



## PA-01 Community Care Program, Financial Assistance

### OBJECTIVE

Consistent with its mission to provide high quality health and wellness services for the extended community, The Richland Hospital, Inc. is committed to providing free or discounted care to qualified individuals that are in need of medically necessary treatment even if that person is uninsured, under-insured, ineligible for other government programs, or unable to pay based on their individual financial situation.

### POLICY

In order to provide the level of aid necessary to the greatest number of patients in need, and protect the resources needed to do so, the following guidelines apply:

Services are provided under the Community Care Program only when deemed medically necessary and after patients are found to have met all financial criteria based on the disclosure of proper information and documentation.

1. Patients are expected to contribute payment for care based on their individual financial situation therefore, each case will be reviewed separately.
2. The Community Care Program is not considered an alternative option to payment and patients applying for consideration may be assisted in finding other means of payment or financial assistance before approval of a discount under the Community Care Program.
3. Uninsured patients, regardless of the reason for non-coverage, who are believed to have access to purchase health insurance, may be encouraged to do so in order to ensure improved healthcare accessibility and overall well-being.
4. Patients eligible under this policy will not be charged more than the Amount Generally Billed (AGB) as calculated annually for emergency or medically necessary care.

### DEFINITIONS

The following terms are meant within this policy to be interpreted as follows:

1. **The Richland Hospital, Inc.:** For purposes of this policy, The Richland Hospital, Inc. will refer to:  
The Richland Hospital, Inc., 333 E. Second Street, Richland Center, WI 53581, (608) 647-6321  
Spring Green Medical Center, 150 E. Jefferson St., Spring Green, WI 53588, (608) 588-7413  
Muscodia Health Center, 1075 N. Wisconsin Ave., Muscodia, WI 53573, (608) 739-3113
2. **Community Care Program (the "Program"):** There are five categories of accounts that would be eligible under this Program:
  - A. The Richland Hospital, Inc. services that meet eligibility criteria of the policy.
    - Applicants meeting Program eligibility criteria will be considered for a discount under this policy on Active Accounts when a complete application is received within three (3) years from the date of service.
    - Applications received beyond three (3) years from the date of service due to a change in patient's financial status may be considered for a discount, but any such discount will be treated as Bad Debt and not reported on Form 990.
  - B. Accounts placed with an external collection agency, will be eligible under this policy when an application for community care is received within 240 days of the first post discharge bill.



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- C. Designated and limited hospital outpatient services provided to approved patients of The Richland Community Free Clinic.
- D. Accounts Returned by Collection Agency – An account that has been assigned to a professional collection agency and is returned as not collectable is considered Community Care as the professional collection agency has determined the patient is unable to pay the bill.
- E. Accounts Closed as a Result of a Court-Ordered Bankruptcy – An account that is covered under a court-ordered bankruptcy is considered Community Care as the court has determined that the individual is financially unable to pay the bill.
3. **Active Account(s):** Any account(s) that have not been referred to an outside agency for collection action.
4. **Emergency Care:** Immediate care which is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and serious dysfunction of any organs or body parts.
5. **Urgent Care:** Services necessary in order to avoid the onset of illness or injury, disability, death, or serious impairment or dysfunction if treated within 12 to 24 hours.
6. **Income:** The household income shall be the measure and shall be defined as the Modified Adjusted Gross Income ("MAGI"). MAGI will be calculated based on the Adjusted Gross Income "AGI" as taken from the individual or family's most recently filed Federal income tax return adjusted to include non-taxable Social Security Benefits and tax exempt interest. Other criteria may be used if AGI is not available as a result of the individual not being required to file Federal taxes and /or if the household's current income level can be documented as having changed in any meaningful way.
7. **Federal Poverty Guidelines (FPG):** Guidelines for determining poverty level as defined and updated annually in the Federal Register. Federal Poverty Guidelines for the year in which an application is approved will be used for determining eligibility for all applications received within that year regardless of the date of service of the account.
8. **Individuals Eligible Under Program Application:** Any person taken as a deduction on the most recently filed Federal income tax return or who would have been eligible had a return been filed. Accounts for a dependent listed on the tax return will be eligible under the Program only for services incurred prior to the dependent reaching the age of majority (18). A child born after filing the most recent tax return can be included as eligible.
9. **Amount Generally Billed (AGB):** The calculation of AGB shall equal amounts generally billed to individuals with insurance covering that care. AGB shall be calculated annually and will be based on the immediately preceding 12-month period spanning January through December. Calculations are based on allowed charges for healthcare claims covered by Medicare and private insurers including applicable deductibles, co-payments and other patient responsibilities during the calculation period regardless of date of service. A separate AGB will be calculated for inpatient and outpatient services provided at The Richland Hospital, Inc., Spring Green Medical Center and Muscoda Health Center. The AGB as calculated shall be effective on the 1st day of March each year and applied to any application determinations made on or after that date regardless of the original date of service or the original date of application. (See addendum for current AGB percentages.)



