

FACILITY NAME: Rockcastle Regional Hospital and Respiratory Care Center	POLICY OWNER: Business Office Manager
SUBJECT/TITLE: Financial Assistance Policy (FAP)	ORINATION DATE: 12/3/2012 REVISED: 03/11/2015
DEPARTMENT: Business Office	REVIEWED: APPROVER: CFO, CEO

POLICY

It is the policy of Rockcastle Regional Hospital and Respiratory Care center to provide medically necessary health care to all patients, without regard to the patient’s financial ability to pay.

PRINCIPLES

Rockcastle Regional Hospital and Respiratory Care center, as a tax-exempt organization, is called to meet the needs of patients who seek care, regardless of their financial abilities to pay for services provided. All patients will be treated equitably, with dignity, respect, and compassion.

In addition, as a designated charitable (i.e., tax-exempt) organization under Internal Revenue code (IRC) Section 501 (c)(3). Pursuant to IRC Section 501(r), in order to remain tax-exempt, each tax-exempt hospital is required to adopt and widely publicize its financial assistance policy.

The purpose of this Policy is to outline the circumstances under which Rockcastle Regional Hospital and Respiratory Care Center will provide free or discounted care to patients who are unable to pay for services, and to address how Rockcastle Regional Hospital will calculate amounts charged to patients.

DEFINITIONS

Medical Necessity – Any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

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ELIGIBILITY CRITERIA

Medical Necessity

- **EMTALA**

Any patient seeking urgent or emergent care, within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd) at Rockcastle Regional Hospital, shall be treated without discrimination and without regard to a patient's ability to pay for care. Rockcastle Regional Hospital shall operate in accordance with all federal and state requirements for the provision of urgent or emergent health care services, including screening, treatment and transfer requirements under the federal Emergency Medical Treatment and Active Labor Act (EMTALA). Rockcastle Regional Hospital should consult and be guided by their emergency services policy, EMTALA regulations and applicable Medicare/Medicaid Conditions of Participation in determining what constitutes an urgent or emergent condition and the processes to be followed with respect to each.

- **Other Medically Necessary Services**

In addition to services provided pursuant to EMTALA, Rockcastle Regional Hospital will extend free or discount care to eligible individuals for all other medically necessary services.

- **Financial Ability**

Financial assistance is available for medically necessary services at a discount rate of 100% of gross charges (free care). The 100% discount (free care) will be extended to those self-pay patients whose family income is equal to or less than 150% of the Federal Poverty Level. Lesser discounts are not available for those that exceed 150% of the Federal Poverty Level.

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• Basic Requirements

- *Must be self-pay.
- *If have minor children in the home, must be referred to the Medicaid Office.
- *Cannot exceed income guidelines as stated in the FAP application. Household members **are** taken into consideration.
- *Cannot exceed Countable Resources as stated in the FAP application.
- *Services cannot be related to an auto accident.
- *Must supply proof of income to determine eligibility. Proof of income examples:
 - a.) Check stubs for the last 30 days.
 - b.) Social Security award letters or copy of bank deposit showing SS deposit.
 - c.) Written verification of wages from employer for the last 30 days.
 - d.) Written verification from public assistance summarizing benefits.
 - e.) Workers Compensation checks/award letters.
 - f.) Unemployment checks/award letters.
 - g.) W-2's
 - h.) If self-employed a financial statement of gross income less business expenses.
 - i.) Copy of 1040 federal income tax return.

LIMITATION ON CHARGES

Charges/Self-Pay Discount

Rockcastle Regional Hospital and Respiratory Care Center limits the amount charged for any emergency or other medically necessary care it provides to all self-pay patients to no more than the amounts generally billed to individuals with insurance covering that care (AGB). The limited amount charged is the average of our contracted insurance payer reimbursement, which is equal to 76% reimbursement. Therefore, all self pay patients will not be charged more than 76% of gross charges. Patients applying for FAP will receive the initial self-pay discount, and if qualifying for FAP will receive a total discount of 100% (free care).

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PROCEDURES

Hospital Methodology

An established financial assistance methodology, applied consistently, shall be adopted by Rockcastle Regional Hospital and Respiratory Care Center. The methodology shall consider patient and spouse income if applicable, family size, available resources and the likelihood of future earnings sufficient to pay for health care services.

- Hospital shall utilize the *Rockcastle Regional Hospital and Respiratory Care Center Financial Assistance Application Form*.

