

	TITLE: Financial Assistance P&P	
	OWNER: Revenue Cycle Manager	
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## I. STATEMENT OF PURPOSE

- A. This policy together with the Billing and Collection Policy is intended to meet the requirements of the applicable federal, state, and local laws, including but not limited section 501(r) of the Internal Revenue code of 1986 as amended, and the regulations thereunder.
- B. This Financial Assistance Policy (FAP) establishes a protocol for providing financial assistance to patients/guarantors who have healthcare needs and are uninsured, under-insured, ineligible for a government program, or otherwise unable to pay for medically necessary care based on their individual financial situation.
- C. Financial assistance provided under this policy is done so with the expectation that patients/guarantor will cooperate with the policy’s application procedures and those of state or county programs that may be available to cover the cost of care; as well as contribute to the cost of their care based on the outcome of the application and their individual ability to pay.
- D. Valor Health will provide, without discrimination, care of emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

## II. STATEMENT OF SCOPE

- A. Valor Health patients and revenue cycle staff (registration, billing & HIM)

## III. DEFINITIONS

- A. **Amount Generally Billed (AGB):** The hospital will not use gross charges i.e. “chargemaster” rates when billing individuals who qualify for financial assistance. The amounts billed by Valor Health for those who qualify for financial assistance will be an average of the three best negotiated commercial rates or Medicare rates. For specific rates or questions on amounts generally billed, please call Patient Financial Advocate at (208) 901-3274.
- B. **Discounted Care:** Financial assistance that provides care at a discount on gross charges to eligible patients with annualized family income between them amounts equal or greater than 100% but less than 30% of the Federal Poverty Guidelines. This type of financial assistance reduces the patient financial obligation on a sliding scale rate as illustrated below:
  1. Up to 100% of federal poverty level will receive 100% financial assistance.
  2. 101% - 150% of federal poverty level will receive 75% financial assistance.

3. 151% - 200% of federal poverty level will receive 50% financial assistance.
4. 201% – 300% of federal poverty level will receive 25% financial assistance.

- C. **Eligibility Determination Period:** For purposes of determining financial assistance eligibility, Valor Health will review annual family income from the prior six-month period and/or the prior tax year as shown by recent pay stubs or income tax returns and other information. Proof of earnings may be determined by annualizing the year-to-date family income taking into consideration the current earnings rate.
- D. **Eligibility Qualification Period:** Patients determined to be eligible may be granted financial assistance for a period of up to six months. However, eligibility may be reevaluated during that period if financial circumstances change. Financial assistance may also be applied to eligible accounts incurred for services received up to 240 days prior to the financial assistance application date, provided the services were received after 1/1/2016 and eligibility for that period is determined.
- E. **Family:** As defined by the US Census Bureau; a group of two or more people who reside together and who are related by birth, marriage, or adoption. If a patient claims a dependent on their income tax return, according to the Internal Revenue Service rules, that individual may be considered a dependent for the purposes of determining eligibility. Any and all resources of the household are considered together to determine eligibility under the Valor Health financial assistance policy.
- F. **Family Income:** Family income is determined using the US Census Bureau definition when determining eligibility based on the Federal Poverty Guidelines.
1. Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, Veterans payment, survivor benefits, disability payments, pension or retirement income, interest, dividends, rents, royalties, income from estates and trusts, educational assistance, alimony, child support, financial assistance from outside the household, and other miscellaneous sources.
  2. Non-cash benefits i.e. Medicare, Medicaid, heat assistance, school lunches, housing assistance, need based assistance from non-profit organizations foster care payments, or disaster relief assistance are not counted as income for making an eligibility determination for financial assistance.
  3. Capital gains or losses.
  4. Determined on a before-tax basis.
  5. A person's family income includes the income of all adult family members. For patients under 18 years of age, family income includes that of the parents, step-parents, unmarried or domestic partners, or caretaker relatives.

- G. **Federal Poverty Guidelines:** Federal Poverty Guidelines are updated annually in the Federal Register by the United States Department of Health and Human Services under the authority of subsection (2) of Section 9902 of Title 42 of the United States Code.
- H. **Financial Assistance:** Assistance provided to patient for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for medically-necessary services provided by Valor Health and who meet the eligibility criteria for such assistance.
- I. **Guarantor:** An individual other than the patient who is responsible for payment of the patient's bill.
- J. **Gross Charges:** The total charges at the organization's full established rates for patient care services prior to adjustments or deduction being applied. (chargemaster rates)
- K. **Medically Necessary:** As defined by Medicare, such services or items reasonable and necessary for the diagnosis or treatment of illness or injury.
- L. **Reasonable Payment Plan:** An extended payment plan that is negotiated between Valor Health and patient for any balance owed from patient/guarantor for services or remaining as patient responsibility after application of financial assistance benefits. See Appendix D for the Reasonable Payment Plan Guideline.
- M. **Uninsured Patient:** An individual having no third-party coverage by a commercial third-party insurer, and ERISA plan, a Federal Health Care Program, Workers' Compensation, or other third-party assistance to assist with meeting his/her payment obligations.
- N. **Underinsured Patient:** An individual, with private or public insurance coverage, for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for medical services provided by Valor Health. "Underinsurance" varies based on specific circumstances, requests for financial assistance by patients/guarantors who have other private or public healthcare coverage will be evaluated on a case by case basis. Financial assistance does not apply to routine co-payments which are part of a coverage design.

