

**Title: Financial Assistance Policy**

**Area Manual:** Administrative Policy I

**Page:** 1 of 11

**Reference Number:** I-017

**Contact Person:** Kathleen A. Stahura

**Replaces Policy:**

**Scope:**

**Policy Statement:**

Saratoga Hospital (Hospital) is committed to minimizing the financial barriers to healthcare that exist for certain members of our community, especially those who are not adequately covered by health insurance or government payment programs. Therefore, the Hospital makes financial aid available to all low-income, uninsured, or underinsured individuals who qualify for assistance with their Hospital bills. No person who is found eligible for financial assistance will be charged more for emergency or other medically necessary care than the amounts generally billed to individuals who have insurance coverage.

Saratoga Hospital offers financial assistance in accordance with this Financial Assistance Policy (FAP). This FAP was developed to comply with all federal and state rules and regulations, including IRS regulations §1.501r and NYS Public Health Law §2807-k.9-a.

**Policy:** (For a summary, including answers to frequent questions, see Attachment A.)

**Definitions**

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

1. **Medically Necessary Care:** Healthcare services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, or its symptoms and that meet accepted standards of medicine.
2. **Uninsured:** Patients with no insurance or third party assistance to help resolve their financial liability with Saratoga Hospital.
3. **Underinsured:** Insured patients whose out of pocket medical costs exceed a certain percentage of their annual family income.

**Procedure**

**A. Eligibility Criteria**

1. A patient is eligible for financial assistance if his or her income is less than 400% of federal income guidelines. (See Attachment B.)
2. Homeless patients are automatically eligible for financial assistance.

3. Services that subsequently receive Medicaid coverage that may fall outside of the scope of payment by Medicaid will be reclassified as financial assistance.
4. Services for patients filing for Chapter 7 bankruptcy protection will be reclassified as financial assistance.

## **B. Basis for Calculating Financial Assistance**

Financial assistance is provided in the form of a percentage discount off the net amount billed to the patient. For uninsured patients, the net amount billed is intended to reflect the amount generally billed<sup>1</sup> to Medicare for the same services. For insured patients, the net amount billed represents any patient responsibility in the form of a co-pay or deductible. The percentage discount provided is based on a sliding scale, depending on income plus cash reflected on most current bank statements.

Attachment B sets forth the discount percentage available in the various income categories. Following are two examples, based on the information in Attachment B:

*The patient lives in a household of four, and total annual income plus cash reflected on current bank statements is less than \$60,451. If the patient applies, he or she would qualify for an FAP discount of 100%.*

*Also in a household of four, total income plus cash reflected on current bank statements is less than \$85,051 but more than \$72,901. A patient in this household could receive an FAP discount of 50%.*

## **C. Method for Applying for Financial Assistance**

1. Patients can request an application and/or confidential assistance in completing the application from any registrar during the registration process, or by calling Patient Financial Services (PFS) at 518-583-8343.
2. Those seeking financial assistance may be asked to provide the following:
  - Completed application
  - Most recent federal tax return
  - Copies of last two pay stubs
  - Copies of last two bank statements
  - Completed application for Medicaid, along with copy of denial
3. “Household income” refers to income before deductions (taxes, Social Security insurance premiums, payroll deductions, etc.). Total Household Income is income from all members of a household from the following sources: wages, unemployment income, workers’ compensation, veterans benefits, Social Security income, disability insurance, public assistance (Welfare), alimony, child support, and other cash income.

4. When appropriate, patients may be asked to apply for Medicaid or other publicly sponsored insurance programs. Resources will be available to assist patients in that process. Medicaid may require the patient to make a payment to the Hospital as a condition for Medicaid approval. This is known as a spend-down amount. Any payments the patient is required to make to the Hospital including, but not limited to, the spend-down amount and co-pay and/or deductible amounts are eligible for consideration in our financial aid program. Failure to apply or comply with the Medicaid application requirements will result in denial of financial assistance.
  - Saratoga Hospital offers a Health Insurance Navigation Program to assist the community in enrolling in Medicaid, Child Health plus or a Qualified Health Plan through the New York State Department of Health Marketplace. PFS will refer patients to this program if they appear to be eligible. The Saratoga Hospital Health Insurance Navigation Program is located at 59D Myrtle Street, Saratoga Springs, and can be reached at 518-580-2021.
5. A patient who has been awarded financial assistance may be directed to apply for Medicaid upon review of subsequent services. If the patient fails to submit a completed NYS Medicaid application within 90 days of the Hospital's request, the Hospital will revoke the patient's financial aid status for all services provided after the date of the revocation notice.
6. A patient may submit a financial assistance application at any time within 240 days after the date of the first billing statement. However, the Hospital may commence extraordinary collection actions beginning as early as 150 days from the date of the first billing statement if no financial assistance application has been submitted (see Hospital Policy I-01 7A-Billing and Debt Collection Policy for definition of extraordinary collection actions). If a patient submits a completed financial assistance application after 150 days from the first billing statement but before 240 days from that date—and the Hospital has already begun extraordinary collection actions—the Hospital will terminate those actions.

