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Policy Area:	*Health Information Services / Revenue Cycle*
Entities:	*NCH Foundation, NCH Home Care, NCH Medical Group, Northwest Community Day Surgery Center II, LLC, Northwest Community Healthcare, Northwest Community Hospital*
Applicability:	*NCH Policy Manual*

Financial Assistance

Brief Summary of Policy

This policy set for the Financial Assistance Program of Nowrthwest Community Health care, including all of its subsidiaries and entities (NCH), which provide charity care to patients of NCH in accordance with the requirements of the *Illinois Hospital Uninsured Patient Discount Act*.

Our Mission

We exist to improve the health of the communities we serve and to meet individuals' health care needs.

Our Vision

Northwest Community Healthcare will be an Integrated System of Care that delivers innovative, exceptional and coordinated care while creating value for the communities and populations we serve.

Policy

A. **Purpose**

1. To provide standards and guidelines for the Financial Assistance Program that provides charity care to patients of NCH in accordance with the requirements of the *Illinois Hospital Uninsured Patient Discount Ac*t.

B. **Statement of Policy**

1. NCH treats all patients fairly and with respect regardless of their ability to pay for the services they receive. In order to promote the health and well-being of the community, NCH provides care without charge or at a discount to individuals who have no health insurance, limited financial resources, or are unable to access entitlement programs.
2. In that regard, NCH will provide Financial Assistance in accordance with the *Illinois Hospital Uninsured Patient Discount Act*, commonly referred to as charity care, to those patients that provide supportive documentation to verify their financial status.

3. This Policy will be reviewed annually and is aligned with the *Federal Poverty Guidelines* (FPG) in conjunction with the published updates by the United States Department of Health and Human Services.

C. **Notification of Financial Assistance Policy**

1. **Statement:** Each invoice or other summary of charges to a patient shall include with it, or on it, a prominent statement that a patient who meets certain income requirements may qualify for a Financial Assistance or Uninsured Patient discount and information regarding how a patient may apply for consideration under the hospital's (FAP). Percentage discounts are reductions from gross charges. FAP eligible individuals may not be charged more than Amounts Generally Billed (AGB) for emergency or other medically necessary care.
2. **Policy**: Upon request, NCH and DSV will provide any member of the public or state governmental entity a copy of its FAP. All public information and/or forms regarding the provision of financial assistance will use languages that are appropriate for NCH's service area. In accordance with the ACA (as delegated to the IRS) requirement to translate its FAP into languages that represent the lesser of 5% or 1000 individuals that make up the hospital's service area. The FAP is available in English, Spanish, Russian, Polish, Japanese and German.
3. **Website**: Information relating to and the application for the Financial Assistance Program will be available to patients on the NCH website http ://www.nch.org/.
4. **Application Form:** NCH and DSV must make available the application used to determine a patient's eligibility for financial assistance. The application will also be available on the NCH website. Individuals can obtain assistance with completing the application by phone 847-618-4542 or visiting the Financial Counseling offices located at Northwest Community Hospital 800 W. Central Road, Arlington Heights, IL 60005.
5. **Signage:** Signage will be visible at all points of registration in order to create awareness of the Financial Assistance Program. At a minimum, signage will be posted in all patient intake areas, including, but not limited to, the emergency department and the admission/patient registration areas.
6. **Financial Assistance Eligibility Criteria**
    1. A patient must comply with the NCH and DSV Financial Assistance Program requirements and provide the documentation necessary to apply for other existing financial resources that may be available to pay for his or her health care, such as government sponsored programs, grants, community funding, etc. Patients are responsible for completing the required application forms, information gathering and assessment process in order to determine eligibility for financial assistance.
    2. NCH and DSV will provide, without discrimination, care for emergency medical conditions (within the meaning of *Emergency Medical Treatment and Active Labor Act* (EMTALA) to individuals, regardless of whether they able to pay for the care or are eligble for financial assistance. NCH and DSV prohibit engaging in actions that discourage individuals from seeking emergency medical care, such as by demanding that emergency patients pay before receiving treatment for emergency medical conditions or by permitting debt collection activities in the emergency department or in other areas of the hospital where such activities could interfere with the provision, without discrimination, of emergency medical care.
    3. The eligibility criteria for financial assistance must be satisfied to receive percentage discounts outlined below. *Appendix A* outlines income thresholds based on FPG.