#### IV. POLICY

- A. Valor Health will use the most current "Federal Poverty Guidelines" and "Sliding Fee Scale Discount Guide for Critical Access Hospitals," to determine eligibility under its financial assistance policy. (See Appendix)
  - 1. Patients qualifying for financial assistance may receive fully discounted care or pay a discounted fee based on a sliding scale according to the household income.
  - 2. Valor Health will not discriminate on the basis of age, race, color, creed, ethnicity, national origin, marital status, sex, sexual orientation, gender identity or expression, disability, veteran or military status, or any other basis prohibited by federal, state, or local law when making financial assistance determinations.

- B. Financial assistance shall be provided for medically necessary health care services to patients who meet program qualifications and reside within the Valor Health service areas.
1. See Appendix A for Valor Health service areas.
  2. Financial assistance shall be provided, without discrimination, to patients from outside the Valor Health service areas, who otherwise qualify for the program, and who present with an urgent, emergent, or life-threatening condition.
- C. Financial assistance, as provided for in this policy, is secondary to all other financial resources available to the patient or guarantor, including but not limited to insurance, third party liability payers, government and outside agency programs.
1. It is extended with the expectation that patients/guarantor will cooperate with Valor Health procedures for identifying and applying for such financial assistance or other forms of payment that may be available to the patient. Individuals who qualify for health coverage under the ACA or Idaho State Medicaid program will be expected to apply for medical coverage as a condition of their eligibility for this financial assistance program.
  2. If they have failed to do so, eligibility for financial assistance may be granted on a limited basis allowing for reasonable time to obtain medical coverage, with the expectation that the individual will apply for medical coverage and may not be eligible to receive financial assistance again if this condition is not met.
  3. Patient/guarantor will also contribute to the cost of their care according to their ability to pay.
  4. Accordingly, this policy:
    - a. Includes eligibility criteria for financial assistance – fully or partially discounted care.
    - b. Describes the basis for calculating amounts, charges to patients eligible for financial assistance, and limits the amounts that Valor Health will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance.
    - c. Describes the method by which patients may apply for financial assistance.
    - d. Describes the methods to be used to widely publicize the policy within the communities serviced by Valor Health sites.
- D. This policy applies to all services provided and by Valor Health providers at Valor Health facilities including: Valor Health Hospital, Valor Health Surgical Specialties Clinic, Valor Health Emmett Medical Clinic and Urgent Care, and Valor Health Family Medicine. Certain independent providers of services to Valor Health patients are not governed by this policy

and the patient/guarantor will need to contact them directly to inquire about their financial assistance practices. The non covered providers or services to Valor Health patients are outlined in Appendix C. The covered providers are outlined in Appendix B.

## V. PROCEDURE

- A. Eligible Services: Services and goods eligible under this financial assistance policy include the following:
1. Trauma and emergency medical services provided in an emergency setting. Care will continue until the patient's condition has been stabilized prior to any determination of payment arrangements.
  2. Services for a condition that, if not treated promptly, would lead to an adverse change in the health status of a patient as determined by the ordering provider.
  3. Other services ordered by a medical provider and deemed medically necessary as defined above. Services not eligible for financial support include but, are not limited to; elective procedures not medically necessary, cosmetic services, other care providers not billed through Valor Health I.e. Independent physician services, ambulance transport, etc. Patients must contact the service providers directly to inquire about assistance and negotiate payments with these practices. See Appendix B for a list of Valor Health Providers. Services paid in full or services with payments made on account during the qualified benefit period are not eligible for assistance or refund.
- B. Eligibility and Assistance Criteria:
1. Financial assistance shall be extended to patients, or patient's guarantor, in accordance with the Valor Health Financial Assistance Policy.
  2. Eligibility shall be considered for those individuals who are uninsured, under-insured, and unable to pay for their care, based upon a determination of financial need in accordance with this policy.
  3. When determining patient eligibility, Valor Health does not take into account race, gender, age sexual orientation, religious affiliation, social or immigrant status.
  4. Valor Health shall provide financial assistance to patient/guarantor in compliance with federal state, and local laws. Patients residing outside the Valor Health service area will not be eligible for financial assistance for non-emergent, scheduled services that are available from providers in their county of residence.
  5. Applicants for financial assistance are responsible for applying to public programs for available coverage if Valor Health Financial Counselors believe they will be eligible. They are also expected to pursue public or private health insurance payment options for care

provided by Valor Health. The patient's/guarantor cooperation in applying for applicable programs and/or other identifiable funding sources is required.

