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Title: Financial Assistance (Charity Care-Uncompensated Care)

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Policy: Kootenai Health, St. Mary's Health, and Clearwater Valley Health believes that medically necessary health care services should be accessible to all individuals, regardless of age, sex, geographic location, cultural background, physical mobility, or ability to pay. The organization is committed to providing high-quality healthcare services that meet the diverse needs of the community it serves.

This policy outlines the eligibility requirements and approval process for Financial Assistance. Eligibility is generally determined by comparing the patient's income to the current year Federal Poverty Level (FPL) Income Guidelines established by the Department of Health and Human Services and assessing eligible living and medical expenses against defined qualifying criteria.

Purpose: The purpose of this policy is to outline the Financial Assistance Policy and its eligibility requirements. This policy aims to promote access to medically necessary care for individuals who lack the ability to pay.

Scope: Kootenai Health, St. Mary's Health, and Clearwater Valley Health includes all entities, such as the hospital, clinics, pharmacies, and other care facilities, that currently bill under the Kootenai Health, St. Mary's Health, and Clearwater Valley Health Tax ID number. This encompasses the full range of services provided by Kootenai Health, St. Mary's Health, and Clearwater Valley Health and applies to all facilities and services under its organizational umbrella.

Definitions:

Kootenai Health - Includes all entities, hospital, clinics, and other care facilities that currently bill under the Kootenai Health, St. Mary's Health, and Clearwater Valley Health Tax ID number.

Financial Assistance – refers to indigent care and other financial assistance programs offered by Kootenai Health, St. Mary's Health, and Clearwater Valley Health for appropriate services. It applies to cases where Kootenai Health, St. Mary's Health, and Clearwater Valley Health does not expect reimbursement due to a patient's inability to pay, and the patient is ineligible for government or other available financial assistance programs. This assistance is provided to help cover the cost of medically necessary services when the patient cannot afford to pay and has exhausted other options for financial support.

Bad Debt – Accounts are considered bad debt when the patient has demonstrated an unwillingness to pay his/her portion of the Kootenai Health, St. Mary's Health, and Clearwater Valley Health hospital or professional services bill(s), and has not provided documentation required to support the Financial Assistance application process. This applies to uncollectable billed amounts, excluding contractual adjustments, arising from failure to pay by patients or guarantors whose care has not been classified as Financial Assistance eligible.

Discretionary Expenses – A discretionary expense is a patient's or guarantor's cost that is not determined to be essential for the operation of the household. This includes expenses that can be reduced or eliminated without having an immediate impact on the patient. Payment plans may be set up based on applicants' discretionary income.

Eligible living and medical expenses – Patient or guarantor expenses not classified as discretionary.

Eligibility – refers to the determination made by Kootenai Health, St. Mary's Health, and Clearwater Valley Health based on the required financial information provided by the patient. This determination verifies the patient's inability to pay for medically necessary services. The decision is made after reviewing the patient's financial status to assess whether they meet the criteria for financial assistance.

Federal Poverty Guidelines – defined by the Federal Department of Health and Human Services (DHS) and are updated annually. These guidelines are used to determine eligibility for various assistance programs, including financial assistance at Kootenai Health. The updated guidelines are published on the Kootenai Health, St. Mary's Health, and Clearwater Valley Health website, in accordance with the government's published updates.

Catastrophic Care – A circumstance of extraordinary medical expense refers to a situation where a patient or guarantor faces medical costs that they cannot pay off, based on their validated income and available resources, without resulting in severe financial hardship. This could occur when the medical expenses are so significant that they exceed the financial capacity of the individual or household, leading to undue strain or inability to meet other essential financial obligations**.**

Presumptive Eligibility – Kootenai Health, St. Mary's Health, and Clearwater Valley Health has established criteria to determine a patient's eligibility for Financial Assistance in the absence of supporting documentation. In such cases, Kootenai Health, St. Mary's Health, and Clearwater Valley Health may utilize information from outside agencies to complete the eligibility determination and assess the level of financial assistance to be awarded. These factors can help establish a patient's need for financial assistance, even without traditional documentation
Examples**:**

- Homelessness or Transient
- Deceased with no Estate
- Severe mental illness
- Social or family abandonment
- Active eligibility and participation in State Food Stamp program

Household Income – Household income refers to the total personal income for the patient's household with dependents, which includes total cash receipts and gross wages before taxes, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, or alimony. Investment income paid to the individual and/or dependent family members. Business Income (EBIDA) is calculated as profit or loss from Line 29 of Schedule C, excluding depreciation, interest, and amortization. For a more detailed evaluation, information from Line 48 of Schedule C is required to consider "Other Expenses."