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**AGB% = Sum of all claims payments for healthcare covered by Medicare and private insurers divided by allowed charges related to claims.**

10. **AGB Discount** = 1 minus AGB
11. **Uninsured:** Patients with no insurance or third-party assistance to help remunerate their financial responsibility to healthcare providers.
12. **Underinsured:** Patients who carry insurance or have third-party assistance to help pay for medical services, but who accrue or have the likelihood of accruing out-of-pocket expenses which exceed their financial ability. AGB applies to the amount patient is charged and responsible for paying (co-insurance, deductibles, etc.) after applying deductions, discounts and payments applied by the third party payer.

### **PROCEDURES**

#### **A. Eligibility:**

Services eligible for discount include all accounts meeting the five categories as defined in the Program. Further criteria include:

1. Emergency Care or Urgent Care, services deemed Medically Necessary; where Medically Necessary is defined to mean care that is non-elective and needed in order to prevent death or adverse effects to the patient's health. Care that is not Medically Necessary will not be eligible for a discount under this policy. This will include services provided and billed by The Richland Hospital, Inc., Spring Green Medical Center, and Muscoda Health Center.
2. Account balances for which another payment source is available are ineligible under this program.
3. Active Account(s) are eligible for a program discount under the Program when a complete application is received within three (3) years from the date of services. Applications received beyond three (3) years from the date of service due to a change in patient's financial status may be considered for a discount, but any such discount will be treated as Bad Debt and not reported on Form 990.
4. Accounts placed with an outside collection agency, will be eligible under this policy only when an application for Community Care is received at The Richland Hospital, Inc. within 240 days of the first post discharge bill.
5. Accounts are eligible based on the application submission date or presumptive eligibility determination date.
  - A. Patients in need of a Medically Necessary service and requiring financial assistance should apply in advance for Community Care. Community Care will apply to the identified service and any unpaid previous services.
  - B. Applications for the Program submitted after services are received will be applicable only to account(s) with a date of service prior to the application approval date.
  - C. If charges are incurred on future visits, patient will need to reapply for the Program to have these visits considered under the Program. If financial status has changed since the prior application, patient will need to complete a new application with required documentation. If patient's financial status has not changed, patient may sign an attestation that all previously submitted financial information remains



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the same in lieu of completing a full application. A new application with update financial information will be required as of April 1 of each year, if the most recent year's tax return was not used in the original determination.

6. Patients who are uninsured, under-insured, ineligible for government assistance programs, or are unable to pay based on their individual financial situation are eligible for Program consideration. Determinations for eligibility are made on a case-by-case basis and may require appointments or discussion with hospital financial counselors. When determining patient eligibility, The Richland Hospital, Inc. does not take into account race, gender, age, sexual orientation, religious affiliation, nationality, social or immigrant status, veteran status, marital status, handicap/disability or age of the patient's account.

