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Saint Luke's Surgicenter Lee's Summit	<b>Origination:</b>	01/2004
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	<b>Owner:</b>	<i>Melissa Ready: BOM</i>
	<b>Area:</b>	<i>Financial</i>
<b>References:</b>		

## Charity Care

### PURPOSE:

To assure that financial assistance options are available to all medically indigent patients and guarantors who are unable to pay for medically necessary services provided by Saint Luke's Health System ("Saint Luke's") partner entities that are not tax exempt (each "Partner Facility"). This policy is applicable to only those partner facilities listed in the below section entitled "SLHS Entities Covered by this Policy". Please note, the Charity Care Policy does not apply to Cosmetic Procedures.

### SCOPE:

All patients requesting part or all of their accounts to be written off as charity care will be reviewed on a case-by-case basis.

### POLICY

Each Saint Luke's Partner Facility listed will provide financial assistance for medically indigent patients who meet eligibility criteria outlined in this policy. Situation where this provision of financial assistance that will be considered include, but are not limited to:

- Uninsured patients who do not have the ability to pay
- Insured patients who do not have the ability to pay for portions not covered by insurance
- Deceased patients with no estate, and no living trust
- Patients involved in catastrophic illness or injury

### DEFINITION(S)

- A. **Amounts Generally Billed** – The Amounts Generally Billed (AGB) is the amount generally allowed by Medicare fee for service and private health insurers for emergency and other medically necessary care. Partner Entities use the look back method to determine AGB.
- B. **Catastrophic Medical Expense** – A Catastrophic Medical Expense is defined as patient's financial responsibility exceeding 20% of the annual income and financial resources available to the patient and/or guarantor.
- C. **Co Pay** – Minimum amount due from patients who qualify for financial assistance.
- D. **Federal Poverty Guidelines** - Federal Poverty Guidelines (FPL) means those guidelines issued by the

Federal Government that describe poverty levels in the United States based on a person or family's household income. The Federal Poverty Guidelines are adjusted according to inflation and published in the Federal Register. For the purposes of this policy, the most current annual guidelines will be utilized.

- E. **Look Back Method:** Look Back Method is a prior twelve (12) month period used when calculating Amounts Generally Billed.
- F. **Medically Necessary Services** - Medically necessary services are services that are reasonable and medically necessary for the prevention, diagnosis, or treatment of a physical or mental illness or injury; to achieve age appropriate growth and development; to minimize the progression of a disability; or to attain, maintain, or regarding functional capacity; in accordance with accepted standards of practice in the medical community of the area in which the physical or mental health services rendered; and service(s) is (are) furnished in the most appropriate setting. Medically necessary services are not used primarily for convenience and are not considered experimental or excessive form of treatment.
- G. **Medically Indigent** - A medically indigent patient is defined as a person who has demonstrated that he/she is too impoverished to meet his or her medical expenses. The medically indigent patient may or may not have an income and may or may not be covered by insurance. Each patient's financial position will be evaluated individually using the Federal Poverty Limit as a guideline.

## PROCEDURE

- A. Applying for Financial Assistance  
Medical indigence must be demonstrated through documentation, financial screening or by presumptive scoring. This determination can be made before, during or after patient care is provided. Requests for financial assistance are accepted for up to 1 year from the date of service.
- B. Patients apply for financial assistance by completing a Statement of Financial Position form and providing supporting documents as requested. Patients may obtain a Statement of Financial Position form by requesting in writing or by contacting the business office by phone or email. The form is also available at the website <https://saintlukessurgicenter.org/>. Supporting documentation may be required including items such as Federal Income Tax Return, IRS non filing letter, recent bank statements, recent pay check stubs, and letter from Medicaid eligibility office denying Medicaid coverage. Other documents that support the patient/household income, assets and financial position may be requested but not required.
- C. Under special circumstances the requirement to complete the Statement of Financial: position and/or provide additional documents may be waived with supervisor or manager approval. Examples of special circumstances include but are not limited to Medicaid eligible patients receiving non-covered medically necessary or emergent services, and patients unable to provide documents.
- D. Financial assistance applications are valid for six (6) months after approval date. Financial assistance may be extended for an additional six (6) months with affirmation of the household income or estimated income and household size. All patients must reapply after the initial twelve (12) month period is over.
- E. **Financial Assistance Determination**
- F. A patient's eligibility for financial assistance is not determined until activities to identify and secure payment from Medicare, Medicaid, Crime Victims, other government programs, other funded programs, medical insurance, auto insurance personal injury protection (PIP) or med pay, liability liens, estate claims or any other possible appropriate source for payment are exhausted. Reversal of financial assistance adjustments must be made if subsequent third party payments are received. Financial assistance is to be considered the adjustment of last resort.

