updated annually by the Department of Health and Human Services. Various levels of assistance are established by applying percentages to the base established by the Department of HHS. The Heritage Valley Health System guidelines allow for the granting of assistance at levels of 100%, 75%, 50% and 25%.

Income qualifications for assistance:

- At or below 300 percent of the FPG qualifies for 100%
- At or below 350 percent of the FPG qualifies for 75%
- At or below 400 percent of the FPG qualifies for 50%
- At or below 450 percent of the FPG qualifies for 25%

All applications received by the hospitals are to be directed to the Accounts Receivable Representative responsible for the review process. All applications will be reviewed and approved/denied within 2 business days. The Accounts Receivable Representative has the authority, based on the information provided by the applicant, to determine eligibility. This decision is based on the published Federal Poverty Guideline. This information is updated on an annual basis. Financial Assistance will be denied if the patient's income exceeds all of the above guidelines. Regardless of the outcome, all patients who apply for Financial Assistance are notified via a final determination letter. All communication is in plain language and easily understood. If the patient does not qualify for Financial Assistance, based on the information provided, the account will continue to receive the above described statements and phone calls through 120 days. If no payment is received, the account will automatically transfer to a collection agency for additional collection efforts. In addition to collection efforts from the agency, delinquent debt will be reported to the credit bureau.

Presumptive Charity Care

Heritage Valley Health System enters all unpaid, self-pay balances, for which a Charity Care Application has not been submitted, through the scoring software to determine if the patient has the ability to pay. A "soft credit check" is completed on all claims prior to sending the account to collections.

A patient would qualify for our Charity Care program if the scoring of the return claim(s) is:

- Low income/ Low credit score
- Low income/ High credit score

If the account qualifies using the above scoring system, the balance is not turned over to collections. The account is adjusted off using a unique transaction code for "Presumptive Charity Care."

In addition, Presumptive Charity Care is applied on all residual balances if the patient is eligible for MA/MA HMO (i.e. deductible, copay, coinsurance amounts or non-covered due to the Healthcare Benefits Package plan), denied coverage by DPW or on rare occasions as deemed necessary by Patient Accounts Management.

Presumptive Charity Care is determined on a case by case basis. With the exception of balances after MA and MA HMOs, the situation leading up to the adjustment are commented on each account and notification is provided to the patient that the account balance qualified and was written off as charity care.

Use of External Collection Agencies

Heritage Valley shall not refer a patient's account to an external collection agency until the patient has received the above mentioned 4 statement/letter series. If after 120 days (4 statement/letter series), no communication has been received by the responsible party, the account will automatically qualify for collections. If Heritage Valley is unable to contact the patient via statements or phone due to incomplete address/contact information, we may transfer the account sooner in the process in an effort to have the collection agency utilize their systems

to identify better information to reach the patient. If no response is received, the collection agency will report the unpaid balance to the credit agencies. This reporting will negatively affect the responsible party's credit score.

If the account is returned by the collection agency due to no payment, Heritage Valley may turn the accounts over to a second collection agency or sell the old AR off for collection purposes.

In addition to the Financial Assistance Policy, Heritage Valley Health System has separate policies pertaining to the Charity Care and the Collection process. These policies can be reviewed upon request by calling 412-749-4200 or 724-773-5681

Definitions and/or Limitations to the Policy

- A charity care approval considers all prior dates of service and is valid for a period of 1 year following the date of determination.
- Presumptive Charity only pertains to the account in question. Review of the system is not completed for other open balances.
- Charity care determinations apply only to hospital services (technical charges) and Emergency Room Physicians. Determination for charity does not apply to radiologists or other professional services, not billed by the hospital staff. See attached listing of providers covered by the Financial Assistance Policy.
- Services that are cosmetic or elective surgical procedures deemed non-medically necessary are not eligible for the Charity Care program.
- Patients, whose medical services would be otherwise covered by health insurance in an alternative setting or at an alternative site/facility, are not eligible for Financial Assistance /Charity Care.

REFERENCES: 26 CFR Parts 1, 53, and 602

Approved: June 2016
Reviewed: November 2023 (Physician List updated)
Revised: September 2018; September 2022

SIGNATURES:



Norman F. Mitry
President and CEO

Heritage Valley Emergency (as of November 2023)

Practitioner Name	Department/Section
Beierle,James Michael Jr. MD	Emergency Medicine
Boyd,Michael August MD	Emergency Medicine
Buhr,Andrew Richard MD	Emergency Medicine
Cammarata,Shayla Louise DO	Emergency Medicine
Campbell,Brian H. MD	Emergency Medicine
Charek,Matthew Frank MD	Emergency Medicine
Cheng,Bridget Elizabeth MD	Emergency Medicine
Coleman,John Michael MD	Emergency Medicine
Davis,William Nathan MD	Emergency Medicine
Deb,Arjamon MD	Emergency Medicine
Deveny,Robert Clifford MD	Emergency Medicine
Garrison,Alexa Noel MD	Emergency Medicine
Godisart,Ashley Ann MD	Emergency Medicine
Goldfarb,David Arrow MD	Emergency Medicine
Harmon,Douglass M.Jr. DO	Emergency Medicine
Keitzer,Lauren Marie MD	Emergency Medicine
Killeen,Brian Michael MD	Emergency Medicine
Kukurza,Michael David MD	Emergency Medicine
Kutrovac,Kyle Thomas MD	Emergency Medicine
Larsen,Jennifer MD	Emergency Medicine
Leckey,Ronald David MD	Emergency Medicine
Licata,Gaetano J. MD	Emergency Medicine
Magnone,George James MD	Emergency Medicine
McCaffery,Matthew Francis DO	Emergency Medicine
McWeeney,Patrick Charles MD	Emergency Medicine
Meigh,Kristin Michelle MD	Emergency Medicine
Montibeller,Joseph Anthony MD	Emergency Medicine
Morosco,James Brent DO	Emergency Medicine
Petroski,Adam Joseph DO	Emergency Medicine
Roth,Jacqueline Marie MD	Emergency Medicine
Shaw,Kendall JonesIII MD	Emergency Medicine
Sidani,Ramzi Scott MD	Emergency Medicine
Varley,Matthew Edward MD	Emergency Medicine
Venet,Jason Marshall DO	Emergency Medicine
Wheeler,Matthew Timothy MD	Emergency Medicine

**Heritage Valley Family Medicine Center
(as of November 2023)**

Arora, Vikram, MD	Family Medicine
Chu, Quynh, MD	Family Medicine

Hagberg, Stephen, MD	Family Medicine
McKrell, Jonathan, MD	Family Medicine

Wound Medicine (*as of November 2023*)

Michael, Thomas, MD	Wound Medicine
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