

# UW Medicine

## Administrative Policies and Procedures

### FINANCIAL ASSISTANCE

#### POLICY

This Financial Assistance Policy is intended to ensure that residents of Washington State who are at or near the federal poverty level receive Appropriate Hospital-Based Medical Services and Appropriate Non-Hospital-Based Medical Services at a cost that is based on their ability to pay for services up to and including care without charge. Financial Assistance will be granted to all eligible persons regardless of age, race, color, religion, sex, sexual orientation or national origin in accordance with WAC Chapter 246-453 and RCW 70.170.

#### POLICY AVAILABILITY

UW Medicine is required to provide notice of its Financial Assistance program and will make a good faith effort to provide every patient with information regarding its availability. UW Medicine hospitals (inpatient and hospital-based outpatient clinics/facilities) will post signs in Admitting, Financial Counseling, Emergency Department and Outpatient Registration that will notify the public of the Financial Assistance Policy. POS 11 settings will not be required to post such notice. Eligibility for Financial Assistance requires that patients must fulfill all requirements and expectations as outlined in the Financial Assistance Policy.: This Financial Assistance Policy and applications for Financial Assistance are available in any language spoken by the lesser of five percent of the population or 1,000 individuals in the applicable hospital's service area. Additionally, interpreter services will be made available for other non-English speaking or limited-English speaking or other patients who cannot read or understand the written application materials.

#### DEFINITIONS

**Financial Assistance:** Medically necessary hospital health care rendered to indigent persons when Third-Party Coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductible or coinsurance amounts required by a third-party payer based on the criteria in this policy. Persons who have exhausted any third-party coverage, including Medicare and Medicaid, and whose income is equal to or below 300% of the federal poverty standards, adjusted for family size or is otherwise not sufficient to enable them to pay for the care or to pay deductibles or coinsurance amounts required by a third-party payer, may be eligible for Financial Assistance under this policy<sup>1</sup>.

**UW Medicine:** For the purposes of this policy, "UW Medicine" includes Airlift Northwest (Airlift), Harborview Medical Center (HMC), UW Medical Center (UWMC), Northwest Hospital & Medical Center (NWH), UW Physicians (UWP), Valley Medical Center (VMC), and UW Neighborhood Clinics (UWNC).

**Appropriate Hospital-Based Medical Services:** Those UW Medicine hospital services which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. A course of treatment may include mere observation or, where appropriate, no treatment at all. Appropriate Hospital-Based Services do not include care in Place of Service 11 (POS 11) freestanding clinics/physician offices even if associated with a UW Medicine hospital. However, the term does include professional services provided in the hospital setting by HMC, UWMC, UWP, VMC, and NWH employees, and the Wholly Owned Subsidiaries of NWH.

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<sup>1</sup> UW Medicine entities participating in any federal funding programs that require imposition of charges in a manner differently than outlined in this policy shall follow the charging requirements of the specific program.

**Appropriate Non-Hospital-Based Medical Services:** Those services rendered either (1) by Airlift, or (2) in Place of Service 11 (POS 11) freestanding clinics/physician offices by UWP Members, NWH employees, or employees of the Wholly Owned Subsidiaries of NWH, which are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no other equally effective, more conservative or substantially less costly course of treatment available or suitable for the person requesting the service. A course of treatment may include mere observation or, where appropriate, no treatment at all. For purposes of this Financial Assistance Policy, preventive care services may be considered "Appropriate Non-Hospital-Based Medical Services".

**Emergency Medical Condition:** A medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that the absence of immediate medical attention could reasonably be expected to result in:

1. Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
2. Serious impairment of bodily functions;
3. Serious dysfunction of any bodily organ or part.

With respect to a pregnant woman who is having contractions the term shall mean:

4. That there is inadequate time to effect a safe transfer to another hospital before delivery; or
5. That the transfer may pose a threat to the health or safety of the woman or the unborn child.

**Place of Service 11 (POS 11):** For purposes of this policy, this term shall indicate all UW Neighborhood Clinic locations and any other freestanding clinic or non-hospital physician office setting in which a healthcare professional renders services and bills a professional fee.

**UW Physicians (UWP) Members:** For purposes of this policy, a physician or other qualified healthcare professional who has executed a practice agreement with UWP, or has otherwise reassigned their services to UWP under a contractual arrangement, and provides services at approved UW Medicine sites of practice.

**Wholly Owned Subsidiaries of NWH:** For purposes of this policy, this term includes Summit Cardiology and any other subsidiaries which are or may come under the whole ownership of NWH and are disregarded entities for federal tax purposes.

## **ELIGIBILITY CRITERIA**

Persons seeking Financial Assistance must meet eligibility requirements and complete an application process, as described herein.