### 7. Presumptive Eligibility

Additionally, The Richland Hospital, Inc. may refer to or rely on external sources and/or other program enrollment resources in the case of patients lacking documentation that supports eligibility or individual circumstance. At its sole discretion, when a patient is unable to provide necessary documentation to support an eligibility determination, The Richland Hospital, Inc. may provide free or discounted services under this Program when:

- A. Patient is homeless
- B. Patient is eligible for other state or local assistance programs that are unfunded
- C. Patient is eligible for food stamps or subsidized school lunch program
- D. Patient is eligible for assistance under the Crime Victims Act or Sexual Assault Act
- E. Patient is deceased, without a spouse, and no estate has been filed with the court system within 12 months of expiration or at the time it can be determined patient does not have assets requiring the filing of an estate.
- F. Patient receives a bankruptcy determination within the six months immediately preceding the application date if applicant is looking for consideration on any Active Account not discharged as a part of the bankruptcy determination.
- G. Patient's valid address is considered low income or subsidized housing and patient authorizes the applicable housing authority to validate income level directly to the Hospital.

Patient will be informed of the criteria used to determine eligibility for discounted or free care. If patient is approved for less than the most generous discount through presumptive eligibility, patient will be provided with information on how to apply for free care through the application process.

### **B. Determining Discount Amount:**

1. Patients who can demonstrate an Income that is at or below 150% of the Federal Poverty Guidelines ("FPG") are eligible for a 100% discount on any patient balance from The Richland Hospital, Inc.
2. Patients demonstrating Income that is between 151% and 300% of the FPG are eligible to receive services at the discounted rates identified in the table below.



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- At the hospital's discretion, patients with family income exceeding 300% of the FPG may still be eligible for Program discounts on an individual basis, taking into account extenuating circumstances, including financial or medical indigence or catastrophic infirmity.

Un-Insured	
Income	Discount
0-150%	100%
151-200% of FPG	50% or AGB Discount, whichever is greater
201 - 300% of FPG	AGB Discount

Under-Insured	
Income	Discount
0-150%	100%
151-300% of FPG	AGB Discount – the amount patient is charged and responsible for paying (co-insurance, deductibles, etc.) after applying deductions, discounts and payments applied by the third party payer will not be greater than the AGB

### C. Applying for Financial Assistance:

- Individuals can apply for financial assistance by submitting a completed application and all required supporting documentation (see list below). Applications can be obtained by visiting the hospital website at [www.richlandhospital.com](http://www.richlandhospital.com), in person at The Richland Hospital, Inc., by mailing a request to The Richland Hospital, Inc. or by calling the Patient Accounting Department at (608) 647-6321. Completed application can be submitted in person at The Richland Hospital, Inc., mailed to The Richland Hospital, Inc., or faxed to The Richland Hospital, Inc. at (608) 647-6898.
- Assistance in completing the application can be provided by The Richland Hospital, Inc. Patient Counselor by phone or in person. Individuals needing assistance should contact The Richland Hospital, Inc. at (608) 647-6321 to obtain assistance or to make an appointment.
- To be eligible under this Program, patients must cooperate with The Richland Hospital, Inc. to explore alternative means of assistance and if necessary, including application or actions needed to secure coverage by Medicare, Medicaid, and the Health Insurance Exchange. Patients will be required to provide necessary information and documentation when applying for a Program discount, or for other private or public payment programs.
- In addition to completing an application, documentation that may need to be provided may include, but is not limited to:
  - Copy of most recent federal tax return. (Mandatory)
  - Proof of income for applicant and spouse if applicable; two or three most recent pay stubs, unemployment payment stubs, documentation of social security and/or pension income or sufficient information on how patients are currently supporting themselves. (Mandatory)
  - Bank Statements to support all cash accounts. (Mandatory only when the most recent federal tax return is not available.)



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- D. Medicaid denial letter dated within the most recent three month window. (Mandatory when application applies to accounts for an adult with Income at or below 125% of FPG or for children with a family Income at or below 300% of FPG.)
- E. Insurance card for any eligible coverage.

Patients will be asked to certify all information provided as true and complete. If any information is determined to be false, all Program discounts will be revoked making the patient responsible for the original balance for services rendered.

