

Subject: Financial Assistance (Charity Care) Policy Department: Business Office	Policy Number: 135A	
Executive Sponsor: Kenneth G. Landau, Chief Financial Officer	New Revised X Reviewed	
Approved by: Lower Umpqua Hospital District Board	Policy Owner: Business Office Manager Effective Date: 11/29/2023	

Lower Umpqua Hospital District (LUHD) is a community based municipal and not-for-profit healthcare organization. It is our philosophy and practice that emergent and medically necessary healthcare services are readily available to those in the community we serve, regardless of their ability to pay.

SCOPE:

This policy applies to Lower Umpqua Hospital District (LUHD) and related entities, and to all emergency, urgent and other medically necessary services provided by LUHD (with exception of experimental or investigative care).

This policy shall be interpreted in a manner consistent with Section 501(r) of the Internal Revenue Code of 1986, as amended. In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

PURPOSE:

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the provision of Financial Assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary emergency and other hospital services provided by Lower Umpqua Hospital District.

It is the intent of this policy to comply with all federal, state, and local laws. This policy and the financial assistance programs herein constitute the official Financial Assistance Policy ('FAP').

POLICY:

LUHD will provide free or discounted hospital services to qualified low income, uninsured and underinsured patients when the ability to pay for services is a barrier to accessing medically necessary emergency and other hospital care and no alternative source of coverage has been identified. Patients must meet the eligibility requirements described in this policy to qualify.

LUHD emergency department will provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act) consistent with available capabilities, regardless of whether an individual is eligible for financial assistance. LUHD will not discriminate on the basis of age, race, color, creed, ethnicity, religion, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, or any other basis prohibited by federal, state, or local law when making financial assistance determinations.

LUHD will provide emergency medical screening examinations and stabilizing treatment or refer and transfer an individual if such transfer is appropriate in accordance with 42 C.F.R 482.55. LUHD prohibits any actions, admission practices, or policies that would discourage individuals from seeking emergency medical care.

List of Professionals Subject to Lower Umpqua Hospital District FAP: LUHD will specifically identify a list of those physicians, medical groups, or other professionals providing services who are and who are not covered by this policy. The provider list can also be found online at the hospital website: www.lowerumpquahospital.org.

Financial Assistance Eligibility Requirements: Financial assistance is available to both uninsured and insured patients and guarantors where such assistance is consistent with this policy and federal and state laws governing permissible benefits to patients. Lower Umpqua Hospital District will make a reasonable effort to determine the existence or nonexistence of third-party coverage which may be available, in whole or part, for the care provided by the organization, prior to directing any collection efforts at the patient. Uninsured patients may receive an uninsured discount. Eligible Financial Assistance balances include but are not limited to the following: Self pay, charges for patients with coverage from an entity without a contractual relationship, coinsurance, deductible, and copayment amounts related to insured patients. Deductible and coinsurance amounts claimed as a Medicare bad debt will be excluded from the reporting of charity care.

Patients seeking financial assistance must complete the standard LUHD Financial Assistance Application and eligibility will be based upon financial need at that time. Reasonable efforts will be made to notify and inform patients of the availability of Financial Assistance by providing information during admission and discharge, on the patient's billing statement, in patient accessible billing areas, on hospital's website, by oral notification during payment discussions, as well as on signage in inpatient and outpatient areas, such as admitting and the emergency department. LUHD will retain information used to determine eligibility in accordance with its recordkeeping policies.

Applying for Financial Assistance: Patients or guarantors may request and submit a Financial Assistance Application, which is free of charge and available at organizational points of entry such as business office, clinics and registration points or by the following means: advising patient financial services staff at or prior to the time of discharge that assistance is requested and submitted with completed documentation; by mail, or by visiting www.lowerumpquahospital.org, downloading and submitting the completed application with documentation. A person applying for financial assistance will be given a preliminary screening, which will include a review of whether the patient has exhausted or is not eligible for any third-party payment sources.

Lower Umpqua Hospital District shall make designated personnel available to assist patients in completing the Financial Assistance Application and determining eligibility for LUHD financial assistance or financial assistance from government-funded insurance programs, if applicable. Interpretation services are available to address any questions or concerns and to assist in the completion of the Financial Assistance Application.

A patient or guarantor who may be eligible to apply for financial assistance may provide sufficient documentation to LUHD to support eligibility determination at any time upon learning that their income falls below minimum FPL per the relevant Federal and State regulations.

Individual Financial Situation: Income and expenses of the patient will be used in assessing the patient's individual financial situation.

Income Qualifications: Income criteria, based on Federal Poverty Level (FPL), may be used to determine eligibility for free or discounted care. Please see Exhibit B for details.

Determinations and Approvals: Patients will receive notification of FAP eligibility determination within 30 days of submission of the completed Financial Assistance application and necessary documentation. Once an application is received, extraordinary collections efforts will be pended until a written determination of eligibility is sent to the patient. LUHD will not make a determination of eligibility for assistance based upon information which the hospital believes is incorrect or unreliable.