Uninsured NCH Financial Asssitance Eligiblity Criteria Table		
Percent of Federal Poverty Guidelines (FPG)	**Discount %**	**Catastrophic Cap**
Up to 200% FPG	100%	N/A
201 – 300% FPG	90%	20% of Annual Family Income
301 – 400% FPG	80%	20% of Annual Family Income
401 – 500% FPG	75%	20% of annual family income

Insured NCH Financial Asssitance Eligiblity Criteria Table		
Percent of Federal Poverty Guidelines (FPG)	**Discount %**	**Catastrophic Cap**
Up to 200%	100%	N/A
201 – 300%	75%	20% of Annual Family Income
301 – 400%	Current HUPDA	20% of Annual Family Income
No discount exceeding 400%		

Crime Victim Compensation Act was established with the primary goal of helping to reduce financial burden imposed on victims of violent crime and their families (740 ILCS 45/1 *et. seq*).

a. NCH will offer 100% discount on remaining balance for outpatient services related to sexual assault related crimes.

b. NCH will bill the patient for inpatient charges;

c. NCH will bill any remaining balance to patients for non-sexual assault crimes;

d. NCH will apply any and all discounts patients qualify prior to submitting claim to the State for reimbursement.

    1. If discovered during the financial assistance application process that an applicant qualifies or is eligible for other programs, an applicant must comply and receive a determination to maintain eligibility for all NCH financial assistance programs.

    2. Third party payer payments must be applied before financial assistance is applied to a patient balance.

    3. Current open self-pay balance per account/encounter charge of $150.00 or more are eligible for financail assistance review 240 days from first billing statment date. Pre-approval for scheduled services with charges $150.00 or more are eligible. If it is determined that an individual is FAP eligible, the hospital facility will refund any amount paid for the care, unless such excess amount is less than $5.00.

    4. Medically necessary physician charges during the incident hospitalization such as emergency department, inpatient, observation and outpatient testing with same DOS as the hospitalization are

included in the financial assistance approval.

5. Physician charges prior to the incident hospitalization are excluded from financial assistance. No retro look back for any provider charges.
6. Physician charges and office based procedures are not included in the financial assistance approval. If outpatient services are required as part of the hospitalization after the DOS, services will be reviewed to determine eligibility for financial assistance, i.e. global payment for surgical services.
7. Insured patients whereby insurance carrier denies payment due to no authorization, or no HMO referral, patient is out of network or patient does not have benefits to cover procedure are not eligible for financial assistance discount (see Self-Pay policy).
8. The patient is required to submit proof of income which shall include, as applicable, the following:
    a. Copy of the most recent tax return,
    b. Copy of any tax return claiming patient as dependent,
    c. Copy of the most recent W-2 and 1099 forms,
    d. Copy of the two (2) most recent pay stubs,
    e. Self-Employment Verification (*Appendix B*),
    f. Employer Wage Letter if paid in cash (*Appendix C*), or
    g. One other reasonable form of third party income verification deemed acceptable to NCH.
9. Acceptable verification of Illinois residency shall include one of the following:
    h. Valid state-issued identification card;
    i. Recent residential utility bill;
    j. Lease agreement;
    k. Letter from a homeless organization, transitional house or other similar facility verifying that the uninsured patient resides at the facility;
    l. Vehicle registration card;
    m. Voter registration card;
    n. Mail addressed to the uninsured patient at an Illinois address from a government or other credible source; or
    o. Statement from a family member of the uninsured patient who resides at the same address and presents verification of residency.
    p. Temporary Visitors Drivers License
10. The patient is required to certify the existence of assets and to provide documentation of the value of such assets. Acceptable documentation may include:
    a. Three months all checking/saving account statements;
    b. Most recent quarterly investment account statement;
    c. Statements from financial institutions or other third party verification; or
    d. If no third party verification exists, then patient shall certify as to the estimated value of the asset.
11. Other documents required to process an application shall include any of the following, if applicable:

a. Notarized Primary Support Form (*Appendix D*) or

b. Patient Appeal Letter (*Appendix E*).

