

COMMUNITY CARE AND FINANCIAL ASSISTANCE POLICY

Effective 8/1/2021

PURPOSE: To assist those individuals who are unable or have limited ability to pay for emergency or medically necessary care provided by the hospital.

**SUPPORTIVE
DATA:**

- **Refer to Organization Focused Manual:**
 - Authorization for Disclosure of Billing Information—(LD)
 - Billing & Collection Policy —(LD)
 - Eligibility Notification for Community Care—(LD)
 - Patient Financial and Billing Guidelines Policy
 - Financial Assistance Policy (Community Care) Plain Language Summary

**POLICY
STATEMENT:**

To provide care to all persons regardless of their ability to pay for services.

CONTENT:

This program is for the benefit of our community. Community Care determination will be based upon an individual's financial need at the time of service and will not take into account gender, race, social status, sexual orientation, or religious affiliation. Individuals must reside or have a primary care physician in RAMC's service area. RAMC's service area includes the communities and surrounding areas of Reedsburg, Cazenovia, Hillpoint, LaValle, Loganville, Lyndon Station, Rock Springs, Wisconsin Dells, Wonewoc, Lake Delton, Lime Ridge and North Freedom. Exceptions to these areas will be made when the patient has a family physician at RAMC.

- An applicant's ability to pay for some or all of the hospital's charges will be determined on a case-by-case basis.
- RAMC will provide care for emergency medical conditions, without discrimination, to individuals regardless of their ability to pay or their eligibility for financial assistance.
- All RAMC Physicians Group Providers, Specialty Group Providers, Walk-In Clinic Providers, Emergency Department Providers and Hospitalists are included in this policy.

Process By Which Patients Apply for Financial Assistance

1. The patient, patient's representative or hospital representative may initiate an application. Patients may call Hospital Financial Counselors for assistance with the application process.
2. In order to be considered for Community Care, all other sources of payment must be exhausted (i.e. third party liability, insurance or Medical Assistance). Any account pending liability determination by a third party payor will be excluded from consideration until such determination is made. If an applicant appears likely to qualify for Medical Assistance but refuses to apply, RAMC may deny their application for Community Care.
3. Financial need will be determined using procedures that assess an individual's financial need. These may include the following:
 - a. A completed application to include personal, financial and other information needed to assist in determining financial need. The application is to be completed in its entirety. This includes the use of external publically available data to determine a guarantor's ability to pay (ex. Credit score)
 - b. Reasonable efforts by RAMC to seek alternative sources of coverage (public or private) and payment.
 - c. Review of the patient's assets and all other financial resources available.
 - d. A review of all outstanding accounts for the individual, as well as previous payment history.

- As a general rule, to be eligible under Community Care, the applicant's income should not exceed 400% of the federal poverty level in existence at the time of application. Poverty guidelines used will be those published annually in the Federal Register.
- e. The following table is a guide to amount of community care provided.

Community Care Thresholds	
% of Poverty	Community Care %
< 150%	100%
151-275%	75%
276-400%	51%

- f. As verification of income, a copy of the applicant's most recent federal income tax return, W-2 form(s) and current paycheck stub(s) are required by the hospital. Hospital personnel may require other verification of income or assets as deemed necessary. In addition, the applicant or responsible party will complete a Financial Disclosure.
- g. Some individuals who may otherwise qualify for community care may be referred to the Sauk County/RAMC voucher program for free services such as physician office visits, laboratory tests, radiology exams and discounted medications. Contact Sauk County Public Health or RAMC Physician's Group for more information.
- h. Community Care is not applied to elective procedures such as Bariatrics, Vasectomies, and Cosmetic procedures.
- i. The hospital may use its discretion to extend Community Care assistance for service dates up to 6 months after the initial application has been approved without requiring a re-application. Discounts will be applied to gross charges and/or patient responsibility after insurance.
- j. Requests for Community Care will be processed promptly. Patients applying will be notified within 15 business days.

Amounts Generally Billed to Patients

1. Patients whose family income does not make them eligible for allowances at 100% will receive services at amounts no greater than Amounts Generally Billed (AGB), for emergency or other medically necessary care.
2. To calculate the AGB, RAMC takes the total Medicare, Medicaid, Commercial, and Managed Care payments for the prior fiscal year and divides it by charges for those same payers (look back method). This percentage is then applied to all accounts covered by this financial assistance policy. In following this procedure, the gross charges would be reduced by 51% in 2021.
3. RAMC will recalculate the AGB on an annual basis, based upon data from the prior 12 months. The AGB calculated will be effective October 1st each year and applied to determinations made on or after that date regardless of the date of service or original date of application.