Incomplete applications will be returned to the applicant with notification that all required information must be supplied within 30 days of receipt of the returned application. If the patient does not meet this requirement, the application will be denied, and the Hospital will begin extraordinary collection actions. The patient retains the option to provide the required information after the 30-day deadline. If the Hospital receives that information prior to 240 days after the date of the first billing statement, the Hospital will terminate extraordinary collection actions.

The Hospital's financial assistance decision will be based on the information provided on the financial assistance application along with data obtained by Cardon Healthcare or a similar firm retained to help the Hospital process such applications. The Hospital may also use internal criteria, which may include review of previous account history and a credit check(s). The Hospital reserves the right to request additional information to support the application process.

7. A determination of whether a patient is qualified will be made within 45 days of

receipt of a completed application. In certain cases where patients do not qualify for FAP discounts based on the usual criteria, the Hospital may consider extenuating circumstances and determine that the patient is eligible. For balances of \$10,000 or less, the recommendation for final approval will be made by the Supervisor for Patient Financial Services to the Director of Patient Financial Services or the Chief Financial Officer. For balances greater than \$10,000, recommendation for final approval will be made by the Director of Patient Financial Services to the Chief Financial Officer.

8. Patient requests for financial assistance will be reviewed on a case-by-case basis.
9. A financial counselor will be available to arrange affordable monthly payment plans.
10. A separate policy, SH Policy #I-01 7A-Billing and Debt Collection, addresses the actions that the Hospital may take in the event of nonpayment.
11. Covered Services and Service Area: Covered services include all Hospital services that are deemed medically necessary. These services are covered regardless of whether a patient lives within the Hospital's geographic area. No application will be refused based on residency.
  - (a) Medical necessity determinations/exceptions – The Hospital CMO (Chief Medical Officer) will make the final decision on any medical necessity determinations.
12. Applications are approved for a period of 12 months and are effective as of the first day of the month in which the services for which the application was submitted were provided. The Hospital may ask patients to reapply for financial aid when there is a change in financial status.
13. Patients who apply for financial assistance and are denied may appeal this decision by sending a letter to the:

Director of Patient Financial Services  
Saratoga Hospital  
211 Church Street  
Saratoga Springs, NY 12866

Patients should include the reason for the appeal in the letter. All appeals will be reviewed and responded to within 45 days of receipt. Patients who have concerns or issues that cannot be resolved with the Hospital may call the New York State Department of Health at 1-800-804-5447.

#### **D. Informing and Notifying Patients about the Financial Assistance Policy**

1. A summary of the Financial Assistance Plan (the "FAP Summary") is attached to this policy (Attachment A).
2. The Hospital will inform and notify patients about this financial assistance plan (FAP)

by:

- (a) Including the FAP Summary in Admission/Observation materials.
- (b) Making the FAP summary easily accessible via the Hospital's website ([www.saratogahospital.org](http://www.saratogahospital.org)).
- (c) Including—with every Hospital bill—information about the availability of the FAP and how to access the FAP Summary.
- (d) Making paper copies of the FAP Summary and the application form available upon request and without charge, both in public locations in the Hospital and by mail.
- (e) Placing posters about the FAP in areas in the Hospital that are likely to be noticed by patients and visitors.

The Hospital Patient Financial Services department is responsible for conducting an annual review to determine whether reasonable efforts have been made to determine eligibility for the Financial Assistance Program. An annual report of this review will be provided to the Hospital Management Compliance Committee.

This policy only covers services provided by the Hospital and employed providers. A list of these providers is available on Attachment C This policy does not apply to other bills patients may receive from private physicians who may be involved in patient care, including but not limited to: radiologists, pathologists, anesthesiologists, emergency room physicians, or nursing home service providers.

- (l) The Hospital uses the look-back method prescribed by IRS Section 50I(r) to determine Medicare amounts generally billed. Information regarding the Hospital's calculation of amounts generally billed to Medicare may be obtained by contacting the Hospital Fiscal Services Department at 518-583-8497.

## Attachment A

### **Saratoga Hospital Financial Assistance Summary**

Saratoga Hospital offers financial assistance to all low-income, uninsured, or underinsured individuals who qualify for assistance with their Hospital bills. Any unpaid balance, including co-pays and deductibles, may be considered for a discount.