12. The Illinois Hospital Uninsured Patient Discount is available to Illinois patients meeting criteria (*Appendix F*).

13. Patients who are underinsured may have significant deductibles or payments after insurance. Such balances may be discounted up to 100% based on family size and income according to the Federal Poverty Guidelines.

    a. Insured patients are eligible only for the NCH Financial Assistance criteria, not the Illinois Hospital Uninsured Discount. NCH uses the look back method to determine the AGB. The AGB percentage and calculation description can be obtained from Financial Counseling, located at 800 W. Central Road, Arlington Heights, IL 60005. (*Appendix G)*.

Presumptive Eligibility

1. NCH understands that certain patients may be non-responsive to NCH's application process. Under these circumstances, NCH may utilize other sources of information to make an individual assessment of financial need. This information will enable NCH to make an informed decision on the financial need of non-responsive patients utilizing the best estimates available in the absence of information provide directly by the patient.
2. NCH may utilize a third-party to conduct an electronic review of patient information to assess financial need. This review utilizes a health care industry-recognized model that is based on public record databases. This predictive model incorporates public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets and liquidity. The electronic technology is designed to assess uninsured patients to the same standards and is calibrated against historical approvals for NCH financial assistance under the traditional application process.
3. The electronic Presumptive Eligibility technology will be deployed prior to bad debt assignment after all other eligibility and payment sources have been exhausted. This allows NCH to screen uninsured patients for financial assistance prior to pursuing any extraordinary collection actions. The data returned from this electronic eligibility review will constitute adequate documentation of financial need under this policy.
4. When electronic enrollment is used as the basis for presumptive eligibility, the highest discount levels will be granted for eligible services for retrospective dates of service only. If a patient does not qualify under the electronic enrollment process, the patient may still be considered under the traditional financial assistance application process.
5. Patient accounts granted presumptive eligibility will be reclassified under the financial assistance policy. They will not be sent to collection, will not be subject to further collection actions, will not be notified of their qualification and will not be included in the hospital's bad debt expense.
6. Patients meeting presumptive eligibility criteria upon review of a financial assistance application outside the third party electronic review of patient information receive 100% assistance.
7. A patient is presumed eligible if the patient has one of the following. A patient must provide documentation listing eligibility or qualification, or print screen of web page listings eligibility:
    a. Participation in state funded prescription programs;
    b. Participation in Women's, Infant's, and Children's Programs (WIC);
    c. Food Stamp eligibility (LINK card);

d. Eligibility for other state or local assistance program that is unfunded;

e. Low income/subsidized housing are provided as a valid address;

f. Patient is deceased with no known estate;

g. Affiliation with homeless assistance organization (i.e. Journeys to Hope);

h. Enrolled in SNAP, Illinois Free Breakfast/Lunch, Low Income Home Energy Assistance Program, or a community-based medical assistance program with low-income criteria;

i. Receiving grant assistance for medical services;

j. Recent personal bankruptcy, incarceration, religious order affiliation and vow of poverty or enrollment in TANF or IHDA's Rental Housing Support Program;

k. A patient who has been unresponsive to efforts to apply for financial assistance but has been assessed under the post-care process and meets the criteria;

l. Patient is mentally or physically incapacitated and has no one to act on his/her behalf;

m. Patient is eligible for subsidized school lunch programs;

n. Medicaid eligibility that does not apply to this service: i.e. DHS social services, Mom' and Babies); or

o. Religious order affiliation and a vow of poverty.

