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# *St. Elizabeth Healthcare - Financial Assistance Policy*

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## **Objective**

Consistent with its mission to provide comprehensive and compassionate care that improves the health of the people we serve, St. Elizabeth Healthcare is committed to providing Financial Assistance to every person in need of medically necessary treatment even if that person is uninsured, underinsured, ineligible for other government programs, or unable to pay based on their individual financial situation.

## **Policy**

In order to provide the level of aid necessary to the greatest number of patients in need, and protect the resources needed to do so, the following guidelines apply:

- Services are provided under charity care only when deemed medically necessary and after patients are found to have met all financial criteria based on the disclosure of proper information and documentation.
- The Hospital Sponsored Financial Assistance Program (FAP) is available for uninsured patients and patients with self-pay balances after insurance.
- FAP is a charity program based on the patient's family income. Patients with family incomes at or below 200% of the Federal Poverty Guidelines (FPG) are eligible for 100% charity or free care.
- Individuals with an income level from 201% to 300% FPG are eligible for a 50% adjustment and individuals with an income level from 301% to 400% FPG are eligible for a 25% adjustment.
- The Patient's expenses and liabilities may also be considered in the evaluation of their eligibility for approval.
- Patients are expected to contribute payment for care based on their individual financial situation; therefore, each case will be reviewed separately.
- Charity care is not considered an alternative option to payment and patients may be assisted in finding other means of payment or financial assistance before approval for charity care.

## **Definitions**

The following terms within this policy are meant to be interpreted as follows:

1. **Charity Care:** Healthcare services provided which are not expected to result in cash inflows; medically necessary services rendered at discount or without expected payment to individuals meeting established criteria.
2. **Medically Necessary:** Hospital services or care rendered, both inpatient and outpatient, to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause

suffering or pain, cause physical deformity or malfunction, and threaten to cause or aggravate a handicap, or result in overall illness or infirmity.

3. **Income:** Includes salary and wages, interest income, dividend income, social security, workers compensation, disability payments, unemployment income, business income (IRS Schedule C), pensions & annuities, farm income (IRS Schedule F), rentals & royalties, inheritance, strike benefits, alimony income, payments received from the state for legal guardianship or custody.
4. **Income:** Also defined as the patient's total resources, which would include, but are not limited to, an analysis of assets (only those convertible to cash, and unnecessary for the patient's daily living), liabilities, and expenses.
5. **Family:** Includes any dependent claimed for federal tax purposes. If the patient is a child of a minor parent(s) who still resides in the home of the patient's grandparents, the "family" shall include only the minor parent(s) and any of the minor parents(s) children, natural, adoptive, legal guardianship or custody that reside in the home.
6. **Uninsured:** Patients with no insurance or third-party assistance to help remunerate their financial responsibility to healthcare providers.
7. **Underinsured:** Patients who carry insurance or have third-party assistance to help pay for medical services, but who accrue or have the likelihood of accruing out-of-pocket expenses which exceed their financial ability.

## Procedures

### A. Eligibility

This policy applies to the following St. Elizabeth hospitals:

- St. Elizabeth Florence
- St. Elizabeth Edgewood
- St. Elizabeth Grant
- St. Elizabeth Fort Thomas
- St. Elizabeth Covington

For a list of FAP Non-Participating Providers, visit the Financial Assistance section under Patients & Visitors at [www.stelizabeth.com](http://www.stelizabeth.com).

Services eligible for Financial Assistance include: emergency or urgent care, services deemed medically necessary by St. Elizabeth Healthcare, and overall, care that is non-elective and needed in order to prevent death or adverse effects to the patient's health.

Patients who are uninsured, underinsured, ineligible for government assistance programs, or unable to pay based on their individual financial situation are eligible for Financial Assistance. To be eligible for Financial Assistance:

- Patient does not have to be a U.S. Citizen, or a legal resident.
- Patient does not have to be a Kentucky resident.
- FAP applies to all patients regardless of age, gender, race, sexual orientation, religious affiliation, social or immigrant status, ethnic background, national origin or age of the patient's account.