### **Residence and Scope of Services**

Eligibility for Financial Assistance requires that a person be a Washington State resident and that the medical services sought are Appropriate Hospital-Based Medical Services, as opposed to services which are investigational, elective or experimental in nature. A person is not a Washington State resident and is not eligible for Financial Assistance when that person enters Washington State solely for the purpose of seeking medical care. Refugees, asylees, and those seeking asylum are exempt from the Washington State residency requirement for Financial Assistance eligibility. Also exempt from the Washington State residency requirement are those patients who have an Emergency Medical Condition. Financial Assistance will not be denied based on immigration status. Exceptions to residence and scope of services requirements outlined in this paragraph may be made only in extraordinary circumstances and with the approval of the UW Medicine Chief Financial Officer or designee. While not required by federal or state law, eligibility for Financial Assistance will be extended to individuals who receive Appropriate Non-Hospital Based Medical Services and meet the above criteria.

### **Third-Party Coverage**

Financial Assistance is generally secondary to all other third-party coverage resources available to the patient.

This includes:

1. Group or individual medical plans.
2. Workers' compensation programs.
3. Medicare, Medicaid or other medical assistance programs.
4. Other state, federal or military programs.
5. Third-party liability situations. (e.g.: auto accidents or personal injuries).
6. Tribal health benefits.
7. Health care sharing ministry as defined in 26 U.S.C. Sec. 5000A.

8. Other situations in which another person or entity may have legal responsibility to pay for the costs of medical services.

Financial Assistance for otherwise eligible patients who do not follow through in obtaining insurance coverage potentially available to them (e.g. Medicaid) will be individually evaluated.

Before being considered for Financial Assistance, the patient's/guarantor's eligibility for the third-party payment coverage will be assessed and the patient/guarantor may be required to apply for coverage under those programs for which he or she is eligible. Patients who fail to comply with the Financial Assistance application requirements may be denied financial assistance. Patients who do not elect to receive Medicaid benefits when eligible for Medicaid may be denied Financial Assistance; however, UW Medicine will not deny Financial Assistance to a patient solely based upon the patient's refusal to enroll in a plan available to the patient on the Health Benefits Exchange.

#### Income

By policy, persons whose income is equal to or below 300% of the federal poverty standard may be eligible to receive Financial Assistance. UW Medicine will consider all sources of income in establishing income eligibility for Financial Assistance. Income includes: total cash receipts before taxes derived from wages and salaries; welfare payments; Social Security payments; strike benefits; unemployment or disability benefits; child support; alimony; and net earnings from business and investment activities paid to the individual patient/guarantor.

#### **APPLICATION**

When a patient wishes to apply for Financial Assistance, the patient shall complete a Confidential Financial Information (CFI) Form and provide necessary and reasonable supplementary financial documentation to support the entries on the CFI. UW Medicine will make an initial determination of a patient's Financial Assistance status at the time of admission or as soon as possible following the initiation of services to the patient. Financial Assistance application procedures shall not place an unreasonable burden upon the patient, taking into account any barriers which may hinder the patient's capability of complying with the application procedures. Screening for eligibility for Medicaid or other relevant public assistance benefits will be coordinated through the Patient Access Department, Discharge Planning/Outcomes Management (if not nursing home placement) or through Patient Financial Services.

1. Any one of the following documents shall be considered sufficient evidence upon which to base the final determination of Financial Assistance eligibility:
  - a. "W-2" withholding statement;
  - b. Current pay stubs (3 months);
  - c. Bank statements (3 months);
  - d. Last year's income tax return, including schedules, if applicable;
  - e. Written, signed statements from employers or others (letter of support) stating your current financial situation and circumstances if you have no proof of income;
  - f. Forms approving or denying eligibility for Medicaid and/or state funded medical assistance;
  - g. Forms approving or denying unemployment compensation; or written statements from employers or welfare agencies.
2. In addition, in the event the patient is not able to provide any of the documents described above, UW Medicine shall rely upon written and signed statements from either the responsible party or another party describing the applicant's income. If none of the above is available, UW Medicine may make a determination based on knowledge of a prior UW Medicine grant of financial assistance or based on verbal representation.

UW Medicine may waive income requirements, documentation and verification if Financial Assistance eligibility is obvious. UW Medicine staff discretion will be exercised in situations where factors such as social or health issues exist. In such cases, UW Medicine shall rely upon written and signed statements from the responsible party for making a final determination of eligibility.

#### **FINANCIAL CRITERIA**

UW Medicine will provide Financial Assistance for full charges for any patient/guarantor whose gross family income is at or below 300% of the current federal poverty guidelines.

When documented circumstances indicate severe financial hardship, UW Medicine may elect to write off billed charges as financial assistance for persons whose family income exceeds 300% of the current federal poverty guidelines<sup>2</sup>.

In the event that a responsible party pays a portion or all of the charges related to Appropriate Hospital-Based or Non-Hospital-Based Medical Services and is subsequently found to have met the criteria for Financial Assistance under this policy, all such payments shall be refunded to the responsible party within 30 days of UW Medicine's determination that the patient is eligible for Financial Assistance. Additional information can be found in the billing and collections policy for the applicable hospital.

## **PROCEDURE**

### **Responsible Parties: Financial Counseling and/or Patient Financial Services**

#### **A. Guidelines/Steps**

Accounts assigned to a collection agency and have judgement granted through the court system are no longer eligible for charity consideration. A patient may apply for charity at any time prior to the account receiving a court judgement. The application consists of a Confidential Financial Information Form and Confidential Financial Information Form Instructions (see Attachment 1) which lists documentation that is required as part of the financial assistance assessment process.