6. In accordance with Federal Emergency Medical Treatment and Labor Act (EMTALA) regulations no patients shall be screened for financial assistance or payment information prior to the rendering of services in emergency situations.
7. The most current Federal Poverty Guidelines and Sliding Fee Scale Discount Guide for Critical Access Hospitals shall be used for determining a patient's eligibility for financial assistance.
  - a. See Appendix E.

C. Presumptive Eligibility:

1. Valor Health recognizes that not all patients/guarantors, are able to complete the financial assistance application or provide required documentation. For those patients/guarantors who are unable to provide required documentation but meet certain financial need criteria, Valor Health may grant financial assistance. Presumptive eligibility may be determined on the basis of life circumstances:
  - a. Homeless
  - b. Patient is deceased with no known estate
  - c. Patient is eligible in another state's Medicaid program
  - d. Patient is unable/incompetent to comply with the application requirements but has no known financial resources

D. Amounts Billed to Patients Eligible for Discounted Care

1. The amounts to be collected from patients eligible for discounted care shall not exceed the AGB (Amount Generally Billed) as defined elsewhere in this policy. No patients found eligible for financial assistance will be expected to pay gross charges for eligible services while covered under the Valor Health financial assistance policy.

E. Notification about Financial Assistance

1. Patients will be informed of the availability of this Financial Assistance program by the following means: signage posted conspicuously at admission/registration areas, financial assistance policy will be available to patients/guarantors per verbal or written request. Financial Assistance information, including contact number and website address will be included in patient bills and through oral communication with uninsured and potentially underinsured patients at registration and when attempting phone contact the patient/guarantor during the collection cycle. Valor Health will provide financial counseling to patient about their hospital bills. It is the responsibility of the patient/guarantor to schedule assistance with a financial counselor and cooperate in the counseling process. A request for financial assistance can be made by a patient, guarantor, family member, or

associate of the patient, subject to applicable privacy laws. Valor Health will also respond to any written requests for information on the financial assistance policy.

#### F. Applying for Financial Assistance

1. The patient/guarantor may obtain an application from hospital staff or from the hospital's website. All applicants must complete the Valor Health Financial Assistance Application Form and provide requested documents when applying for assistance. Documents may include:
  - a. Income information such as recent pay stubs, supporting documentation for self-employed income, the most recent income tax return and bank statements.
  - b. Monthly expense details
  - c. Other asset information as required in the Valor Health Financial Assistance Application Form.
2. Upon receipt of an application, Valor Health will first make reasonable efforts to determine whether the patient may be eligible for benefits under Medicaid and other public and private programs and make available information on those programs that may provide coverage for services. Patients identified as potentially eligible will be expected to apply for such programs. Requests for financial assistance shall be processed promptly, and Valor Health shall notify the patient/guarantor in writing of their determination within 30 day of receipt of a complete application. If denied eligibility for financial assistance, the patient/guarantor may re-apply whenever there has been a change of income or status. A financial assistance application may also be re-submitted at subsequent times of service if the most recent financial assistance determination was made more than one year prior.

#### G. Timeline for Establishing Financial Eligibility

1. For non-emergency services, every effort will be made to determine the patient or guarantor's eligibility for financial assistance prior to, or at the time of admission or service. However, determination can be made during any stage of the patient's stay after stabilization of medical condition or during the collection cycle, up to 240 days following the patient's first billing statement.
2. Determination for Valor Health financial assistance will be made after all efforts to qualify the patient for other public or private programs have been exhausted. If other avenues of financial support are being pursued, Valor Health will communicate with the patient/guarantor regarding the process and expected timeline for determination and shall not attempt collection efforts while such determination is being made. Requests for financial assistance shall be processed promptly, and Valor Health shall notify the patient or applicant in writing within 30 days of receipt of a completed application. If eligibility is approved, the patient may be granted financial assistance for a period of six months. Financial assistance may also be applied to all eligible accounts incurred for services

received eight months prior to application date. If a patient/guarantor have been issued a financial assistance application but have not returned the application and complete supporting documentation within the 30-day required timeline, this may result in a denial of the application due to non-compliance. A denial letter shall be sent to the patient in the event of denial of financial assistance due to noncompliance. If it is determined that additional time is needed to submit a completed application, the patient/guarantor may request an extension of up to 15 days to remain compliant with the financial assistance process. The time requirements will be plainly stated in Valor Health's Financial Assistance Policy, plain language summaries, and on the financial assistance application itself.