Identification of Potentially Eligible Patients

1. Where possible, financial counselors will conduct a pre-registration/admission interview with the patient or designated representative to determine whether patient requires Financial Assistance and pre-approval prior to services being rendered.
2. If a pre-registration/admission interview is not possible, a financial counselor interview should be conducted upon admission, registration, or as soon as possible thereafter. In case of an emergency admission, the financial counselor evaluation of payment alternatives should not take place until the required medical screening has been provided.
3. NCH and DSV will make reasonable efforts to determine whether the individual is eligible during a notification period which begins on the date of care and ends on the 120th day after the hospital provides the individual with the first bill for the care.
4. The application period ends on the 365th day after the hospital provides the individual with the first bill for the care. NCH and DSV will accept and process applications during this period. Services performed at the hospital are eligible for financial assistance within the 365th day of receiving the first billing statement.
5. During the notification period, NCH and DSV will provide a plain language summary of the Financial Assistance Program, offer a financial assistance application prior to discharge and with the 30 day notice before extraordinary collection efforts begin.
6. Those patients who may qualify for financial assistance from a government sponsored program(s), grants, community funding, etc. should be referred to the appropriate program prior to consideration for financial assistance in accordance with the FPG.
7. Upon review of the financial assistance application, all eligible account charges for family members are included.
8. Providers may choose to offer financial assistance and providers delivering emergency or other medically necessary care in the hospital facility covered by the FAP, and providers not following the FAP are included in *(Appendix H)* . Patients are encouraged to present the determination letter to a provider.

Determination of Eligibility

1. Financial Assistance approvals will be made in accordance with these guidelines and decisions will be documented. The approval limits for Financial Assistance are as follows:
    a. Financial Counselor or Designee $150 - $1500
    b. Manager of Patient Access Services or Designee $1500.01 - $20,000
    c. Director of Patient Access Services or Designee $20,000.01 – $100,000
    d. Executive Director Revenue Cycle or Designee $100,000.01 or above
    e. CFO - $100,000.01 or above
    f. CFO - Appeals
2. Balances <$150 are not eligible for Financial Assistance.

Notification of Eligibility Determination

1. Generally within thirty (30) days of the review of a completed application, a written determination letter (*Appendix I*) will be mailed to the patient. The patient will be notified in the determination letter of options to resolve the self pay balance and how to appeal the initial decision.
2. If a financial assistance determination allows for a percent reduction but leaves the patient with a self-pay balance the customary collection steps will be taken with the patient.
3. Patients may reapply beyond the original application period if there is a change in their family income, assets, family size or other circumstances that may influence financial assistance eligibility. The patient should promptly notify a financial counselor if there is a change in his or her financial status. Eligibility is granted six months from approval date.

Appeal

1. A patient must submit a Request for Appeal form within 45 days of receiving the Financial Assistance Determination letter. The patient will receive a communication in writing of the Committee's decision normally within 45 days of receiving the form.
2. If a financial assistance determination and/or appeal review allows for a percent reduction but leaves the patient with a self-pay balance, or if it is determined that the patient has the ability to pay all or a portion of a bill, the standard collection processes will be followed. Such a determination does not prevent a reassessment of the person's ability to pay at a later date. The patient may opt to reapply for financial assistance, or request a change in their payment plan terms.

Monitoring and Reporting

1. The Audit and Compliance Committee is responsible for overseeing the financial assistance policy, and meets annually to review and update the financial assistance policy.
2. A paper or electronic record, from which periodic reports can be developed, will be maintained to reflect authorized financial assistance. This record must include copies of all application(s) and supporting documentation. These documents shall be kept for a period of seven (7) years. At a minimum, the financial assistance logs are to include:
    a. Account number and date of service,
    b. Dates application received and processed,
    c. Date of determination, or

d. Self-pay balance amount(s) and financial assistance percentage granted.

3. The cost of Financial Assistance will be reported annually in the NCH Community Benefit Report; in accordance with regulations pertaining to IRS Form 990, Schedule H and the Illinois AG Form 990; and in compliance with the Illinois Community Benefit Act. Financial Assistance will be reported as the cost of care provided (not charges) using the required documented criteria.