- Patient is not eligible for the Kentucky DSH Program.
- If the account is in Bad Debt Collections, the patient can still apply for FAP.
- The patient's total resources liquid and non-liquid assets as well as liabilities and expenses, (excluding personal residence, retirement funds such as a 403(b) or 401(k) plan, and automobiles) may be considered in the final determination of financial assistance as possible sources of payment.

Additionally, St. Elizabeth Healthcare may refer to or rely on external sources and/or other program enrollment resources in the case of patients lacking documentation that supports eligibility or individual circumstance. St Elizabeth Healthcare may provide free services when:

- Patient is homeless
- Patient is eligible for other state or local assistance programs that are unfunded
- Patient is eligible for food stamps or subsidized school lunch program
- Patient is eligible for assistance under the Crime Victims Act or Sexual Assault Act
- Patient is eligible for a state funded prescription medication program
- Patient is deceased and without an estate
- Patient files for bankruptcy
- Patient's valid address is considered low income or subsidized housing
- Patient is on military active duty
- Patient receives free care from a community clinic and is referred to hospital for further treatment

#### **B. Determining Discount Amount**

1. Patients who can demonstrate their family income is at or below 200% of the existing Federal Poverty Guideline (FPG) on the date of service are eligible for 100% discount on any patient balance.
2. Individuals with an income level from 201% to 300% FPG will receive a 50% adjustment and individuals with an income level from 301% to 400% FPG, will receive a 25% adjustment.
3. At the hospital's discretion, patients with family income exceeding 400% of the federal poverty line may still be eligible for Hardship Financial Assistance or Catastrophic discount on an individual basis, taking into account extenuating circumstances, including financial or medical indigence or catastrophic infirmity. See Section E below for further information.
4. A patient who is eligible to receive financial assistance under the Financial Assistance Policy will be charged less than "gross charges" for all services. For emergency or other medical necessary care provided to patients who are eligible to receive financial assistance under this policy, St. Elizabeth Healthcare will not charge amounts in excess of Amounts Generally Billed (AGB) to individuals who have insurance covering such care.
5. At least annually, St. Elizabeth calculates an AGB percentage for each hospital based on the Look-back Method (as defined by Treasury Regulations under section 501(r) of the Internal Revenue Code of 1986, as amended). Members of the public may obtain the current AGB percentage for any St. Elizabeth hospital in writing and free of charge by contacting St. Elizabeth by any means described in Appendix A.

### **C. Applying for Financial Assistance**

To be considered eligible for Financial Assistance, patient must co-operate with the hospital to explore alternative means of assistance if necessary, including Medicare and Medicaid. Patient shall co-operate in supplying all third party insurance information. Insurance coverage must be exhausted prior to patient receiving financial assistance through FAP. Patients will be required to provide necessary information and documentation when applying for a discount, financial assistance, or other private or public payment programs.

### **D. Reasons for Denial of Financial Assistance**

St. Elizabeth Healthcare may deny a request for financial assistance for a variety of reasons including, but not limited to:

- Sufficient income
- Sufficient asset level
- Patient is uncooperative/unresponsive to reasonable efforts by financial representatives
- Incomplete Financial Assistance application despite reasonable efforts to work with financial representatives
- Pending insurance or liability claim
- Withholding insurance payment or settlement funds

### **E. Other Options if Financial Assistance is Denied**

#### **1. Hardship Review**

- The purpose is to establish a procedure for granting Financial Hardship Assistance to the patients who do not qualify under regular Hospital Financial Assistance Program.
- When a patient is denied by the hospital for Hospital Financial Assistance Program, the patient may still request their case be reviewed by the Financial Hardship Committee. Request can be in the form of a letter along with the completed Financial Assistance Application.
- Requests will be reviewed on a case-by-case basis by the Financial Hardship Committee, and a letter will be provided to the patient notifying the patient of the Committee's determination.