Patients will be screened for other forms of coverage such as Medicaid and Health Benefits Exchange eligibility.

This application, along with full disclosure of their financial status with supporting documentation, will be considered in the final determination of eligibility.

UW Medicine will not initiate collection efforts until an initial determination of Financial Assistance eligibility status is made. Where UW Medicine initially determines that a patient may be eligible for Financial Assistance, any and all extraordinary collection actions (including civil actions, garnishments, and reports to collections or credit agencies) shall cease pending a final determination of Financial Assistance eligibility. However, as set forth in WAC 246-453-020 (5), the failure of a patient or responsible party to reasonably complete Financial Assistance application procedures under this policy shall be sufficient grounds for UW Medicine to initiate collection efforts directed at the patient. Accordingly, for purposes of this policy, a patient or responsible party has failed to reasonably complete financial assistance application procedures when the patient or responsible party does not submit application materials within 15 business days of the patient's or responsible party's receipt of the materials. Any collection efforts will be halted if the patient or responsible party reengages in the application process.

UW Medicine shall make a final determination within 14 days of receipt of financial assistance applications and supporting documentation. Supporting documentation includes items listed on the Confidential Financial Information Form Instructions.

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<sup>2</sup> Consistent with the Patient Protection and Affordable Care Act, hospitals which are nonprofit and recognized as 501(c)(3) organizations (including **Northwest Hospital and Valley Medical Center**) must limit amounts charged for emergency or other medically necessary care provided to individuals eligible for assistance under this Financial Assistance Policy to not more than the amounts generally billed to individuals who have insurance covering such care and may not collect "gross charges" from such individuals. See 26 USC §501(r)(5)(A) and (B). Northwest Hospital and Valley Medical Center satisfy this requirement by writing off all charges for individuals who qualify for financial assistance under this policy. Northwest Hospital and Valley Medical Center provide information regarding this policy to local nonprofit and public agencies that address the health needs of their respective communities' low income populations. Additionally, Northwest Hospital and Valley Medical Center maintain plain language summaries of this policy, available in languages spoken by more than the lesser of 5% of the population or 1,000 individuals in the applicable hospital's service area. Northwest Hospital and Valley Medical Center will provide copies of this policy, its plain language summary, and application free of charge on their websites, upon request where medical services are performed and via US Mail at: Northwest Hospital Patient Financial Services, 10330 Meridian Ave N., Suite 260, Seattle, WA 98133-9851; (206) 668-6440 or (877) 364-6440; (open M to F, 8:00 a.m. to 4:30 p.m.) and Valley Medical Center Financial Counseling, 400 South 43<sup>rd</sup> St., Renton, WA 98055-5010; (425) 251-5178; (open M to F, 8:30 a.m. to 5:00 p.m.).

## **B. Notifications**

UW Medicine shall notify persons applying for Financial Assistance of its determination of eligibility for Financial Assistance within 14 days of a receiving person's completed application for Financial Assistance and supporting documentation. Approvals, Requests for More Information or Denials for Financial Assistance applications shall be in writing and shall include instructions for appeal or reconsideration. In the event that UW Medicine denies Financial Assistance, UW Medicine shall notify the person applying for Financial Assistance of the basis for the denial. If denied the patient/guarantor may provide additional documentation to UW Medicine or request review by the Chief Financial Officer or their designee within 30 days of receipt of the notification of denial. If this review affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.

## **C. Documentation of Records**

All information relating to the application will be kept confidential. Copies of documents that support the application will be kept with the financial assistance application form and retained for seven years.

## **HEALTHCARE PROFESSIONALS COVERED UNDER THIS POLICY**

**Each UW Medicine hospital maintains a list of healthcare professionals whose services are covered under this policy. Contact the individual hospital or refer to [www.uwmedicine.org/financialassistance](http://www.uwmedicine.org/financialassistance) for the individual hospital lists:**

- Harborview Medical Center
- Northwest Hospital & Medical Center
- UW Medical Center
- Valley Medical Center

## **CROSS REFERENCE**

- Washington Administrative Code, Chapter 246-453, "Hospital Financial Assistance" with specific reference to the following:
  - o WAC 246-453-020 Uniform procedures for the identification of indigent persons
  - o WAC 246-453-030 Data requirements for the identification of indigent persons
  - o WAC 246-453-040 Uniform criteria for the identification of indigent persons
- RCW 70.170.060 Financial Assistance — Prohibited and required hospital practices and policies
- 26 USC §501(r)(5)(A) and (B)
- NWH Billing & Collection Policy
- VMC Billing & Collection Policy
- UWMC and HMC Billing & Collection Policy
- UW Medicine Policy Number COM-007 – "Application of and Compliance with the Emergency Medical Treatment and Active Labor Act (EMTALA)"

## **ATTACHMENTS:**

Attachment 1: Financial Assistance Application and Form - Confidential

**REVIEW/REVISION DATES:** 3/2/2015, 3/23/2016, 4/18/2016, 10/2/2017, 10/1/2018