

Financial Assistance Policy

Policy

Southwest Healthcare Services mission is to provide professional care with a personal touch to all, regardless of the ability to pay. As part of that commitment, Southwest Healthcare Services appropriately serves patients experiencing financial difficulties and offers financial assistance to those who have an established need to receive medically necessary services.

Financial assistance is defined as healthcare services provided at no charge or at a reduced charge to patients who do not have or cannot obtain adequate financial resources or other means to pay for their medical care. This is in contrast to bad debt, which is defined as patient and /or guarantor who, having the financial resources to pay for health care services, has demonstrated by their actions an unwillingness to resolve a bill. The granting of financial assistance shall be based on an individualized determination of financial need and shall not take into account race, color, creed, gender, national origin, disability, age, social immigrant status or sexual orientation.

Purpose

This policy serves to establish a fair and consistent method for uninsured and underinsured patients to apply and be considered for financial assistance related to emergency and other medically necessary care at the hospital or the clinic.

Definitions

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

Applicant: Patient or other individual responsible for payment of the patients care who seeks financial assistance.

Bad Debt: The cost of providing care to persons who are able to but unwilling to pay all or some portion of the medical bills for which they are responsible.

Financial Assistance: The cost of providing free or discounted care to individuals who cannot afford to pay all or a portion of their medical bills based on the eligibility rules identified in this policy.

Gross Charges: The full established price for medical care provided to patients.

Family: A family is a group of two people or more related by birth, marriage, or adoption and residing together (this is based on the definition of the US Census Bureau)

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

- Earnings, unemployment compensation, workers compensation, social security, supplemental security income, public assistance, veteran’s payments, survivor

benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and miscellaneous sources.

- Noncash benefits (such as food stamps and housing subsidies) do not count.
- Determined on a before tax basis; excludes capital gain or losses.
- Income from family members living in the home is included. Do not include the income of non-relatives such as housemates.

Uninsured: The patient has no level of insurance or third party assistance 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.

Medically Necessary: Are services or items reasonable and necessary for the diagnosis or treatment of illness or injury.

Publicize

Measures to Publicize the Financial Assistance Policy

Notification about charity care available from Southwest Healthcare Services, which indicates a contact number, shall be disseminated by Southwest Healthcare Services by various means, which may include, but are not limited to the publications of notice in patient bills and by posting notices and making available Financial Assistance brochures in emergency rooms, admitting and registration department, business office and other patient access sites. Southwest Healthcare Services shall publish the Financial Assistance Policy, the Financial Assistance Plain Language Summary and the Financial Assistance application on the facility website. These documents shall also be made available at the front desk of the Clinic as well as the emergency room reception area. Such notices and summary information shall be provided in the primary language spoken and any other language spoken by 5% of the community population serviced by Southwest Healthcare Services.

Copies of the Financial Assistance Policy Plain Language Summary will be provided to patients during the intake process while the Financial Assistance Application form will be offered to those who may be in need.

Procedure

For purposes of this policy, financial assistance refers to healthcare services provided by Southwest Healthcare Services without charge or at a discount to qualifying patients.

The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which if not promptly treated would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life threatening circumstances in a non-emergency room setting;

Medically necessary services are evaluated on a case-by-case basis at Southwest Healthcare Services discretion.

Healthcare services that are received from Southwest Healthcare Services but are billed out to third parties are not eligible for financial assistance, to include reference laboratory testing and interpretation by a consulting pathologist, drugs, and x-ray interpretation by a consulting radiologist, and other such services.

Eligibility

Eligibility for financial assistance will be considered for those individuals who are uninsured, ineligible for any government healthcare program and who are unable to pay based upon a determination of financial need in accordance with this policy. The granting of financial assistance shall be based on individualized determination of financial need, and shall not take into account religion, age, gender, race, color, social immigrant status, sexual orientation, disability or creed. Southwest Healthcare Services shall determine whether or not patients are eligible to receive financial assistance for deductibles, co-insurance, or co-payment responsibilities.

For **hospital patients**, the amount the patient is expected to pay and the amount of financial assistance offered depends on the patient's insurance coverage, income, family size and assets. In the case of **clinic patients**, financial assistance would depend solely on income level and the size of the family (assets are excluded). The current Federal Income Poverty Guidelines of the United States Department of Health and Human Services will be used in determining the amount of the write-off and the amounts charged to the patients.

Eligibility for Financial Assistance requires the complete cooperation of the applicant during the application process including:

1. Completion of the application process for all available assistance, including Medical Assistance or Medicaid and Medicaid Expansion.
2. Completion of the Financial Assistance Application including all required documents.
 - a. Previous year's tax return, pay stubs for the past 3 months, bank statements for the past 2 months, checking and savings account balances and investment account balances.
3. Meet annual household income and family size criteria as set forth in the Federal Poverty guidelines for the previous tax year.
4. A demonstrated inability to pay for services.

Method of Applying

It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering 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 when the last financial evaluation was completed more than a year prior or new additional tax and/or income information is available.

Southwest Healthcare Services will provide an itemized statement to the patient showing the charges and the discount amount applied to the patients account. The

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discount will be applied once the patient has submitted a complete application for financial assistance. A patient has 120 days from the printing of the first statement to submit the Financial Assistance application together with all the required documentation.

Southwest Healthcare's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for financial assistance shall be processed promptly and Southwest Healthcare shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

**Amount
Generally
Billed**

Amounts charged for emergency and medically necessary medical services to patients will not be more than the Amount Generally Billed (AGB) to individuals with insurance covering such care. Southwest Healthcare chose the look back method as the basis for calculating amounts charged to patients based on actual past claims paid to Southwest Healthcare Services by Medicare fee for service together with all private health insurers. (See Appendix B for a more detailed explanation on how Southwest Healthcare Services determines its AGB percentage).

