

# PURPOSE

Woodlawn Hospital and any hospital owned clinic is committed to providing Compassionate Care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation.

## Policy

Consistent with its mission to provide excellent healthcare services by highly skilled staff in a compassionate and caring manner. Woodlawn Hospital recognizes its responsibility to serve patients, employees, physicians, and the community. Woodlawn Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. Woodlawn Hospital will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance -- free and discounted (partial Compassionate Care) care
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy
- Describes the method by which patients may apply for financial assistance
- Describes how the hospital will publicize the policy within the community served by the hospital
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured or Medicare patients

Compassionate Care is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Woodlawn Hospital's procedures for obtaining Compassionate Care or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibility and to allow Woodlawn Hospital to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient Compassionate Care.

## DEFINITIONS

For the purpose of this policy, the terms below are defined as follows:

**Compassionate Care:** Healthcare services that have been or will be provided but are never expected to result in cash inflows. Compassionate Care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

**Family:** According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the

provision of financial assistance.

**Family Income:** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- Noncash benefits (such as food stamps and housing subsidies) do **not** count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all adult family members (Non-relatives, such as housemates, do not count).

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

**Gross Charges:** The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.

**Emergency medical conditions:** Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

**Medically necessary:** As defined by Medicare (services or items reasonable and necessary for the diagnosis or treatment of illness or injury).

## PROCEDURES

**A. Services Eligible Under this Policy.** For purposes of this policy, "Compassionate Care" or "financial assistance" refers to healthcare services provided by Woodlawn Hospital without charge or at a discount to qualifying patients. The following healthcare services are eligible for Compassionate Care:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition that are considered medically necessary by the provider;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting.

**B. Eligibility for Compassionate Care.**

Eligibility for Compassionate Care will be considered for those individuals, who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of Compassionate Care shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation, or religious affiliation.

*[Woodlawn Hospital shall determine whether or not patients are eligible to receive Compassionate Care for deductibles, co-insurance, or co-payment responsibilities.]*

**C. Method by Which Patients May be determined eligible for Compassionate Care.**

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
  - Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial, and

other information and documentation relevant to making a determination of financial need;

- Include the use of external publically available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
  - Include reasonable efforts by Woodlawn Hospital to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
  - Take into account the patient's available assets, and all other financial resources available to the patient; (exclude primary home and car, include bank account balances over \$1500.00) and
  - Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred but not required that a request for Compassionate Care and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated on a quarterly basis, or at any time additional information relevant to the eligibility of the patient for Compassionate Care becomes known.
  3. Woodlawn Hospital's values of respect, caring, and confidentiality shall be reflected in the application process, financial need determination and granting of Compassionate Care. Requests for Compassionate Care shall be processed promptly and Woodlawn Hospital shall notify the patient or applicant in writing within 15 days of receipt of a completed application.

**D. Presumptive Financial Assistance Eligibility.**

There are instances when a patient may appear eligible for Compassionate Care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with Compassionate Care assistance. In the event there is no evidence to support a patient's eligibility for Compassionate Care, Woodlawn Hospital could use outside agencies in determining estimate income amounts for the basis of determining Compassionate Care eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. Homeless or received care from a homeless clinic;
2. Participation in Women, Infants and Children programs (WIC);
3. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down); and/or
4. Patient is deceased with no known estate.

**E. Eligibility Criteria and Amounts Charged to Patients.** Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by Woodlawn Hospital to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts Woodlawn Hospital will charge patients qualifying for financial assistance will be on a sliding scale based upon a percentage of the current year federal poverty level.

Patients whose family income exceeds 275% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Woodlawn Hospital; however the discounted rates shall not be greater than the amounts generally received by the hospital for commercially insured [or Medicare] patients.

**F. Communication of the Compassionate Care Program to Patients and Within the Community.**

Notification about Compassionate Care available from Woodlawn Hospital, which shall

include a contact number, shall be disseminated by Woodlawn Hospital by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, admitting and registration departments, hospital business offices, hospital owned clinics, and at other public places as Woodlawn Hospital may elect. Woodlawn Hospital also shall publish and widely publicize a summary of this Compassionate Care policy on facility websites, in brochures available in patient access sites and at other places within the community served by the hospital as Woodlawn Hospital may elect. Such notices and summary information shall be provided in the primary languages spoken by the population serviced by Woodlawn Hospital. Referral of patients for Compassionate Care may be made by any member of the Woodlawn Hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, and hospital chaplains. A request for Compassionate Care may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

**G. Relationship to Collection Policies.**

Woodlawn Hospital management shall develop policies and procedures for internal and external collection practices (including actions the hospital may take in the event of non-payment, including collections action, filing liens, and reporting to credit agencies) that take into account the extent to which the patient qualifies for Compassionate Care, a patient's good faith effort to apply for a governmental program or for Compassionate Care from Woodlawn Hospital, and a patient's good faith effort to comply with his or her payment agreements with Woodlawn Hospital. For patients who qualify for Compassionate Care and who are cooperating in good faith to resolve their discounted hospital bills, Woodlawn Hospital may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. Woodlawn Hospital will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for Compassionate Care under this financial assistance policy.

Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital;
2. Documentation that Woodlawn Hospital has or has attempted to offer the patient the opportunity to apply for Compassionate Care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
3. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

**H. Regulatory Requirements.** In implementing this Policy, Woodlawn Hospital management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy.