

Subject: Financial Assistance Policy

INTRODUCTION

Jefferson Community Health & Life (JCH&L) is committed to providing an exceptional healthcare experience for every patient, every time. JCH&L is dedicated to the view that emergency, other medically necessary care, and prescription medications should be accessible to all, regardless of age, gender, geographic location, cultural background, physical mobility, or ability to pay. JCH&L is committed to providing health care services and acknowledges that in some cases an individual will not be financially able to pay for the services received. This policy is intended to comply with Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder and shall be interpreted and applied in accordance with such regulations. This policy has been adopted by the JCH&L Board of Directors in accordance with the regulations under Section 501(r). JCH&L provides emergency, other medically necessary care and prescription medications to individual patients without discrimination regardless of their ability to pay or the availability of third-party coverage. In the event that third-party coverage is not available, an allocation is made each year for funds to be available for financial assistance. Wherever possible, a determination of eligibility for financial assistance will be initiated prior to, or at the time of admission, by a financial counselor. This policy identifies those circumstances when JCH&L may provide care without charge or at a discount based on the financial need of the individual. The financial assistance policy provides guidelines for financial assistance to individual patients receiving emergency, other medically necessary services, and prescription medications based on financial need (full write-off and discounted care) and is in addition to other prompt-pay discount processes offered by JCH&L.

POLICY

A. **Eligibility Criteria.** All or a portion of emergency, medically necessary care, and prescription medications may be considered for financial assistance if a patient qualifies as Financially Indigent. A patient will qualify as Financially Indigent if the patient is Uninsured or Underinsured and has a Household Income of equal to or less than 400% of Federal Poverty Level.

“Uninsured” means a patient who (i) has no health insurance or coverage under governmental health care programs, and (ii) is not eligible for any other third party payment such as worker's compensation or claims against others involving accidents.

“Underinsured” means a patient who (i) has limited health insurance coverage that does not provide coverage for hospital services or other medically necessary services provided by JCH&L, (ii) is eligible for assistance (e.g. Medicaid), but the particular services are not covered, (iii) has exceeded the maximum liability under his/her insurance coverage, including Medicare or Medicaid, or (iv) has a copay or deductible assessed under the patient's insurance contract.

“Household Income” means the total income of all members of the immediate family and other dependents in the household over the twelve (12) months prior to application for assistance under this policy. This includes the following individuals:

1. An adult and, if married, a spouse.
2. Any natural or adopted minor children of the adult or spouse.
3. Any minor for whom the adult or spouse has been given the legal responsibility by a court.
4. Any student over 18 years old, dependent on the family for over 50% support (current tax return of the responsible adult is required).
5. Any other persons dependent on the family's income for over 50% support (current tax return of the responsible adult is required).

An individual who otherwise qualifies as Financially Indigent may be ineligible if the individual does not cooperate with JCH&L in applying for other financial resources that may be available to pay for the individual's care. The individual must

Jefferson Community Health Center Business Office

cooperate with JCH&L to provide the information and documentation necessary to apply for other existing financial resources that may be available to pay for healthcare, such as Medicare, Medicaid, third-party liability insurance, etc. Patients who may be eligible for other existing financial resources and fail to apply for such resources within thirty (30) days of JCH&L's request are not considered eligible for financial assistance under this policy.

B. Covered Providers. This policy only applies to care provided by JCH&L and JCH&L employed providers. Patients at JCH&L are commonly seen by private physician groups or other independent third party providers. These health care providers are not covered by this policy and do not participate in JCH&L's financial assistance program. However, these providers may have their own financial assistance programs.

A list of providers who are included and excluded from JCH&L's financial assistance program is regularly maintained and updated by the JCH&L. Patients may obtain a current list of providers both who are and are not subject to this policy at no charge by visiting the JCH&L admissions desk, emergency department or Business Office at 2200 H Street, Fairbury, NE 68352, calling the JCH&L Business Office at 402-729-3351, or visiting www.jchealthandlife.org (under Patient Resources, Patient Financial Information, then click Financial Assistance).

C. Translation and Notification. JCH&L will ensure that this policy, supporting documents and signage are made available to the individuals served by JCH&L in languages into which JCH&L is required to translate under the Language Assistance Services Act and in the primary languages of any other populations with limited proficiency in English that constitute a lesser of 1,000 individuals or more than 5% of the residents of Jefferson County. JCH&L will review translation thresholds at least annually.

1. JCH&L will prominently and conspicuously post complete and current versions of the following on its website:

- a. Financial Assistance Policy ("FAP")
- b. Financial Assistance Application Form ("FAA")
- c. Plain Language Summary of the Financial Assistance Policy ("PLS")
- d. Contact information for the JCH&L Business Office.

2. Signage describing the availability of financial assistance will be displayed in JCH&L at all points of admission and registration areas, including the Emergency Department. All signage denoting that financial assistance may be available will contain the following elements:

- a. JCH&L's website address where the FAP and the FAA can be accessed
- b. The telephone number and physical location that individuals can call or visit with any questions about the FAP or the application process.

3. JCH&L will make paper copies of the FAP, FAA and the PLS available upon request and without charge, both in public locations in the hospital (i.e. admission and registration areas) and by mail.

4. Financial counselors will seek to provide personal financial counseling to all individuals admitted to JCH&L who are classified as self-pay. Interpreters will be used, as indicated, to allow for meaningful communication with individuals who have limited English proficiency. Financial counselors will communicate the availability of financial assistance with patients in a meaningful way at least once and more often if necessary.

5. JCH&L will take additional steps to notify members of the community served about the FAP in a manner reasonably calculated to reach those members of the community who are most likely to require financial assistance. An example would be the distribution of copies of the PLS or brochures describing the FAP to organizations in the community that address the health needs of low-income populations.

D. Medically Necessary Care. Provided that the patient qualifies as Financially Indigent, the following classes of care are eligible for financial assistance under this policy:

- Emergency medical care

Jefferson Community Health Center Business Office

- Medically necessary care

Medically necessary care is as defined by Nebraska Medicaid. Regardless of a patient's status as Financially Indigent, cosmetic procedures and other procedures that are either not emergency medical care or medically necessary care are not eligible for financial assistance under this policy.

E. Limitation on Charges and Amounts Generally Billed. Patients who are deemed to be eligible for financial assistance under this policy will not be charged for care covered by this policy more than Amounts Generally Billed ("AGB") by JCH&L to individuals who have health insurance covering such care. JCH&L utilizes the "prospective method" to establish AGB. Accordingly, the AGB equals the amount Medicare would allow for the care provided if the patient was a Medicare fee-for-service beneficiary, including all co-pays and deductibles.

F. Amount of Financial Assistance/Discount. Patients who qualify for financial assistance as Financially Indigent are eligible for financial assistance for medically necessary and emergency services based on the following sliding fee scale:

Federal Poverty Guidelines will be updated annually as updated by the federal government. Discounts granted to eligible patients under this policy will be taken from gross charges after the care is discounted to equal the AGB. In determining whether an eligible patient has been charged more than AGB, JCH&L considers only those amounts that are the personal

Household Income as Percent of Federal Poverty Guideline	0-150%	150.1-212.5%	212.6-275.0%	275.1-337.5%	337.6-400.0%
Percent of Discount	100%	80%	60%	40%	20%

obligation of the patient. Amounts received from third party payors are not considered charged or collected from the patient and are not included in this analysis.

Catastrophic Circumstances: Some individuals or guarantors may be eligible for financial assistance in excess of what would have been granted under the income criteria if they had incurred catastrophic medical costs or other obligations (presently or ongoing) that have substantially reduced their ability to pay. In such cases the individual or guarantor may be determined by Jefferson Community Health & Life to be Medically Indigent and may, at Jefferson Community Health & Life's discretion, be eligible for financial assistance in the form of free or discounted liabilities. There are instances when a patient will complete the financial assistance application, provides supporting documentation and does not qualify for assistance. If the patient's balance exceeds more than 20% of their total income, this will be deemed a catastrophic balance. In these instances, the Chief Financial Officer will have the authority to determine if a portion of the balance should be forgiven to financial assistance. This will be handled on a case-by-case basis and the totality of circumstances will be utilized in determining eligibility. The discount shall not exceed 20% of outstanding balances.

An additional discount opportunity for prompt payment is available to self-pay patients that is not part of this policy and is not considered financial assistance.

G. Application Process. Financial assistance eligibility determinations and the process of applying for financial assistance will be equitable, consistent, and timely. Patients who believe they may qualify for financial assistance under this policy are required to submit an application on JCH&L's FAA during the Application Period. For purposes of this policy, the "Application Period" begins on the date care is provided to the patient and ends on the later of (i) the 240th day after the date the first post-discharge billing statement is provided to the patient (whether inpatient or outpatient) OR (ii) not less than 30 days after the date JCH&L provides the patient the requisite final notice to commence extraordinary collection actions ("ECAs").

In order to apply for financial assistance, the individual will complete the entire FAA. Completed FAAs must be returned to the JCH&L Business Office for processing at 2200 H Street, Fairbury, NE 68352. The individual will provide all supporting data required to verify eligibility, including supporting documentation verifying income levels. A review is completed to determine individual eligibility based on the individual's total resources based on information provided in the FAA (including but not limited to family income level and other pertinent information. To be considered "complete" a FAA must provide all information requested on the form and in the instructions to the form. JCH&L will not consider a FAA incomplete or deny financial assistance based upon the failure to provide any information that was not requested in the FAA or accompanying instructions. JCH&L may take into account in its determination (and in determining whether the patient's FAA is complete)

Jefferson Community Health Center Business Office

information provided by the patient other than in the FAA and from other third party resources. A credit report may be generated for the purpose of identifying additional expense, obligations and income to assist in developing a full understanding of the individual's financial circumstances. A third party scoring tool may also be used to justify financial assistance eligibility.

Requests for financial assistance may be received from multiple sources (including the patient, a family member, a community organization, a church, a collection agency, caregiver, Administration, etc.). Requests received from third parties will be directed to a financial counselor who will coordinate the process with the patient to submit a FAA. In the event a request comes from a third party, the financial counselor will first determine whether the financial counselor has authority under HIPAA and other applicable privacy laws to communicate with the requesting party regarding the patient. For questions and/or assistance with filling out a FAA, the patient may contact patient financial services at 2200 H Street, Fairbury, NE 68352 or by calling 402-729-3351 or emailing busoff@jchealthandlife.org.

Patients may obtain a copy of this policy, a PLS, and a FAA free of charge (i) by mail by calling 402-729-3351, (ii) by e-mail (upon patient election) by e-mailing busoff@jchealthandlife.org, (iii) by download from www.jchealthandlife.org (under Patient Resources, Patient Financial Information, then click Financial Assistance), or (iv) in person at (a) the emergency room, (b) any admission areas, or (c) patient financial services at 2200 H Street, Fairbury, NE 68352

1. **Completed Applications.** Upon receipt of a completed FAA, JCH&L will suspend any ECAs taken against the patient and process, review and make a determination on the completed FAA submitted during the Application Period as set forth below. JCH&L may, in its own discretion, accept complete FAAs submitted after the Application Period.

A summary of the FAAs and resulting recommendations processed by the Business Office will be reviewed by the Chief Financial Officer for approval. The Chief Financial Officer reviews all financial assistance recommendations, with a focused review on borderline or non-routine requests that require case-by-case review. Following review and approval by the Chief Financial Officer, the approved financial assistance will be applied to the individual's account by Patient Financial Services. To the extent a patient previously submitted FAA and was approved for financial assistance, a new FAA may not need to be repeated for dates of service incurred up to six (6) months after the last date of application approval.

Unless otherwise delayed as set forth herein, determinations shall be made within sixty (60) days of JCH&L's receipt of a completed FAA. Patients will be notified of the determination as set forth below.

If a patient submits a completed FAA during the Application Period and JCH&L determines that the patient may be eligible for participation in Medicaid or other third party payment program, JCH&L will notify the patient in writing of such potential eligibility and request that the patient take steps necessary to enroll in such program. In such circumstances JCH&L will delay the processing of the patient's FAA until the patient's application for participation in such third party payment program is completed, submitted to the requisite authority, and a determination has been made. If the patient fails to submit an application within thirty (30) days of JCH&L's request, JCH&L will process the completed FAA and financial assistance will be denied due to the failure to meet the eligibility criteria set forth herein