Presumptive Financial Assistance Eligibility

1. Patients who are unable to complete an application form may be eligible for Community Care if other evidence is available which may indicate financial hardship. This information may be obtained from a patient interview, credit report, or other available records. Consideration will be given on an individual basis. RAMC uses prior FAP-eligibility determinations to presumptively determine that a patient is FAP-eligible.
2. Other provisions under Presumptive Eligibility:
 - a. Deceased No Assets – based on the conclusion that the decedent has no

- assets and therefore no ability to pay. No Community Care application needs to be filled out.
- b. If it has been determined that a patient has been approved for Medical Assistance, all accounts currently in AR with RAMC will be written off to Community Care after payment is received from the insurance – No Community Care application needs to be completed in this instance.
 - c. Qualified individuals under another organization’s similar Community Care application process, upon receipt of confirmation of the other organizations charity determination.
3. Community Care also applies to all charges incurred by RAMC employed physicians at RAMC Physician’s Group and RAMC Specialty Center.
 4. The written denial will include a provision of appeal procedure as follows:
 - The appeal request and reason(s) for appeal must be in writing and submitted to the hospital Revenue Cycle Director within ten (10) working days of the denial.
 5. 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.
 6. Any account returned by the collection agency that has been determined to be uncollectable will be considered Community Care.

Efforts to Widely Publicize the Community Care Policy

1. Community Care notifications are appropriately posted in public areas of the hospital and clinics. Copies will be made available in the language of any population consisting of the lesser of 5% or 1,000 people in the community.
2. Notices of the Community Care and Financial Assistance Policy will be made available on every billing statement.
3. Notifications/Plain Language Summary will be present within the Emergency Room and Walk-in Clinic.
4. Patients will be able to obtain a free copy of the policy/Plain Language Summary and application for Community Care at all points of admission as well as the Business Office.
5. The Community Care and Financial Assistance Policy and application Plain Language Summary, Billing and Collection Policy and Community Care Application, and list of providers covered and not covered under FAP will be publicized on the RAMC website at www.ramchealth.com/financialassistance, along with a link to the locations of the Patient Financial Counselors who are trained to assist with applications.
6. Questions regarding this policy or with the Community Care application process can be directed to Financial Counselors, Reedsburg Area Medical Center, 2000 N Dewey Avenue, Reedsburg, WI 53959 or call 608-524-6487.

Reference to Collection Policies:

1. RAMC develops policies for internal and extraordinary collection practices. These actions include those that may be taken by RAMC in the event of nonpayment including collections activity and reporting to collection agencies. (*Note: Agreements with other parties (Collection Agency) do not contain requirements that no ECA’s are taken to obtain payment until reasonable efforts have been made, because this action is performed by RAMC Patient Accounts staff prior to accounts turned over to collection agency.) Patients who qualify for Community Care and are acting in good faith to resolve their RAMC bills may be offered an extended payment plan and collection efforts will cease. RAMC will not engage in extensive collection actions such as wage garnishments, lien on property or other legal action without first making reasonable efforts to

determine whether a patient is eligible for Financial Assistance under this policy. The staff at RAMC are responsible for determining that reasonable efforts have been taken on an account and extraordinary collection actions may therefore be taken on the account. Reasonable efforts include the following:

- a. Wait 120 days from the first post-discharge billing statement.
- b. Validation of the balance owed and that all sources of payment have been identified and billed by RAMC.
- c. Documentation that RAMC has attempted to offer the patient an opportunity to apply for Community Care. RAMC will make reasonable effort to orally notify the patient about financial assistance.
- d. Documentation that the patient does not qualify for Financial Assistance.
- e. Documentation that the patient has been offered a payment plan but has not honored the terms of the agreement.
- f. At least 30 days before starting the extraordinary action, send the patient a written notice that states the following:
 - RAMC offers financial assistance
 - Identify the extraordinary actions that may be taken
 - Provides a deadline after which the extraordinary actions may be taken
- g. Revenue Cycle Director/Chief Financial Officer have the final authority for determining that RAMC has the processes in place to make reasonable efforts to determine whether an individual is FAP-eligible and therefore the facility may engage in extraordinary collection actions.
- h. If a patient has multiple episodes of care, the 120 day period begins after RAMC provides the first post-discharge billing statement for the most recent episode of care.

Approved by Corporate Compliance Council: 9/16

NEW: 10/92 **REVISED:** 5/13 9/16 3/17 6/17 12/01/17 7/14/21 **REVIEWED:** 6/16 2/17 10/18

DISTRIBUTION: Organization Focused Manual—Leadership (LD)

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