G. A patient's eligibility for financial assistance is based on the household income at the time assistance is sought, expressed as a percentage of the Federal Poverty Guideline for family size.

**Household Income is defined as:**

H. **Adults:** If the patient is an adult, "Yearly Household Income" means the sum of the total yearly gross income or estimated yearly income of the patient and the patient's spouse.

**Minors:** If the patient is a minor, "Yearly Household Income" means the sum of the total yearly gross income or estimated yearly income of the patient, and patient's parent(s) living in the home.

**Household size is defined as:**

**Adults:** In calculating the Household Size, include the patient, the patient's spouse, and any dependents (as defined by the Internal Revenue Code (IRC)).

**Minors:** In calculating the Household Size, include the patient, the patient's mother, the patient's father, dependents of the patient's mother, and dependents of the patient's father (as defined by IRC).

I.

Financial resources such as checking accounts, savings accounts, IRA's, CD's, retirement savings, and investments may be considered when determining a patient's ability to pay. In all cases the patient's and responsible party's overall financial position and household income are considered when determining financial assistance.

J. Financial assistance eligibility is based on the Federal Poverty Guideline and other financial resources. The Federal Poverty Guideline is used as a guideline and applied considering type of service and the provider setting differences. The Federal Poverty Guideline as used for the purposes of determining financial assistance is outlined later in this policy.

K. The FPL% guidelines are applied as follows:

L. Saint Luke's Partnership Entities

M. Income % of FPL	% Charity	% Patient
N. Responsibility		
O. 133% or less	100%	0%
P. 134% to 150%	50%	50%
Q. 151% to 175%	25%	75%
R. 176% to 200%	15%	85%
S. >200%	0%	100%

T. Patients with religious objections or American Indians with objections to insurance or government programs may owe greater amounts when approved for financial assistance. The ability of the patient to pay along with ability of religious or tribal community to pay the bill is considered.

U.

In situations where a patient has a Catastrophic Medical Expense the patient financial responsibility after charity may be reduced to an amount equal to 20% of annual income and financial resources. The patient's financial responsibility after financial assistance will not exceed AGB.

**APPROVAL**

Financial assistance may be approved by an administrator designated by the Saint Luke's Partner Facility ("Designated Administrator").

### **Financial Assistance Policy Availability to Patients**

Information about the availability of financial assistance will appear on patient statements and will be posted on signs in patient accessible areas.

The financial assistance policy, plain language summary of policy and financial assistance application form with instructions are available on the website <https://saintlukessurgicenter.org/>

Patients or members of the public may request a copy of this policy available at no charge at the admitting office or by contacting the billing office by phone, mail, email, or in person.

### **PATIENT BILLING AND COLLECTION**

Statements are sent to patients to advise them of balances due. Balances are considered delinquent when the patient fails to make either acceptable payment or acceptable payment arrangements before the next statement. Patients are notified of delinquent balances by messages on the statements, by phone calls, by final notices or by collection letters. Delinquent accounts may be placed for collection if the patient fails to respond.

Presumptive eligibility may be used to determine eligibility for financial assistance. The estimated income and family size or likelihood of payment may qualify the patient for financial assistance. When presumptive eligibility results in 100% charity, the account is adjusted accordingly. When presumptive eligibility results in partial charity, the patient is notified in writing of partial charity and that they can apply for additional charity by completing an application. The patient is provided a reasonable time period in which to apply for additional assistance. Patients may apply for financial assistance before, during or after services are provided.

The Designated Administrator has the final authority or responsibility for determining that the Saint Luke's Partner Facility policies and procedures make reasonable efforts to determine whether an individual is FAP eligible and therefore engage in extraordinary collection actions against the individual.

Delinquent accounts are placed for collection. The policies and practices of the collection agency follow the Fair Debt Collection Practices Act. The agency demonstrates a patient relations approach in all its practices. The agency utilizes a variety of collection methods including letters and phone calls.

### **Collection Suit**

The Saint Luke's Partner Facility, the collection agency and collection law firm work with patients to avoid filing a suit for collections whenever possible. When settlement or payment arrangements are not agreed to and/or met, the Saint Luke's Partner Facility may file suit in an attempt to collect on delinquent accounts.

When a patient applies for or is screened for financial assistance and it is not approved, Saint Luke's Partner Facility may file to collect delinquent accounts. All requests for suit are approved by the Designated Administrator.

### **SLHS Entities Covered by this Policy: This policy applies to the following SLHS entities:**

St. Luke's South Surgery Center, LLC

**St. Luke's Surgicenter Lee's Summit, LLC**

## **Associated Documentation**

Form – Financial Assistance Form

## Attachments

[Form - Financial Assistance.doc](#)

## Approval Signatures

Approver	Date
Melissa Ready: BOM	06/2020

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