#### **2. Catastrophic Discount Program**

- A Catastrophic Discount Program is also available to provide substantial financial assistance to those uninsured patients who experience costly and extended episodes of care due to serious sickness or injury.
- Under this program we may limit the uninsured patient's financial obligation to 20% of the patient's annual family income. Please call 859-655-4100 for further information.

#### **3. Uninsured Discount Program**

- For those uninsured patients who do not qualify for any of the aforementioned discounts, we extend an automatic discount to their hospital bills.

### **F. Application Process**

- The patient's eligibility for FAP will be determined through an application process. The DSH application and the Hospital Financial Application are valid application forms for the application process.
- One signature is required on the application (the patient, guarantor or legal representative).
- A FAP application can be used to cover accounts with admission dates within the current year and within the preceding year. Upon explicit patient request, the application may be used to cover accounts with admission dates from earlier years.

- All FAP applications and records will be retained for a minimum of 3 years.
- In some cases hospital can also accept patient income as reported by a credit bureau agency; or as reported verbally by the patient (or the patient's guarantor or legal representative) during a face-to-face interview.

***In addition to completing an application, documentation that may need to be provided may include but not limited to:***

- Proof of income for applicant (and spouse if applicable); most recent pay stubs, unemployment insurance payment stubs, or sufficient information on how patients are currently supporting themselves.
- A letter or written statement from employer verifying gross wages for the last 90 days.
- W-2's.
- Copy of the most recent Federal Income Tax Return (Form 1040).
- If self-employed, a financial statement of gross income less business expenses.
- Bank statements.
- If patient/spouse is unemployed, a letter from the patient/spouse indicating how long they have been unemployed will suffice as proof of income.
- As a last resort, the Hospital can accept a written statement from the patient as proof of eligibility or in the case of nursing home patients a Power of Attorney or a letter from the case manager.
- Alimony payments made to a spouse are an allowable deduction from family income. Child support payments are not an allowable deduction from family income.
- Social Security or Retirement Benefit may be in the form of a written statement from patient/beneficiary or verification of benefits from Social Security office.
- External, public sources which may be utilized, including credit scores.
- The patient's total resources liquid and non-liquid assets as well as liabilities and expenses, (excluding personal residence, retirement funds such as a 403(b) or 401(k) plan, and automobiles) may be considered in the final determination of financial assistance as possible sources of payment. If the patient has more than 10K in liquid assets (savings or checking account), the patient will no longer qualify for the FAP plan, however they may qualify for a settlement based on the current settlement guidelines.
- Family income is calculated based on the income earned in the preceding 12-month period. \*Although proof of income for the preceding 12-month period is preferred, family income may be based on the current income, especially if there has been a significant change in the family's income.

#### **G. Collection Practices for Financial Assistance Patients**

Internal and external collection policies and procedures will take into account the extent to which a patient is qualified for financial assistance. In addition, patients who qualify for partial discounts are required to make a good faith effort to honor payment agreements with St. Elizabeth Healthcare, including payment plans and discounted hospital bills.

St. Elizabeth Healthcare is committed to working with patient to resolve their accounts, and at its discretion, may provide extended payment plans to eligible patients. St. Elizabeth Healthcare will not pursue legal action for nonpayment against financial assistance patients who have cooperated with the hospital to resolve their accounts and have demonstrated their income and/or assets are sufficient to pay medical bills.

Legal action, such as garnishing wages, may be taken in order to enforce terms of a payment plan if clear evidence exists that the patient has sufficient income and/or assets to honor the agreement. For financial

assistance patients meeting all requirements, St. Elizabeth Healthcare will cease all collection efforts on their account and will not send unresolved balances or bills to outside collection agencies.

Further information regarding the actions St. Elizabeth may take in the event of a denial and of nonpayment are described in a separate billing and collections policy. Members of the public may obtain a free copy of this separate policy by contacting St. Elizabeth by any means described in Appendix A.