Assets – Any item of economic value owned by an individual or corporation, especially that which could be converted to cash. Examples include checking and savings accounts, securities, real estate, car, boat, life insurance, IRA, trust accounts, and other property.

Indigent Persons – Patients are considered indigent if they have exhausted all third-party sources, including Medicare, Medicaid, and county assistance, and their income is at or below 250% of the federal poverty standards, adjusted for family size. Alternatively, a patient may be considered indigent if their income is insufficient to pay for the care or cover deductibles or coinsurance amounts required by a third-party payer.

Uninsured – A patient is considered uninsured if they do not have third-party insurance coverage. Health savings accounts (HSAs) are considered a form of insurance for the purpose of this policy. Being uninsured does not automatically qualify a patient as indigent or eligible for financial assistance. Eligibility will depend on other available resources and the patient's overall financial situation.

Eligibility Requirements for Financial Assistance:

1. Availability of Information:
    a. Information regarding eligibility and the Financial Assistance application (screening) process is available through the Financial Counseling, Customer Service, Social Services, Pharmacy, and is located through the Kootenai Health website.

2. Initiation of Request:
    a. A Financial Assistance request can be initiated by a Kootenai Health physician or caregiver, pharmacist or pharmacy technician, medical social worker, the patient, guarantor, appropriate agent representing the patient, or financial counselor on behalf of the patient.
3. Timing of Eligibility Determination:
    a. Patients who may be eligible for Financial Assistance should be identified as early as possible in the patient care cycle. However, eligibility can be determined at any point during the billing process, even after discharge.
4. Once a request for financial assistance is initiated, a Financial Counselor or Medical Social Worker will conduct a screening to provide a preliminary eligibility determination for the application process.
    a. If preliminary eligibility is indicated, the patient will receive a Financial Assistance application.
    b. Patients/responsible parties must complete, sign, and submit the financial assistance application within **30 days of the screening date**, or as soon as medically and reasonably feasible. The responsible party must cooperate with the hospital's efforts to determine sponsorship status. No collection efforts will be initiated during the financial assistance determination process if cooperation is maintained.
5. Documentation Requirements to complete the financial assistance application, patients must provide documentation verifying their financial status, these documents help determine eligibility based on financial need and responsibility for associated medical costs.
    a. During the screening and application process, the patient's account(s) will maintain in a "Self Pay" status, which will allow the billing and collection process to continue. This billing classification will not change until a final approval decision has been recorded.
    b. A valid completed Financial Assistance Application may include the following documented information:
        i. Current, valid Picture I.D.
        ii. The most recent filed Federal Tax Return with all schedules. If unavailable, alternative documents may be provided, such as W-2s, 1099s, or an IRS broker's statement.
        iii. Current employer pay stubs for the past three months.
        iv. Bank statements (checking, savings, and other accounts) for the last three months.
        v. Documentation of benefits, including Social Security, pension, veterans, or equivalent benefits.
        vi. Disability or unemployment benefits received.
        vii. Current food stamps award letter from the patient's state of residence.
        viii. Written documentation of other income sources, such as support from an individual or organization.
        ix. Recent Medicaid application denial.
        x. Proof of mortgage, rent, and utility payments.
        xi. Exclusions and Special Considerations: Non-cash benefits (like housing subsidies), capital gains or losses, and income from non-family persons are excluded from proof of income. However, income from non-family persons, such as roommates, may be considered if expenses are shared.
        xii. Documentation of home value (if owned).
        xiii. Vehicle ownership and value.
        xiv. Assets available through a family or other trust.
    c. If the responsible party is unable to provide the required documentation outlined above, Kootenai Health may accept written and signed statements from the responsible party as part of the verification process. These statements will be considered to help determine eligibility for financial assistance.
    d. Based on the information provided and the verification process, after reviewing the application, the Chief Financial Officer, Manager of Patient Access and Financial Clearance, a designated Medical Staff representative, or their designee, may waive documentation requirements if it is clear that the patient or responsible party meets the Financial Assistance guidelines. This waiver can be granted when it is evident that the patient qualifies for assistance based on the available information.
6. Kootenai Health, St. Mary's Health, and Clearwater Valley Health will complete all Financial Assistance applications 14 days of Kootenai Health receiving a completed and signed application. Patients eligible for Financial Assistance will be informed in writing of the approval determination.

7. Kootenai Health, St. Mary's Health, and Clearwater Valley Health will approve Financial Assistance only after all other means of financial support are exhausted from available payment sources, including but not limited to Medicaid Programs
8. Once the patient meets eligibility requirements, any outstanding balances from prior services that are owed by the patient as of the date of application, for deductible, coinsurance or where the insurance benefits have been exhausted, and which have not previously been assigned to bad debt, may qualify for Financial Assistance. In such cases, the determination of the benefit will be based upon the patient balance due at time of application, and not the original billed amount.
9. Financial Assistance eligibility and benefit determination is based on the patient's medical expenses, financial status at the time of application, and may also be impacted by the household's discretionary expenses. In certain circumstances, in the absence of qualifying documentation, the patient may meet presumptive eligibility criteria
10. Patients eligible for Financial Assistance will be informed in writing of the determination (approval, partial approval, or denial) within 14 days of Kootenai Health, St. Mary's Health, and Clearwater Valley Health receiving a completed and signed application. Patients who qualify for assistance under this policy may not automatically qualify for additional Kootenai Health, St. Mary's Health, and Clearwater Valley Health Financial Assistance outside of the program. Any outstanding balances from previous, current, or future services remain due unless the patient applies for and is deemed eligible for further assistance.
11. Patients not eligible for Financial Assistance will be informed in writing of the denial with in within 14 days of Kootenai Health, St. Mary's Health, and Clearwater Valley Health receiving a completed and signed application, this notification letter will include instructions to contact the Financial Counselor to arrange payment (which may include terms of a payment plan) of outstanding amounts due.
12. Patients whose application has been denied have an option to appeal the decision. The Financial Counseling Committee, or designee, will make final determination on appealed decisions. The Responsible Party may appeal the determination once by providing additional verification of income or family size within thirty (30) calendar days from the date of the first determination letter.
13. Approval of Financial Assistance is granted on basis of all current hospital or professional services accounts and/or outstanding balances included for consideration in the application process.
14. Financial Assistance applications may be considered for up to six (6) months forward from current service date(s) covered through the application process, unless the patient or guarantor's ability to pay has changed during the eligible time period. Should future care, within the six-month application period, be considered for eligibility, it is the patient's responsibility to inform Kootenai Health of any change in financial status, and it is the Kootenai Health representative's responsibility to validate the information provided.

Pending Medicaid - Effect on Financial Assistance Eligibility

The pending Medicaid and Financial Assistance application processes are not concurrent events. Determination of Medicaid benefit must be finalized prior to evaluating an application for Financial Assistance. If a Financial Assistance application is completed, it will pend until a decision from the State Medicaid agency is returned. Otherwise, it is the patient's responsibility to contact Kootenai Health Financial Counseling after receiving a state denial, should the patient wish to pursue Financial Assistance.

Level of Financial Assistance	Qualifying Federal Poverty Level
100% Assistance Award	0-250% of FPL

Special Circumstances and Presumptive Eligibility

A patient who is unable to provide documentation or who is unable to follow the application procedures may receive full or partial financial assistance, with the approval of the Chief Financial Officer or Manager of Patient Access and Financial Clearance. The Kootenai Health, St. Mary's Health, and Clearwater Valley Health authorized representative must document the decision, including the reasons why the patient did not meet criteria outlined in the policy. Circumstances may include, but are not limited to, deceased with no estate, homeless, transient, severe mental illness, and social/family abandonment.

Out of State Medicaid – No Provider Number

Patients who are a current approved member of a non-participating Out of State Medicaid program (for which Kootenai Health, St. Mary's Health, and Clearwater Valley Health is not enrolled), where a provider number is not available, and whose prorated charges are less than twenty-five hundred dollars ($2,500), may also satisfy the Special Circumstances or Presumptive Eligibility criteria. In such circumstance, the account will be forwarded to the Billing Department Supervisor for review and approval. If charges are over twenty-five hundred dollars ($2,500) to twenty-five thousand ($25,000), the account will be escalated to the Financial Counseling Manager or designee to review and approve. Amounts greater than $25,000, require approval from the Executive Director, Revenue Cycle Operations. In such cases, the patient must provide documented proof of current Medicaid eligibility in their state of residence. For these patients, the Out of State Medicaid plan will be replaced with the Financial Assistance classification. At the discretion of the Financial Counseling Manager, retroactive enrollment in an Out of State Medicaid program may be pursued.