Note: “You” refers to the patient or to the person who is legally obligated to pay for the patient’s care (e.g., a parent for a minor patient).

#### **Who Is Eligible?**

You are eligible for financial assistance if your income is less than 400% of federal income guidelines. (See Attachment B for those guidelines.) If you are eligible and apply, you will qualify for financial assistance. Homeless patients automatically qualify.

Services that subsequently receive Medicaid coverage that may fall outside the scope of payment by Medicaid will be reclassified as financial assistance.

Services for patients filing for Chapter 7 bankruptcy will be reclassified as financial assistance.

#### **What Financial Assistance Will I Receive?**

We provide a discount—a percentage off the net amount of your bill. The discount is based on a sliding scale, depending on your household income plus cash reflected on current bank statements. As you can see from Attachment B, the discount can range from 25% to 100%

The discount makes sure that no patient who qualifies for aid is charged more than the amount the Hospital would charge insurance carriers for the same services. Please note: Discounts apply only to emergency and other medically necessary care.

#### **What Services Are Covered?**

All medically necessary Hospital services are covered. Cosmetic procedures are not covered. Nursing home services also are not covered.

Medically Necessary Care: Healthcare services or supplies needed to prevent, diagnose, or treat an illness, injury, condition, or its symptoms and that meet accepted standards of medicine.

#### **How to Apply**

You can ask for an application during the registration process. You also can call our Patient Financial Services at 518-583-8343. Please select Option #3 to be transferred to a Financial Counselor. We also are available to help you complete the application. Please be assured that we will keep all your information confidential.

The application asks about total household income. This refers to income before deductions (taxes, Social Security insurance premiums, payroll deductions, etc.) and includes income from all members of your household from the following sources: wages, unemployment income, workers' compensation, veterans benefits, Social Security income, disability insurance, public assistance (Welfare), alimony, child support, and other cash income.

You will be asked to provide the following:

1. A completed application
2. Most recent federal tax return
3. Copies of last two pay stubs
4. Copies of last two bank statements
5. Completed application for Medicaid, along with copy of denial (See next paragraph.)

### **Need to Apply for Medicaid**

Depending on your situation, we may ask you to apply for Medicaid or another publicly sponsored insurance program—and we have staff available to help you. Medicaid may require you to make a payment to the Hospital as a condition for Medicaid approval. This is known as a spend-down amount. Any payments that you are required to make to the Hospital—including the spend-down amount, co-pays, and/or deductibles—will be considered for our financial aid program. If you do not apply to Medicaid, or do not comply with Medicaid requirements, the Hospital will deny your request for financial assistance.

If you have been awarded financial aid and, during another Hospital visit, we determine that you may qualify for Medicaid, we may ask you to apply for Medicaid. If you do not submit a completed NYS Medicaid application within 90 days of our request, you will no longer be eligible for Hospital financial aid. This decision will apply for all Hospital services provided after the date of the financial aid cancellation notice.

Saratoga Hospital offers a Health Insurance Navigation Program to assist the community in enrolling in Medicaid, Child Health plus or a Qualified Health Plan through the New York State Department of Health Marketplace. PFS will refer patients to this program if they appear to be eligible. The Saratoga Hospital Health Insurance Navigation Program is located at 59D Myrtle Street, Saratoga Springs, and can be reached at 518-580-2021.

### **Application Processing**

You must request a financial assistance application **within 240** days of your Hospital discharge date. Once you receive the application, you have 30 days to complete it and return it to our Patient Financial Services.

The Hospital will respond in writing with a final determination **within 45** days of receiving your completed application.

While your application is being processed, you do not have to make any payment to the Hospital until we send a letter with our decision on your application. Our representatives from Cardon Healthcare, who assist the Hospital in evaluating your application, may contact you. If

you are contacted by Cardon, you must respond. If not, we will deny your application.

**Payment Plans**

We will review your payment plan periodically to make sure your account remains in good standing.

If, at any time, your financial situation changes and you feel that your payment arrangement has become a burden, you can schedule a meeting with one of our financial counselors.

This policy only covers services provided by the Hospital. This policy does not apply to other bills you may receive from private physicians who may be involved in your care. These may include, but are not limited to: radiologists, pathologists, anesthesiologists, or emergency room physicians, or providers of nursing home services.

Financial aid applications are approved for 12 months. The 12-month period begins the first day of the month that we provided the services for which you are submitting the application. We may ask you to reapply for financial aid if there is a change in your financial status.