See attached Exhibit: *Rockcastle Regional Hospital and Respiratory Care Center Financial Assistance Application Form*

To allow the Hospital to properly evaluate financial assistance eligibility, all documents provided by patients to the Hospital Facility shall be written in or translated into English.

- This Hospital shall utilize the Rockcastle Regional Hospital and Respiratory Care Center's Financial Assistance determination checklist as defined in *Section II. Hospital Indigent Care Criteria of the Rockcastle Regional Hospital and Respiratory Care Center Financial Assistance Application Form*.

Method for Applying for Financial Assistance

- Upon registration, and after all EMTALA requirements are met, self-pay patients may request the *Rockcastle Regional Hospital and Respiratory Care Center Financial Assistance Application Form (FAP)*, which outlines eligibility conditions that must be met. A cover letter is included, which summarizes the financial assistance program, and includes contact information.
- A free copy of the *Rockcastle Regional Hospital and Respiratory Care Center*

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Financial Assistance Application Form and cover letter, are provided with each registration of self-pay patients. An additional free copy can be obtained by stopping by the cashier desk of the Hospital, or by calling our billing department at (606) 256-2195 ext. 5115 or ext. 5025. The patient will never be charged for additional copies.

- Immediate financial counseling assistance from staff is available Monday through Friday 8:00 am to 4:00 pm, either in person or via a phone call made to our Billing Department at (606) 256-2195 ext. 5115, or ext. 5025.
- All available financial resources shall be evaluated before determining financial assistance eligibility. The hospital shall consider financial resources not only of the Hospital Facility patient, but also that of other persons having legal responsibility to provide for the patient (e.g., patient’s spouse). The patient shall be required to provide information and verification of ineligibility of benefits available from insurance (i.e., individual and/or group coverage), Medicare, Medicaid, workers’ compensation, third-party liability (e.g., automobile accidents or personal injuries) and other programs.

Approval or Denial for Financial Assistance

Hospital Facility patients that present a complete application with all required documentation, as outlined in the application, Monday through Friday 8:00 am to 4:00 pm, will be informed immediately of approval or denial status. Any application that is dropped off to the facility after hours, will be reviewed and a determination made within 10 business days. All patients will be given an approval or denial notification. If denied financial assistance, the patient shall be informed in writing with a brief explanation given for the determination. All denials must be credible and determined with the highest integrity; the Hospital Facility needs to be comfortable with their reasons for determining that patients are not eligible for financial assistance.

ACTIONS THAT MAY BE TAKEN IN THE EVENT OF NONPAYMENT

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Rockcastle Regional Hospital and Respiratory Care Center prohibits the use of “extraordinary collection actions” on patients qualifying for financial assistance per Federal Regulation 501 (r)(6).

Financial Assistance Counselors are available during business hours to assist patients in completing the FAP application form. Completed applications with accompanying documentation will be reviewed, and a determination made within ten business days. Patients will be notified in writing of the approval or denial by the Financial Assistant Counselor. A monthly statement will cease on all approved cases, and the account balance will be written off. A monthly statement will continue on all denied cases.

The Financial Assistance Counselor will attempt to contact patients with incomplete applications, or missing income verification on day 15, 30, 45, 60, and day 90. Monthly statements are sent every 30 days, until such time the account reaches the age of 120 days from the first billing statement. By this time, all reasonable attempts to contact the patient will have exhausted. Patients with an incomplete application, denied application, or cases of “no response,” will be sent a “final notice” letter. The letter will inform patients that their account will be sent to an outside collection agency, if they do not respond within ten business days. If no response or payment, the account will be outsourced to GLA Collection Agency (A-K), or Credit Solutions (L-Z), depending on the alphabetic sequence of the patient’s last name.

Rockcastle Regional Hospital and Respiratory Care Center will continue to accept FAP applications from patients for an additional 120 days from the first billing statement. The total period of time the hospital will accept and process an FAP application is 240 days from the date of the first billing statement. If the FAP application is approved, the patient will be refunded for any personal payments made on his or her account. If the account has been outsourced to an outside collection agency, the account will be recalled.

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WIDELY PUBLIZING THE FINANCIAL ASSISTANCE POLICY (FAP)

- FAP is posted on the hospital facility’s web site at www.rockcastleregional.org.
- FAP is posted conspicuously at all registration access points. A copy shall be supplied to the requesting individual free of charge.
- A statement advertising FAP prints on every patient statement.
- FAP is mentioned when discussing an individual’s bill over the telephone.