**Presumptive
Eligibility**

There are instances when a patient may appear eligible for financial assistance but the patient has failed to submit a Financial Assistance Application or an Application has been submitted but a proper determination cannot be made due to the lack of adequate information or supporting documentation. Often there is adequate information provided by the patient through other sources which could provide sufficient evidence to provide the patient with assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, Southwest Healthcare Services could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Presumptively eligibility may be determined on the basis of individual life circumstances that may include:

1. State funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance program that are unfunded (e.g. Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address; and
8. Patient is deceased with no known estate.

**Sliding
Fee
Schedule
Discount**

Services eligible under this policy will be made available to the patient on a sliding fee schedule, in accordance with financial need, as determined in reference to current Federal Poverty Guidelines at the time determination. The basis for the amounts Southwest Healthcare will charge patients qualifying for financial assistance as follows:

1. Patients whose family income is at or below 100% of the FPL are eligible to receive free care.
2. Patients whose family income is over 100% and below 200% of the FPL would be eligible for partial financial assistance or discount on a sliding scale. (See Appendix A for details of the sliding fee schedule currently in place.)
3. Patients whose family income exceeds is equal to or exceeds 200% 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 Southwest Healthcare Service; however the discounted rates shall not be greater than the amounts generally billed commercially insured patients. Once the patient has been deemed eligible, Southwest Healthcare Services will apply the FAP discount to the patients account.

Billing and Collections

Southwest Healthcare’s management has developed policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for financial assistance, a patient’s good faith effort to apply for a governmental program or for financial assistance from Southwest Healthcare Services, and a patient’s good faith effort to comply with his or her payment agreements with Southwest Healthcare Services. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their discounted hospital bills, Southwest Healthcare Services may offer extended payment plans, will not send unpaid bills to outside collection agencies and will cease all collection efforts.

Extra-ordinary Collections Action

Southwest Healthcare Services will not engage in extraordinary collection actions (ECA) before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy.

Reasonable efforts shall include:

1. Validating that the patient owes the unpaid bills and that all sources of third party payment have been identified and billed by the hospital;
2. Documentation that the patient has been offered a payment plan but has not honored the terms of that plan;
3. Documentation that Southwest Healthcare Services has offered and has attempted to offer the patient the opportunity to apply for financial assistance pursuant to this policy and that the patient has not complied with the hospital’s application requirements;
4. Documentation that Southwest Healthcare Services has exerted efforts to notify patients about an impending ECA. These efforts should include:
 - a. Providing patients with a 30-day written notice before initiating collection activities. This 30-day written notice shall include a copy of the Financial Assistance Policy Plain Language Summary;

- b. Making oral attempts to contact patients, using their contact information on file, about an impending ECA as well as informing patients about the availability of Southwest Healthcare's Financial Assistance Policy;
5. Providing for a Notification Period of 120 days from the date of the first post-discharge billing statement during which Southwest Healthcare is required to notify the patient of the availability of Financial Assistance. ECAs may only start after this Notification Period has elapsed and no Financial Assistance has been submitted by the patient;
6. Providing for an Application Period of 240 days from the date of the first post-discharge billing statement during which Southwest Healthcare is required to accept and deliberate on a Financial Assistance application that a patient may submit, while taking into consideration the following:
 - a. If a patient submits an incomplete application during the Application Period, Southwest Healthcare must:
 - i. Suspend any ECAs already initiated;
 - ii. Inform the patient by way of a written notice what additional information or documentation is required;
 - iii. Provide the contact information of the Financial Counselor who may assist the patient in completing the Financial Assistance application;

If the patient fails to provide the additional information or documentation after 30 days from notification, Southwest Healthcare may resume ECAs.

- b. If a patient submits a complete application during the Application Period, Southwest Healthcare must:
 - i. Suspend any ECAs already initiated;
 - ii. Determine whether the application meets the eligibility criteria for Financial Assistance.
 - iii. Inform the patients within 30 days by way of a written notice of the result of the determination and the basis for the decision.

Extraordinary collection actions may include actions such as:

1. Turning over an account to a collection agency;
2. Wage garnishments;
3. Liens on primary residences
4. Other legal actions

If our collection agency identifies a patient is meeting financial assistance eligibility criteria, the patient's account may be considered for financial assistance. Collection activity will be suspended on accounts, and the financial assistance application will be reviewed. If the entire account balance is adjusted the account will be returned. If a

partial adjustment occurs, but the patient fails to cooperate with the financial assistance process or if the patient is not eligible for financial assistance, collection activity will resume.

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

MDS (CAAs) – LTC Only		
Survey Tag Numbers		
Related Documents		
Risk of Exposure		
Date Procedure Originated	Date: <u>5/28/26</u> By: _____ ()	Date: _____ By: _____ ()
	Date: _____ By: _____ ()	Date: _____ By: _____ ()
	Date: _____ By: _____ ()	Date: _____ By: _____ ()
	Date: _____ By: _____ ()	Date: _____ By: _____ ()
	Date: _____ By: _____ ()	Date: _____ By: _____ ()
Revised (RS)	Date: _____ By: _____ ()	Date: _____ By: _____ ()
Reviewed (RV)	Date: _____ By: _____ ()	Date: _____ By: _____ ()

Appendix A: Southwest Healthcare Services' Sliding Fee Schedule