Collection of Accounts

1. The PFS Solutions Manager provides oversight and is responsible for determining that reasonable effort requirements have been met prior to engaging in extraordinary collection efforts.
2. Collection activity will be suspended on all accounts for which NCH and DSV has received a financial assistance application or an application for any other health care bracket (i.e., Medicare, or Medicaid, etc.).
3. NCH and DSV will reverse extraordinary collection actions (ECAs) for patients eligible for financial assistance.
4. NCH and DSV will provide oral notification of the availability of financial assistance to an individual at least 30 days prior to engaging in ECAs against an individual, as required by the final 501(r) regulations.
5. NCH and DSV will provide a copy of its plain language summary with a billing statement or other written notice of intent to engage in extraordinary collection actions.
6. NCH and DSV will refund any payments made by FAP eligible individuals that exceed the amounts the NCH determines those individuals are responsible for paying, unless those amounts are less than $5.00.
    a. NCH will confirm any prepayments or deposits are below the AGB for that care, so that if a patient is later determined to be FAP eligible, NCH can take advantage of the safe harbor and refund the amounts that exceed what the patient is determined to owe.
    b. The FAP percentages are greater than the AGB.
    c. Accounts eligible for financial assistance must have an open outstanding self-pay balance of $150.00 or more.
7. Full payment or payment arrangements must be made immediately for the date of service
    a. A patient's failure to make payments or make payment arrangements may result in the referral to a collection agency and or a report to a credit bureau.
    b. NCH may apply refund amounts to non-FAP eligible accounts.
8. NCH and DSV will employ reasonable procedures in a fair and consistent manner to collect patient balances while maintaining confidentiality and patient dignity. Accounts may also be placed with self-pay collection vendors depending on classification.
9. Collection procedures may be delineated based on balance size, past collection experience, and anticipated collectability. Credit scoring or other tools may be used to predict collectability. If a patient/ guarantor disputes all or part of a bill, NCH or its designee will respond to the concern verbally or in writing to validate and establish the debt.
10. All accounts go through a pre-collection campaign for one hundred twenty (120) days that includes:
    a. Collection letters, phone call protocols, and scripts that communicate to the patient in a clear, appropriate, and consistent manner, the information relevant to the patient's/ guarantor's balance(s)
    b. Toll-free phone number patients may call and an address to which they may write. The phone

number and address shall be listed on all patient bills and collection notices sent by Northwest Community Hospital.

c. Return of any telephone calls made by patients to this number as promptly as possible, but in no event later than one business day after the call is received.

d. Prompt response to correspondence sent by patients to NCH within thirty (30) days .

11. If the patient requires additional documentation concerning the bill, NCH and its collection agency will provide the requested documentation in writing within ten (10) business days of receiving the request. If the patient is providing new coverage information, NCH will review and update all accounts affected. Accounts referred to the Self Pay Collections Vendor will remain in pre-collection status for one hundred twenty (120) day at the end of which the vendor will:

    a. Return accounts to NCH.

    b. Vendor will cease all calls, billing activity, and will redirect incoming calls to appropriate Bad Debt Collections agency.

Definitions (if needed)

Assets: Assets include immediately available cash and investments, such as a rental property, checking and savings account balances as well as other investments. Assets do not include patient's primary residence, personal property, and any amounts held in a pension and/or retirement plan, provided, however, that distributions and payments from pension or retirement plans may be included as income.

Catastrophic: Medical expenses incurred for which payment would require liquidation of assets critical to living or would cause undue financial hardship to the family support system. Additionally, catastrophic shall also include medical expenses of patients where after payment by third party payers, the residual amount exceeds a specified percentage of a patient's annual family income.

Catastrophic Cap: The maximum amount that may be collected in a 12 month period for a patient determined to be eligible for financial assistance is 20% of a patient's family income and is subject to patient's continued eligibility. The patient will be excluded from this cap when the patient owns assets having a value in excess of 600% of the FPG.

Family: The patient, her/his spouse (including a legal common law spouse), his/her domestic partner and his/her legal dependents according to the Internal Revenue Service rules. If the patient claims someone as dependent on her/his income tax return, that person may be considered a dependent for purposes of the Financial Assistance Program.

Family Income: The sum of a family's annual earnings and cash benefits from all sources before taxes, less payments made for child support. Examples include but are not limited to gross wages, salaries, dividends, interest, Social Security Benefits, workers' compensation, regular support from other person(s), government pensions, private pensions, insurance and annuity payments, royalties, rental income, estates and trusts.

