

CAPE FEAR VALLEY HEALTH SYSTEM Policy – Procedure

Title: Financial Assistance	Current Effective Date: 06/05/2020
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Purpose: Cape Fear Valley Health (CFVH) is dedicated to serving the healthcare needs of its patients. To assist in meeting those needs, CFVH has established this “Indigence Policy” to provide financial relief to those patients who are unable to meet their financial obligation, including low-income, uninsured, underinsured or medically indigent. This policy was developed and is utilized to determine patients’ financial ability to pay for services. “Medically indigent” is defined for those patients whose health insurance coverage, if any, does not provide full coverage for all of their medical expenses and that their medical expenses, in relationship to their income, would make them indigent if they were forced to pay full charges for their medical expenses.

Audience: All Employees

Departments: Patient Financial Services, Physician Financial Services

Keywords: Charity, Assistance, Indigent

Policy: Cape Fear Valley Health System offers a hospital-sponsored Financial Assistance program called Charity Care. Cape Fear Valley Health System may offer Charity Care Adjustments to individuals who meet the Charity Care Guidelines as stipulated herein.

Family Size and financial means compared to the Income Poverty Guidelines published annually by the Department of Health and Human Services (<https://aspe.hhs.gov/poverty-guidelines>) will be the key elements used to determine eligibility. The patient's income and unusual expenses will also be taken into consideration. Applications for Charity Care should be complete and accurate and include verifiable proof of income (i.e., W-2 form, tax return, payroll check stubs, statement from employer, deeds, tax records). All other avenues to obtain financial assistance and third-party payments, to include applying for Medicaid, must be exhausted prior to receiving Charity Care adjustments. Charity Care will only apply to the remaining balance after all third party payments are applied. Charity Care applications are accepted and considered for all Inpatient and Outpatient services. Charity Care can be applied for before or after services have been rendered. However there will be no “pre-approval” of charity. Charity will only cover the service in which the application is submitted for and any visits as a result of that service to any Cape Fear Valley Health System owned facility. **Elective and Cosmetic services are not eligible.**

CAPE FEAR VALLEY HEALTH SYSTEM Policy – Procedure

Procedural Guidelines: Cape Fear Valley Health System offers a hospital-sponsored program called Charity Care. Cape Fear Valley Health System may offer Charity Care Adjustments to individuals who meet the Charity Care Guidelines as stipulated herein.

Definitions:

Charity (Indigent) means household income that is equal to or less than 200% of the Federal Poverty Guidelines. (Qualifying applicants will receive 100% assistance with their hospital obligation.)

Discount means a sliding scale reduction in patient balances when household income is between 250% and 500% of the federal poverty guidelines. The discount will be between 45% and 85%.

Interest-free payment arrangements mean an invoice payment program that allows a patient to pay an outstanding balance without accruing interest.

Limited means an inability to pay full charges of the hospital obligation. The guarantor must request financial assistance, be ineligible for Charity and have income between 200% and 500% of the Federal Poverty Guidelines. Qualifying applicants will receive partial assistance.

Presumptive/Best Interest Charity means an assumption is made that the patient would have qualified for assistance if an application could have been obtained and income determined.

Underinsured means having inadequate insurance coverage and may qualify for Charity, Limited Means or a Discount as listed above.

Uninsured means does not have medical insurance and may qualify for Charity, Limited Means or a Discount as listed above.

Statements:

All uninsured and underinsured patients will be provided information on the financial assistance program and may request an application from the Patient Financial Services department. A minimum of 40% discount will be given to all uninsured patients. The application can be mailed to the patient/guarantor at the conclusion of their treatment if requested. In order for a patient to be considered for the financial assistance program an application must be on file in the Patient Financial Services Department.

Calculation of Charges eligible for Financial Assistance:

All patient's applicants are afforded a 40% discount of Hospital Current Fee schedule. This derived by taking an average discount of all commercial payers payment allowances. Should Applicant be afforded a sliding fee that results in partial assistance, that amount will be applied in addition to the original 40% reduction.

CAPE FEAR VALLEY HEALTH SYSTEM Policy – Procedure

Eligibility

1. This policy applies to charges for hospital services and professional services provided by Cape Fear Valley Health System.
2. All third party resources and non-hospital financial aid programs, including public assistance available through Medicaid, must be applied for and reviewed before financial assistance can be requested.
3. Any inpatient or outpatient account may be eligible for financial assistance if the patient/guarantor is determined to be:
 - Indigent
 - Uninsured or Underinsured
 - Limited Means
4. To determine eligibility, the patient/guarantor must participate and cooperate fully with the Patient Financial Services Department and may be asked to provide any or all of the following:
 - Income from all sources.
 - Copies of statements from savings and checking accounts Number of dependents. (Ex. Spouse, children under the age of 18 or children over the age of 18 and still in school.
 - Copies of the last two pay stubs.Copies of the most recent state and federal income tax forms if needed but not limited to the following:
 - W2's
 - Schedule C Profit or Loss from Business
 - Schedule D Capital Gains and Losses
 - Schedule E supplemental Income and Loss
 - Schedule F Profit or Loss from Farming
 - Schedule K Business Partnerships and S Corporations
5. Falsification of any portion of an application or refusal to cooperate may result in denial of financial assistance.
6. For a patient who chooses not to participate or is denied financial assistance, the full measure of collection activity will continue.
7. The hospital may suspend collection activity on an account while a determination is being processed and considered.