#### H. Disputes and Appeals

1. Disputes and appeals to the application process or the determination may be filed with the Valor Health Business Office Manager. The dispute or appeal should be in writing and submitted within 30 days of the patient's experience giving rise to the dispute or notification of the decision on financial assistance eligibility.

#### I. Record Keeping

1. Valor Health will document any and all requests for financial assistance and eligibility determinations whether denied, granted fully discounted or partially discounted care, in order to maintain proper controls and meet all internal and external compliance requirements.

#### J. Actions in the Event of Non-Payment

1. No extraordinary collection actions will be pursued against any patient within 120 days of issuing the initial bill without first making reasonable efforts to determine whether that patient/guarantor is eligible for financial assistance. As outlined in the separate Billing and Collections Policy, Valor Health may pursue collection actions against patient's/guarantor's found ineligible for financial assistance, patient's/guarantor's who received discounted care but are no longer cooperating in good faith to pay the remaining balance, or patient's/guarantor's who have established payment plans but are not in compliance with the agreement.

### VI. EXTERNAL REFERENCES

#### A. Internal Revenue Service Code, Section 501(r)

1. <https://www.irs.gov/charities-non-profits/billing-and-collections-section-501r6>

### VII. RELATED INTERNAL DOCUMENTS

#### A. Billing and Collection

1. Document Number: BO.006



## VIII.APPENDIX

### A. Valor Health Service Areas by Zip Code

1. Gem County: 83657, 83670, 83617
2. Horseshoe Bend: 83629
3. New Plymouth: 83655
4. Payette: 83661
5. \*Other rural areas may be approved on case by case basis

### B. Providers Covered Under Valor Health's FAP

1. Valor Health Hospital employed physicians practicing at the main hospital and Emergency Department located at 1202 E Locust St., Emmett, ID 83617.
2. Valor Health Emmett Medical Center and Urgent Care providers located at 1102 E Locust St., Emmett, ID 83617.
3. Valor Health Specialty Medicine & Surgical Clinic providers located at 1024 E Locust St., Emmett, ID 83617.
4. Valor Health Family Medicine providers located at 119 N Wardwell Ave., Emmett, ID 83617.

### C. Providers/Entities Not Covered Under Valor Health's FAP

1. Gem State Radiology, PO Box 9649 Boise, ID 83707
2. LabCorp of America, 550 17th Avenue Suite 300, Seattle, WA 98122
3. Precision Diagnostics, 4215 Sorrento Valley Boulevard, San Diego, CA 92121
4. Ada West Dermatology, 1618 South Millennium Way, Meridian, ID 83642
5. St. Luke's Health System, 190 E. Bannock Street, Boise, ID 83709
6. Saint Alphonsus Medical Group or Saint Alphonsus Regional Medical Center, 1055 N Curtis Road, Boise, ID 83706
7. Trinity Health, 20555 Victor Parkway, Livonia, MI, 48152
8. Mountain Brace Systems, 248 South Cole Road, Boise, ID 83712
9. Acelity/KCI, 12930 West Interstate 10, San Antonio, TX 78249
10. Black Canyon Medical Group, PLLC, 426 Highway 16, Emmett, ID 83617
11. Gem Family Medicine, 2020 S. Johns Avenue Suite B, Emmett, ID 83617

### D. Reasonable Payment Plan

1. \$0-\$199.99 = \$25 minimum monthly payment
2. \$200-\$399.99 = \$50 minimum monthly payment
3. \$400-\$599.99 = \$75 minimum monthly payment
4. \$600-\$999.99 = \$100 minimum monthly payment
5. \$1000-\$2499.99 = \$140 minimum monthly payment
6. \$2500-\$3499.99 = \$200 minimum monthly payment
7. \$3500 and up = \$210 minimum monthly payment

**E. Financial Assistance Policy Guideline (based on 2023 Federal Poverty Guidelines)**

	100%	101% - 150%	151% - 200%	201% - 300%
<b>Persons in Family/household</b>	<b>Income</b>	<b>Income to:</b>	<b>Income to:</b>	<b>Income to:</b>
1	\$14,580	\$21,870	\$29,160	\$43,740
2	\$19,720	\$29,580	\$39,440	\$59,160
3	\$24,860	\$37,290	\$49,720	\$74,580
4	\$30,000	\$45,000	\$60,000	\$90,000
5	\$35,140	\$52,710	\$70,280	\$105,420
6	\$40,280	\$60,420	\$80,560	\$120,840
7	\$45,420	\$68,130	\$90,840	\$136,260
8	\$50,560	\$75,840	\$101,120	\$151,680
For Families/households with more than 8 persons, add amount for each additional person.	\$5,140	\$7,710	\$10,280	\$15,420
<b>Write-Off Percentage:</b>	100%	75%	50%	25%