Dispute Resolution: The patient may appeal a determination of ineligibility for financial assistance by providing relevant additional documentation to LUHD within 30 days of receipt of the notice of denial. All appeals will be

reviewed and if the review affirms the denial, written notification will be sent to the guarantor in accordance with the law. The final appeal process will conclude within 10 days of receipt of the denial by LUHD. An appeal may be sent to Lower Umpqua Hospital District 600 Ranch Road, Reedsport OR 97467.

Presumptive Charity: LUHD may approve a patient for a charity adjustment to their account balance by means other than a full Financial Assistance application. Such determinations will be made on a presumptive basis.

Other Special Circumstances: Patients who are eligible for FPL-qualified programs such as Medicaid and other government-sponsored low-income assistance programs, are deemed to be indigent. Therefore, such patients are eligible for Financial Assistance when the programs deny payment and then deem the charges billable to the patient. Patients who qualify for financial assistance and have an account balance resulting from non-reimbursed charges are eligible for full charity write-off. Including but not limited to medically necessary services related to the following:

- Denied inpatient stays.
- Denied inpatient days of care.
- Non-covered services
- Prior Authorization Request Denials
- Denials due to restricted coverage

Catastrophic Medical Expenses: Lower Umpqua Hospital District, at its' discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

Limitation on Charges for all Patients Eligible for Financial Assistance: No patient who qualifies for any of the above-noted categories of assistance will be personally responsible for more than the "Amounts Generally Billed" (AGB) percentage of gross charges, as defined below.

Reasonable Payment Plan: Once a patient is approved for partial financial assistance, but still has a balance due, LUHD will negotiate a payment plan arrangement if the patient requests one. The reasonable payment plan shall consist of monthly payments that are not more than 10 percent of a patient's or family's monthly income, excluding deductions for Essential Living Expenses that the patient listed on their financial assistance application.

Billing and Collections: Unpaid balances owed by patients or guarantors after application of available discounts, if any, may be referred to collections. Collection efforts on unpaid balances will cease upon receiving a financial assistance application from the patient. LUHD does not perform, allow, or allow collection agencies to perform any extraordinary collection actions prior to either: (a) making a reasonable effort to determine if the patient qualifies for financial assistance; or (b) 120 days after the first patient statement is sent. For information on LUHD's billing and collections practices for amounts owed by patients, please see the hospital's policy, which is available free of charge at the hospital's registration desk, or at: www.lowerumpquahospital.org.

Patient Refunds: In the event that a patient or guarantor has made a payment for services and subsequently is determined to be eligible for free or discounted care, any payments made related to those services during the FAP-eligible time period which exceed the payment obligation will be refunded, in accordance with state regulations.

Annual Review: This Financial Assistance (Charity Care) Policy will be reviewed on an annual basis by designated Revenue Cycle leadership.

EXCEPTIONS:

See Scope above.

DEFINITIONS:

For the purposes of this policy the following definitions and requirements apply:

1. Federal Poverty Level (FPL): FPL means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
2. Amounts Generally Billed (AGB): The amounts generally billed for emergency and other medically necessary care to patients who have health insurance is referred to in this policy as AGB. LUHD determines the applicable AGB percentage by multiplying the hospital's gross charges for any emergency or medically necessary care by a fixed percentage which is based on claims allowed under Medicare. Information sheets detailing the AGB percentages, and how they are calculated, can be obtained by visiting the following website: www.lowerumpquahospital.org or the hospital's main billing facility.
3. Extraordinary Collection Action (ECA): ECAs are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual's arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.
4. Financial Assistance Policy Period is the time extending from 30 days prior to 90 days after the date of the encounter that the patient applied for financial assistance. The determination of the application will be valid for encounters/visits identified by the patient in this time period. This time period is subject to change based on regulatory agency directives.

REFERENCES:

Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r)(1)– 1.501(r,

Emergency Medical Treatment and Labor Act (EMTALA), 42 U.S. C. 1395dd

42 C.F.R. 482.55 and 413.89

American Hospital Associations Charity Guidelines

O.R.S. 442.614

Provider Reimbursement Manual, Part I, Chapter 3, Section 312

Exhibit A — Covered Facilities List

Lower Umpqua Hospital	
Dunes Family Health Care	
Reedsport Medical Clinic	

Exhibit B - Income Qualifications

If...	Then ...
Annual family income, adjusted for family size, is at or below 200% of the current FPL guidelines,	The patient is determined to be financially indigent and qualifies for financial assistance 100% write-off on patient responsibility amounts.
Annual family income, adjusted for family size, is between 201% and 300% of the current FP guidelines,	The patient is eligible for a discount of 75% from original charges on patient responsibility amounts.
Annual family income, adjusted for family size, is between 301% and 350% of the current FP guidelines,	The patient is eligible for a discount of 50% from original charges on patient responsibility amounts.
Annual family income, adjusted for family size, is between 351% and 400% of the current FP guidelines,	The patient is eligible for a discount of 25% from original charges on patient responsibility amounts.