Procedure: Patient Financial Services will administer the financial assistance program according to the following guidelines:

CAPE FEAR VALLEY HEALTH SYSTEM

Policy – Procedure

1. All patients will be billed at the same hospital established rates immediately reduced by 40% and then will be further reduced based upon any sliding fee schedule calculation.
2. All patients have the right to apply for charity. Charity applications may be obtained, free of charge, from CFVMC, 1628 Owen Drive, Fayetteville, NC, CFVMC Support Services Building, 227 Fountainhead Lane, Fayetteville NC, any of CFV Clinics, online at www.capefearvalley.com or by calling 910-615-7070.
3. Completed applications and all requested documentation should be returned to Cape Fear Valley Medical Center, Attn: Financial Assistance Specialist, PO Box 2000, Fayetteville NC, 28302
4. Patient Financial Services personnel will determine if the patient/guarantor qualifies for charity assistance once a completed charity application and requested documentation have been received. If the patient/guarantor qualifies for charity, they will be notified and the account adjusted.
5. If the patient/guarantor does not qualify for charity, but qualifies for limited means assistance, a reduction in charges will be made to the account and the guarantor/patient will be notified via mail. At the guarantor's request, payment arrangements will be made for the remaining balance.
6. Should patient/guarantor fall out of compliance with payment arrangements or fail to make payments, the account will be turned over to a bad debt collection process where the account will follow the hospitals billing and collection policy.
7. If the patient/guarantor does not qualify for charity or limited means assistance and their hospital liability is the balance after health insurance has paid, they will not be eligible for a discount.
8. For patients/guarantors qualifying for assistance and whose **hospital liability** is greater than 15,000.00, there may be an asset determination.
9. If after the determination of a financial assistance award, the patient/guarantor requests further financial relief, they can request their account go to the Executive Director of Revenue Cycle. The Directors determinations are final.
10. Once financial assistance has been granted, the guarantor will not be supplied with documentation required to bill insurance companies. This includes UB, 1500 and/or detailed itemization of charges.

CAPE FEAR VALLEY HEALTH SYSTEM Policy – Procedure

11. CFVMC Financial Assistance program covers balances at Cape Fear Valley, Highsmith Specialty Hospital, Cape Fear Valley Bladen Healthcare, Cape Fear Valley Hoke Healthcare and all Cape Fear Valley owned physician clinics.

12. The hospital reserves the right to review the financial assistance determination if the guarantor’s financial circumstances have changed.

13. The Financial Assistance Policy applies to deceased patients when it has been determined that there are no assets of value in the estate.

14. Financial assistance may be granted to patients who qualify for government programs when funding has delayed payment. If later government assistance is awarded, the account adjustment will be reversed.

15. Financial assistance may be granted to patients that are pending Medicaid approval with the appropriate county. These accounts have been reviewed and financial need determined by a third party. Additional documentation may be required by Patient Financial Services.

16. The Financial Assistance Policy and application are also available in Spanish

17. Patient financial assistance approval levels are as follows;

Adjustment Levels per Combined Accounts	Approver
\$0-\$15,000	Financial Assistance Specialist
\$15,001-\$30,000	Director of Cash Management
\$30,001-\$100,000	Executive Director of Revenue Cycle
\$100,001-\$250,000	VP of Revenue Cycle and Managed Care
\$250,001 +	CFO

External Providers and Financial Assistance:

If patient is provided emergent and medically necessary services within the facility all physician and clinical providers are covered under this policy as part of the requirements for privileges.

CAPE FEAR VALLEY HEALTH SYSTEM Policy – Procedure

Should an elective and medically necessary service be provided within the facilities, all providers and hospital will work with patient ahead of service to determine which provider will agree with facility financial assistance policy.

Presumptive/Best Interest Charity

1. Best interest charity may be applied post clearance if it is determined by a third party that financial indicators are not conducive to the cost of attempting to collect the debt.
2. On a case by case basis if deemed appropriate, management may decide to apply charity in the best interest of the patient and the hospital. The instances may include but are not limited to special circumstances regarding the patient and/or care rendered,

Exceptions:

Any exceptions to the policy require committee approval and appropriate account documentation.

Related Documents/Policies: Charity Care Guidelines; Sliding Scale

References: Federal Poverty Guidelines,