### **D. Processing of Community Care Application**

Patient's applying for Community Care consideration will be notified of the status of their application. Application statuses are as follows

1. Approved for a 100% discount: Patient will be mailed a letter indicating their approval for a 100% discount.
2. Approved for a less than 100% discount: Patient will be notified by letter of their approval for a partial discount, provided a revised statement indicating the amount of the discount and the new discounted balance. Information regarding The Richland Hospital, Inc.'s Payment Plan Policy and a payment plan agreement will be included to assist patient in fulfilling their obligation for the remaining balance.
3. Incomplete application and/or documentation: A letter will be mailed to the patient indicating additional documentation is needed and specifying what documentation is needed. Patient will have 30 days to provide the additional information. If information is not received within 30 days, application may be denied.
4. Community Care is denied: The patient will be provided with a letter indicating the denial and the reason for the denial. Information on The Richland Hospital, Inc.'s Payment Plan Policy and a payment plan agreement will be included to assist patient in fulfilling their obligation for the remaining balance.

The qualifying discount will be applied to the account(s). If patient has made payments on the account(s) and the Program discount results in a credit to the patient responsibility, a refund will be issued to the patient for any payments resulting in a credit of \$5.00 or greater.

### **E. Collection Practices for the Community Care Program:**

Internal and external policies and procedures will take into account the extent to which a patient is qualified for Program or other discounts. In addition, patients who qualify for partial discounts or whose application has been denied will be offered a payment plan and are required to make a good faith effort to honor payment agreements with The Richland Hospital, Inc. The Richland Hospital, Inc. is committed to working with patients to resolve their accounts, and at its discretion, may provide extended payment plans to eligible patients. Collection processes for unpaid balances will follow The Richland Hospital, Inc.'s Placement for Collection Policy which may include placement with an external collection agency and reporting non-payment to a credit bureau. A copy of the collection policy may be obtained in person at The Richland Hospital, Inc, contacting the Patient Accounting Department at (608) 647-6321 or at [www.richlandhospital.com](http://www.richlandhospital.com).

### **F. Communication and Publication of Community Care Program:**

The Richland Hospital, Inc. communicates the availability and terms of the Program to all patients, through means which include, but are not limited to:



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1. Posted signs within registration offices, waiting rooms, emergency rooms, and patient accounting areas.
2. Community Care Program application and Plain Language Summary offered to individuals at time of registration and discharge from an Inpatient Admission. The Community Care Program Policy, Community Care Program application and the Placement for Collection policy are available upon request. Spanish versions will also be available upon request.
3. Plain Language Summary, Community Care Program Policy, Community Care Program application and Placement for Collections Policy including Spanish versions can be obtained by
  - A. Requesting in person at The Richland Hospital, Inc., Spring Green Medical Center and Muscoda Health Center
  - B. Contacting The Richland Hospital, Inc. Patient Accounting Department at (608) 647-6321.
  - C. Accessing The Richland Hospital, Inc. website at [www.richlandhospital.com](http://www.richlandhospital.com)
  - D. Submitting a written request to The Richland Hospital, Inc., 333 E. Second Street, Richland Center, WI 53581
4. Plain language summary provided with written correspondence.
5. Conspicuous message on Patient statements.
6. Plain language summary available at the local Aging and Disability Resource Center and at The Richland Community Free Clinic.
7. Designated staff knowledgeable on the Program will be available to answer patient questions and / or refer patients to the Program

Requests can be made by a patient, their family members, friend or associate, but will be subject to applicable privacy laws.

### **REGULATORY REQUIREMENTS:**

In implementing this policy, The Richland Hospital, Inc. shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy.

The Patient Accounting Supervisor for The Richland Hospital, Inc and the Billing Supervisor for Spring Medical Center and Muscoda Health Center, respectively, will be responsible to monitor the program to insure the policy is carried out consistently.

#### Addendums:

- Community Care Program Application
- AGB Calculation
- Physician Listing of Covered and Non-Covered Providers

#### References:

- Payment Plan, Financial Assistance Policy
- Placement for Collection Policy
- Emergency Services Policy or EMTALA Policy
- Community Needs Assessment