2. **Incomplete Applications.** Incomplete FAAs will not be processed by JCH&L. If a patient submits an incomplete FAA, JCH&L will suspend ECAs and provide the patient with written notice setting forth the additional information or documentation required to complete the FAA. The written notice will include the contact information (telephone number, and physical location of the office) of patient financial assistance. The notice will provide the patient with at least twenty (20) days to provide the required information; provided, however, that if the patient submits a completed FAA prior to the end of the Application Period, JCH&L will accept and process the FAA as complete.
3. **Presumptive Eligibility.** JCH&L reserves the right to provide financial assistance even though a FAA has not been submitted for the applicable care. Individuals who are Uninsured and have one or more of the following characteristics may be considered eligible for the most generous financial assistance in the absence of a completed FAA Form:

- Homelessness;
- Deceased and has no known estate able to pay hospital debts;
- Incarcerated for a felony;

Jefferson Community Health Center Business Office

- Eligible for Medicaid, but was not at the date of service; and
- Eligible to receive assistance under the Violent Crimes Victims Compensation Act or the Sexual Assault Victims Compensation Act.

For any individual presumed to be eligible for financial assistance in accordance with any of the above categories, the portions of this policy that apply to patients who have submitted a FAA and qualify for the most generous level of financial assistance will apply.

To the extent a patient previously submitted FAA and was approved for financial assistance, a new FAA may not need to be repeated for dates of service incurred up to one (1) year after the last date of application approval; provided, however, that if the patient received less than the most generous level of assistance, JCH&L will:

- Notify the patient regarding the basis for the presumptive financial assistance;
- Notify the patient as to how to apply for potentially more financial assistance;
- Give the patient a reasonable amount of time to apply for more generous assistance before initiating ECAs; and
- If the individual submits a completed application seeking additional financial assistance during the later of the Application Period or the response time set forth in the notice, process the application in accordance with this policy.

If JCH&L is aware, however, of a change in financial circumstances, it may require a patient to submit a new FAA.

H. Individual Patient Responsibilities. An individual who qualifies for a partial discount under this policy must cooperate with JCH&L to establish a reasonable payment plan for the remaining balance and must make good faith efforts to honor the payment plans for their discounted hospital bills. The individual is responsible to promptly notify JCH&L of any change in financial situation so that the impact of this change may be evaluated against financial assistance policies governing the provision of financial assistance, their discounted hospital bills or provisions of payment plans.

I. Collection Actions.

1. **Notification.** Registration and pre-registration processes will notify patients of the FAP and promote identification of individuals in need of financial assistance. In addition, financial counselors will make best efforts to contact all patients during the course of their stay or at the latest, at time of discharge. All patients shall be provided with a PLS not later than discharge. Furthermore, all billing statements will include a conspicuous written notice regarding the availability of assistance, including the contact information identifying where the patient may obtain further information and financial assistance-related documents and the website where such documents may be found.
2. **Collection Agencies.** JCH&L may refer a patient's bill to a third party collection agency 120 days from the date the first bill for care was provided to the patient. This is not an ECA. Billing and collection agencies that contract with JCH&L for collection services will contractually be required to follow this financial assistance policy.
3. **ECAs.** JCH&L may take any or all of the following ECAs in the event of non-payment of outstanding bills:
 - Reporting to credit bureaus
 - Legal suit
 - Selling the account to a third party
 - Garnishment of wages

JCH&L will not take ECAs against a patient or any other individual who has accepted or is required to accept financial responsibility for a patient unless and until JCH&L has made "reasonable efforts" to determine whether the patient is eligible for financial assistance under this policy. The JCH&L Business Office has the responsibility for determining that JCH&L has made reasonable efforts to determine whether an individual is eligible for financial assistance and whether JCH&L may take ECAs. Whether "reasonable efforts" have been satisfied will be determined as set forth below.

4. **Reasonable Efforts.** Whether "reasonable efforts" have been satisfied will depend on whether the patient has applied for financial assistance as follows:
 - a. **No Application is Submitted.** If a patient has not submitted a FAA, JCH&L has taken "reasonable efforts" so long as it:

Jefferson Community Health Center Business Office

1. Does not take ECAs against the patient for at least 120 days from the date JCH&L provides the patient with the first post-discharge bill for care; and
2. Provides at least thirty (30) days' written notice to the patient that:
 - Notifies the patient of the availability of financial assistance;
 - Identifies the specific ECA(s) JCH&L intends to initiate against the patient; and
 - States a deadline after which ECAs may be initiated, which is no earlier than thirty (30) days after the date the notice is provided to the patient;
3. Provides a PLS to the patient with the aforementioned written notice;
4. Makes a reasonable effort to orally notify the patient about the potential availability of financial assistance at least thirty (30) days prior to initiating ECAs against the patient describing how the individual may obtain assistance with the FAA process; and
5. If the patient has been granted financial assistance based on a presumptive eligibility determination and if financial assistance is less than the most generous level of assistance, JCH&L has provided the patient with the notice required above.