If we deny your application for financial assistance, you can appeal this decision by sending a letter to the:

Director of Patient Financial Services  
Saratoga Hospital  
211 Church Street  
Saratoga Springs, NY 12866

Please be sure the letter includes the reason for your appeal. We will review and respond to your appeal within 45 days of receiving it. If you have any concerns or issues that you are unable to resolve with the Hospital, you may call the New York State Department of Health at 1-800-804-5447.



## Attachment B

### Saratoga Hospital Financial Assistance Policy

Family Size	Federal Income Guidelines 2016				
	Income Level	(FPL x 250% )	(FPL x 300 %)	(FPL x 350%)	(FPL x 400%)
1.	\$11,880	\$29,700	\$35,640	\$41,580	\$47,520
2.	\$16,020	\$40,050	\$48,060	\$56,070	\$64,080
3.	\$20,160	\$50,400	\$60,480	\$70,560	\$80,640
4.	\$24,300	\$60,750	\$72,900	\$85,050	\$97,200
5.	\$28,440	\$71,100	\$85,320	\$99,540	\$113,760
6.	\$32,580	\$81,450	\$97,740	\$114,030	\$130,320
7.	\$36,730	\$91,825	\$110,190	\$ 128,555	\$146,920
8.	\$40,890	\$102,225	\$122,670	\$143,115	\$163,560
9.	\$45,050	\$112,625	\$135,150	\$157,675	\$180,200
10.	\$49,210	\$123,025	\$147,630	\$172,235	\$196,840
Discount%		100%	75%	50%	25%

Household income baselines are derived from the Federal Poverty Income Levels published in the Federal Register

## Attachment C

### Saratoga Hospital List of Employed Practices

- Saratoga Family Physicians- 3040 Rt. 50, Saratoga Springs
- Saratoga Family Physicians- 3050 Rt. 50, Saratoga Springs
- Scotia Glenville Family Medicine- 112 Charlton Rd., Ballston Lake
- Saratoga Family Physicians at Malta- 6 Medical Park Dr., Suite 206, Malta
- Milton Health Center Family Medicine- 510 Geyser Rd., Ballston Spa
- The Saratoga Center for Endocrinology and Diabetes- 3050 Rt. 50, Saratoga Springs
- Saratoga Hospital Pain Management Center- 3050 Rt. 50, Saratoga Springs
- Saratoga Center for Generally & Minimally Invasive Surgery- One West Ave., Suite 125, Saratoga Springs
- Saratoga Center for Pulmonary and Critical Care Medicine- 6 Care Lane, Saratoga Springs
- Saratoga Nephrology- 6 Care Lane, Saratoga Springs
- Saratoga Regional Neurology- 6 Care Lane, Saratoga Springs
- Saratoga Hospital Medical Hematology/Oncology- 3 Care Lane, Suite 300, Saratoga Springs
- Saratoga Hospital Medical Hematology/Oncology- 6 Medical Park Dr., Malta
- Saratoga Bariatric Surgery & Weight-Loss Program- One West Ave., Suite 300, Saratoga Springs
- Saratoga Regional Urology Associates- 19 West Ave., Suite 103, Saratoga Springs
- Cardiology Specialty Services- 254 Church St., 2nd Floor, Saratoga Springs
- Saratoga Midwifery and Women's Primary Care, 2911 Rt. 9, Ballston Spa
- Saratoga Hospital Breast Wellness Center- 6 Medical Park Dr., Suite 102, Malta
- Saratoga Community Health Center Family Medicine- 24 Hamilton St., Saratoga Springs
- Saratoga Community Health Center Mental Health- 24 Hamilton St., Saratoga Springs
- Saratoga Community Health Center Dentistry- 24 Hamilton St., Saratoga Springs
- Galway Family Health- 5344 Sacandaga Rd., Galway
- Schuylerville Family Health- 200 Broad St., Schuylerville
- Saratoga Family Health- 119 Lawrence St., Saratoga Springs
- Saratoga Inpatient Physicians- 211 Church St., Saratoga Springs
- Saratoga Emergency Physicians, Saratoga Hospital Emergency Department- 211 Church St., Saratoga Springs
- Saratoga Emergency Physicians, Wilton Medical Arts Urgent Care, 3040 Rt. 50, Saratoga Springs

Origination Date: January 1991

Revision Dates: August 1998, March 2000, August 2001, April 2004, March 2005, March 2006, February 2007, January 2008, February 2009, March 2011, July 2012, January 2013, July 2013, February 20, 2015

Review Dates:

**Signature, Title**

Print Name: Gary Foster, Vice President and CFO

References: Statutory or regulatory citations, best practice publication, existing Saratoga Hospital policies.