Catastrophic Financial Assistance

If a patient meets the conditions through which catastrophic financial assistance may apply, the financial counselor will submit the application for consideration to the department manager or to the Director of Patient Access and Financial Clearance for final determination. The patient will be notified of approval or denial, within thirty business days of receipt of required documents, as per policy.

Non-Medically Necessary or Cosmetic Care:

- Financial Assistance is not applicable to non-emergent services, such as elective services or procedures that do not meet criteria for medical necessity, as determined by a physician or care manager. Examples of not medically necessary services: Department of Transportation Physicals and Sports Physicals.
- Financial Assistance will not be granted for services not covered by Medicaid per the patient's state-specific guidelines of medically necessary care. Such non-covered, not medically necessary services will be identified through the pre- authorization process and may result in a delayed decision. The referring physician's office staff, the financial counselor or the Financial Clearance Specialist will notify the patient if there is a possibility that services may be deemed non-medically necessary. Examples of services not covered by Medicaid: circumcisions and reversal of voluntary sterilization procedures.
- Financial Assistance will not be granted for Medicaid accounts where Emergency room visits, or Rehab/Therapy services have exceeded the maximum allowable visits for the patient.

Patient Cooperation Standards

A patient must exhaust all other possible payment options, including private coverage, federal, state and local medical assistance programs, and other forms of assistance provided by third parties, prior to being considered for any level of Kootenai Health Financial Assistance. Failure on the part of the responsible party to cooperate with Kootenai Health, St. Mary's Health, and Clearwater Valley Health in the eligibility process shall be grounds for denial of any benefit covered by this policy. If at any point during the Financial Assistance review process, it becomes apparent that Patient is eligible for Insurance coverages through a Family Member or is eligible for an APTC tax credit and is not utilizing this credit, the account may be ineligible for Financial Assistance.

Continuing Eligibility

For a patient to remain eligible for Kootenai Health, St. Mary's Health, and Clearwater Valley Health Financial Assistance, the patient/guarantor must apply for and continue to pursue all other benefits for which they are entitled, or may become entitled, including Medicare, Medicaid, Social Security Disability, or any other state or federal programs. This responsibility continues until the patient or guarantor receives documented approval or denial from the applicable benefit program.

If the patient is denied benefits due to lack of cooperation, Kootenai Health, St. Mary's Health, and Clearwater Valley Health Financial Assistance may not be granted or may be revoked, and any benefits may be subject to review and may be reversed. Should this occur, any current or outstanding balances might revert to the financial responsibility of the patient or guarantor.
The patient or responsible party is required to reapply for Financial Assistance, should any change in the patient's household size, status, or income level occur. This requirement is applicable at any time following the original decision

Approval authority for Financial Assistance

- The department manager may approve up to $25,000, based on the application meeting policy criteria.
- Manager or Director of Patient Access and Financial Clearance may approve financial assistance up to $50,000, based on Financial Counseling recommendation and the application meeting policy criteria.
- Amounts greater than $50,000, require approval from the Chief Financial Officer.
- Catastrophic financial assistance or other extenuating circumstance decisions, requires approval from either the Manager of Patient Access and Financial Clearance or the Chief Financial Officer.

All personal and financial documentation submitted by the patient or guarantor to support the Financial Assistance application process, will be maintained as part of the patient's confidential record and protected in accordance with the Health Information Portability and Accountability Act (HIPAA) and the Kootenai Health, St. Mary's Health, and Clearwater Valley Health retention policy.

Limit on Charges for Financial Assistance Eligible Individuals

- Individuals eligible for financial assistance will not be charged more than the amounts generally billed (AGB) to individuals who have insurance for emergency or other medically necessary care

Eligible Providers and Facilities

- Providers and facilities that are covered by this policy can be found on our websites
    - Kootenai Health https://www.kh.org/find-a-provider/
    - St. Mary's Health and Clearwater Valley Health https://smh-cvh.org/provider-directory/