b. Incomplete Applications. If a patient submits an incomplete FAA during the Application Period, "reasonable efforts" will have been satisfied if JCH&L:

1. Provides the patient with a written notice setting forth the additional information or documentation required to complete the FAA, and the written notice includes the contact information (telephone number, and physical location of the office) of the JCH&L department that can provide assistance with the application process. The notice shall provide the patient with at least twenty (20) days to provide the required information; and
2. Suspends ECAs that have been taken against the patient, if any, for not less than the response period allotted in the notice.

If the patient fails to submit the requested information within the allotted time period, ECAs may resume.

c. Completed Applications. If a patient submits a completed financial assistance application, "reasonable efforts" will have been made if JCH&L does the following:

1. Suspends all ECAs taken against the individual, if any;
2. Makes a determination as to eligibility for financial assistance as set forth in this policy; and
3. Provides the patient with a written notice either (i) setting forth the financial assistance for which the patient is eligible or (ii) denying assistance. The notice must include the basis for the determination.

If JCH&L has requested that the patient apply for Medicaid or assistance from another third party payor, JCH&L will suspend any ECAs until the patient's third-party application has been processed or the patient's FAA is denied due to the failure to timely apply for assistance as required by this policy.

J. Financial Assistance. If a patient is granted financial assistance that is free care, the written notice to the patient shall so state and reasonable measures shall be taken to ensure that all ECAs are reversed. In addition, any amounts paid by the patient in excess of \$5 shall be refunded. If the patient is granted financial assistance that is other than free care, JCH&L will:

1. Provide the patient with a revised bill setting forth: (i) the amount the patient owes for care provided after financial assistance, (ii) how the revised amount was determined; and (iii) either the AGB for the care provided or instructions on how the patient can obtain information regarding the AGB for the care provided;

**Jefferson Community Health Center
Business Office**

2. Provide the patient with a refund for any amount the patient has paid in excess of the amount owed to JCH&L (unless such amount is less than \$5); and
3. Take reasonable measures to reverse any ECAs taken against the patient.

K. Individual Payment Plans.

1. Payment plans for partial financial assistance accounts will be individually developed with the individual patient. All collection activities will be conducted in conformance with the federal and state laws governing debt collection practices. No interest will accrue to account balances while payments are being made unless the individual has voluntarily chosen to participate in a long term payment arrangement that bears interest applied by a third-party financing agent.
2. If an individual complies with the terms of his or her individually developed payment plan, no collection action will be taken.

L. Record-Keeping.

1. A record, paper or electronic, will be maintained reflecting authorization of financial assistance along with copies of all application and worksheet forms.
2. Summary information regarding applications processed and financial assistance provided will be maintained for a period of seven (7) years. Summary information includes the number of patients who applied for financial assistance at JCH&L, how many patients received financial assistance, the amount of financial assistance provided to each patient, and the total bill for each patient.
3. The cost of financial assistance will be reported annually in the Community Benefit Report. Financial Assistance (Charity Care) will be reported as the cost of care provided (not charges) using the most recently available operating costs and the associated cost to charge ratio. Assistance and discounts provided under other policies will not be counted as financial assistance on the Community Benefit Report.

M. Emergency Medical Services. All patients will be treated in accordance with the requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA) and JCH&L policies governing and implementing EMTALA. All emergency room patients will receive a medical screening examination by Emergency Department staff and be treated within the capabilities of JCH&L prior to registration or obtaining information on insurance coverage. JCH&L will not take any action that may interfere with the provision of emergency medical treatment, for example, by demanding payment prior to receiving treatment for emergency medical conditions or permitting debt collection activities that interfere with the provision of emergency medical care in the Emergency Department. JCH&L will provide emergency medical care to all individuals, without discrimination, and regardless of their eligibility under the Financial Assistance Policy.

N. Subordinate to Law. The provision of financial assistance may now or in the future be subject to federal, state or local law. Such law governs to the extent it imposes more stringent requirements than this policy.