Financial Assistance: Health care services provided without charge or at a discount to individuals who have no health insurance, with limited financial resources, or who are unable to access entitlement programs. This term is also synonymous with "charity care".

Illinois Hospital Uninsured Patient Discount Act : Legislation that regulates a charitable discount offered from hospital charges to any Illinois uninsured patient who applies for a discount and has a family income of not more than 600% of the federal poverty income guidelines for all medically necessary services exceeding $150 in any one inpatient admission or outpatient encounter. Eligible patients are defined as an Illinois

resident who is a patient of a hospital and is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health plans, workers' compensation, accident liability insurance or other third party liability.

Illinois resident: A person who lives in Illinois and who intends to remain living in Illinois indefinitely. Relocation to Illinois for the sole purpose of receiving health care benefits does not satisfy the residency requirement.

Medically necessary: Any inpatient or outpatient hospital service provided by a hospital to a patient, regardless if the patient is insured or uninsured. A "medically necessary" service does not include elective cosmetic surgery, non-medical services such as social and vocational services, and may include experimental and investigative services as determined on a case by case basis. NCH and DSV do not defer medically necessary care.

Presumptive Eligibility: Determination to provide financial assistance using a predictive model that incorporates a patient's socio-economic, income and dependent, and homeownership factors in the result.

Self-Employment: To carry on a trade or business as a sole proprietor or an independent contractor, to be a member of a partnership that carries on a trade or business or be otherwise in business for yourself.

Self-Pay Balance: Any portion of medically necessary expenses not covered by insurance or other third-party payer or full balance for uninsured patients.

Self-Pay Discount: Discount offered by NCH to uninsured patients regardless of their ability to pay and without any formal documentation to determine if other health care payment programs or the NCH Financial Assistance Policy discounts apply. The Self Pay Discount will be provided before any determination of additional financial assistance through other health insurance programs or NCH's Financial Assistance Program to provide charity care (*refer to Self-Pay Discount Policy*).

Underinsured: A patient whose insurance plan provides inadequate coverage that results in a deductible or remaining account balance after insurance over $150. An underinsured patient is eligible to apply for financial assistance under the Financial Assistance Policy as an Illinois resident.

Uninsured: An Illinois resident who is a patient of a hospital and is not covered under a policy of health insurance and is not a beneficiary under a public or private health insurance, health benefit, or other health plans, workers' compensation, accident liability insurance or other third party liability. The definition of "uninsured" under this policy differs from the NCH Self-Pay Discount Policy which is open to all patients regardless of residency in the State of Illinois. This complies with Federal Regulations concerning discounts from charges unrelated to providing charity care.

Patients who do not reside or work within the service area (*refer to Appendix J*) will not be considered for charity or financial assistance unless one of the following circumstances exists:

- Emergency care has been provided by the Emergency Department (ED). If this applies, the services covered under the financial assistance are only those services provided to the patient related to the ED episode of care;
- Immediate care (unscheduled/drop-in visits) has been provided at any of the NCH Immediate Care Centers (ICC). If this applies, the services covered under the financial assistance are only those services provided to the patient at the ICC and not services provided subsequent to the immediate care visit;

References (i.e., Laws, Standards, if applicable)

Standard	Regulatory Reference Sources
Illinois Statute	Illinois Uninsured Discount Act PA95-0965
Illinois Statute	Enforcement of Judgment-Exemption of Property 735 ILCS5/12-1001
Illinois Statute	35 ILCS 200/15-65 – Illinois Not-For-Profit Corporation Act
Illinois Statute	740 ILCS 45/ Crime Victims Compensation Act
JCAHO Standard(s)	RI 1.40 – Patient Rights
Federal	42 USC 1395/dd
Federal	26 U.S.C. 501 (c)(3) – Internal Revenue Service Code – Tax Exempt Organizations
Illinois Statute	Language Assistance Services Act

This policy was formerly called "*Financial Assistance, FN-014*"

Related Policies or Procedures

Attachments

Appendices 2021.pdf

Approval Signatures

Step Description	Approver	Date
Policy Lead	Tracy Wilson: Dir Access Services	pending

Applicability

Northwest Community Healthcare