#### **Patient Responsibility in Financial Assistance Matters**

Patients will have to qualify for a discount under the St. Elizabeth Healthcare Financial Assistance Policy by providing all necessary information and documentation, cooperating with the hospital in establishing a reasonable agreement and /or payment plan, and communicating any changes in their financial situation that may further affect their ability to pay any discounted bills or agreed upon monthly payments. Patients will be asked to certify all information provided is true. If any information is determined to be false, all discounts afforded to the patient may be revoked, making them responsible for the full charges for services rendered.

#### **Patient Payments & Refunds**

If a patient is awarded financial assistance, St. Elizabeth will refund amounts paid by the patient that result in a credit balance, for accounts that have not been sent to a collection agency or to Hospital's legal representatives. This applies to any patient payments received the same year as the decision to award financial assistance for those accounts.

### **H. Measures to Widely Publicize Financial Assistance Availability**

St. Elizabeth is committed to offering financial assistance to eligible patients who do not have the ability to pay for their medical services in whole or in part. In order to accomplish this charitable goal, St. Elizabeth Healthcare will widely publicize the Financial Assistance Policy (FAP), Financial Assistance Application, and a plain language summary of the FAP in the communities that we serve. St. Elizabeth Healthcare communicates the availability and terms of its Financial Assistance program to all patients, through means which include, but not limited to:

- Notifications on patient statements.
- Posted on the organization's website in English and Spanish and available to access and download without requiring special computer hardware or software and without payment of a fee to the hospital facility, hospital organization or other entity maintaining the website. Staff will provide any individual information on how to access a copy of the FAP, the Financial Assistance Application, and a plain language summary of the FAP online with direct website address, or URL, of the webpage on which these documents are posted.
- Reference with the St. Elizabeth Healthcare Patient handbook.
- Designated staff knowledgeable on the financial assistance policy to answer patient questions or who may refer patients to the program.
- Copies of the FAP, Financial Assistance Application, and plain language summary of the FAP are located at the Cashiers office in Florence, Ft. Thomas and Edgewood locations without charge.
- The FAP, Financial Assistance Application, and plain language summary of the FAP are available by mail by calling 859-655-1925 or 800-913-5520 without charge.
- The FAP, Financial Assistance Application, and plain language summary of the FAP are available in English and Spanish.

Requests can be made by a patient, their family members, friend or associate, but will be subject to applicable privacy laws.

Patients concerned about their ability to pay for services or would like to know more about financial assistance should be directed to the Customer Service Department in Patient Financial Services at 859-655-4100 or 800-913-5520. A financial counselor is located in the patient entrance at the patient registration desk at St. Elizabeth Hospital-Edgewood. The Patient Entrance greeters can assist patients locate a financial counselor.

**I. Regulatory Requirements**

In implementing this policy St. Elizabeth Healthcare shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

## APPENDIX A

### FINANCIAL ASSISTANCE CONTACT INFORMATION

Information regarding the St. Elizabeth Healthcare Financial Assistance Program may be obtained as follows:

By telephone at: 859-655-1925

By facsimile at: 859-655-3537

By writing or visiting: St. Elizabeth Healthcare  
Financial Assistance Department  
One Medical Village Drive  
Edgewood, KY 41017

By visiting online at: <https://www.stelizabeth.com/Patientvisitor.aspx>

By visiting the cashier's office or patient registration at St. Elizabeth Healthcare hospital facilities as indicated below:

Facility	Location
St. Elizabeth Florence 4900 Houston Road Florence, KY 41042	Cashier's Office
St. Elizabeth Edgewood One Medical Village Drive Edgewood, KY 41017	Patient Registration
St. Elizabeth Grant 238 Barnes Road Williamstown, KY 41097	N/A
St. Elizabeth Fort Thomas 85 North Grand Avenue Fort Thomas, KY 41075	Cashier's Office
St. Elizabeth Covington 1500 James Simpson Jr. Way Covington, KY 41011	N/A