



**POLICY TITLE: FINANCIAL ASSISTANCE**

**Former Policy Title:**

**Issued By:** Mission and Community Benefit Committee  
Approved on July 15, 2021  
Next Review Scheduled for June 30, 2022

**POLICY PURPOSE**

It is the purpose of this policy to formalize the procedure which Lancaster General Health (LG Health) has uniformly implemented regarding potential financial assistance cases.

**APPLICABILITY/SCOPES/EXCLUSIONS**

This policy applies to all patients seeking care at LG Health. Financial assistance obtained via this policy will be honored at other Penn Medicine and the University of Pennsylvania Health System (UPHS) entities, using the applicable discount methodologies as set forth within the other UPHS entities' Financial Assistance Policy. Financial assistance does not apply to cosmetic or retail services that are offered by LG Health. See Financial Assistance Attachment A: Provider List for the designations of which group practices serving the LG Health community are included within this Financial Assistance Policy.

**POLICY STATEMENT**

As part of UPHS, LG Health provides urgent/emergent medical services without regard for ability to pay. Admission and treatment are provided to all patients equitably, with dignity, respect and compassion without regard to age, race, color, national origin, ancestry, ethnicity, genetic information, culture, socio-economic status, domestic or sexual violence status, source of income, source of payment, veteran status, religious creed, gender, physical or mental disability, marital status, gender orientation, or sexual preference and in accordance with the requirements of the Patient Protection and Affordable Care Act. In addition, LG Health is prohibited from engaging in actions that would discourage individuals from seeking emergency medical care, such as by demanding that emergency department patients pay before receiving treatment or by permitting debt collection activities that interfere with the provision, without discrimination, of emergency medical care.

Patients are expected to cooperate with the financial assistance counseling process and fulfill their financial commitments to the entities. Persons, who qualify for financial assistance as stated in this policy, may apply for financial assistance at any time during the treatment cycle or up to 240 days from the first statement billing date of the date of service.

Persons approved for financial assistance or other assistance programs receive the same level of care as any other patients. LG Health will offer financial counseling and assistance programs to patients in the categories identified in this policy to assist patients who cannot pay for all or part of their care. For a

complete list of providers who are included within this policy, see Financial Assistance Attachment A: Provider List.

## **DEFINITIONS**

1. **Financial Assistance:** Healthcare services that have been or will be provided, but are never expected to result in payment. Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

When it has been determined that a patient is not eligible for coverage by external sources of funding, the following categories and criteria will be used in determining eligibility for financial assistance.

- Have limited or no health insurance
- Have applied for government assistance, such as Medicare or Medicaid, but did not qualify
- Demonstrate financial need
- Supply LG Health with necessary information about household finances

Financial assistance may be available for both the uninsured and underinsured and may be approved as either full or discounted coverage. Individuals who qualify for a discounted coverage rate may not be charged more than amounts generally billed (AGB) for emergency or medically necessary care.

2. **Uninsured:** The patient has no level of insurance or third party assistance or has lost their insurance due to a life changing event such as loss of job or some other circumstance that has caused an interruption to assist with meeting payment obligations.
3. **Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed financial abilities.
4. **Gross Charges:** The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.
5. **Medically Necessary Care:** A term used to describe the supplies and services provided to diagnose and treat a medical condition in accordance with the standards of good medical practice and the medical community.

## **PROCEDURE**

1. Patients will be considered for financial assistance on a guarantor basis, with the financial assistance application applying to all applicable guarantors for that household. It is the patient's responsibility to request a new application when the approval timeframe expires, or if the financial circumstances change. Since LG Health must balance what is compassionate and equitable with what is financially reasonable, total household income and resources (ex. pay stubs, bank statements, tax return (including all schedules and supporting documentation), proof of alimony and/or child support, social security 1099 forms or award letters, unemployment or workers' compensation award letters, and any other letters or statements of support documenting income sources) will be taken into consideration when reviewing applications for financial assistance.

2. The process for patients seeking care who are not U.S. Citizens will be handled on a case- by- case basis.
3. Patients who submit incomplete applications are mailed a letter stating they have 14 days to return the needed documents/information or the request for financial assistance will be denied. Patients who do not submit an application are mailed a letter after 28 days from receiving the application. The letter states that they have 14 days to return the completed application and requested documents or the request for financial assistance will be denied.
4. Patients who do not cooperate with the financial counseling process, or whose application for financial assistance is denied by LG Health, may be pursued by collection efforts, including referral to an outside collection agency or attorney, as determined by the Billing & Collection Policy of LG Health.
5. The Financial Assistance Program, Financial Assistance Program Application, and Financial Assistance Program Plain Language Statement are available upon request and may be obtained as follows:
  - a. Contacting a Financial Counselor at 717-544-1957
  - b. [www.LGHealth.org/Financial-Assistance](http://www.LGHealth.org/Financial-Assistance)
  - c. Visiting the Cashier & Patient Financial Services Office, 555 N. Duke Street, Lancaster, Pennsylvania
6. A request for financial assistance can be initiated either at point of Registration, Financial Counselor interview, or Collector/Follow Up stage. Patients will first be asked about their willingness to complete an application for financial assistance which will require full income verification. If patients choose not to participate in financial assistance screening, they will be expected to pay the designated balance and will follow the standard collection process of LG Health. Patients who desire additional discounts will be subject to Financial Assistance, using the following steps:
  - a. Patients must cooperate with Pennsylvania (PA) Medical Assistance applications when applicable. Patients who do not cooperate with PA Medical Assistance or insurance exchange plans, but are known to have no financial resources will be given assistance as determined by Patient Financial Services.
  - b. A Financial Counselor will evaluate for potential eligibility for outside funding sources and review the application process with the patient/family. If feasible, the Financial Counselor will complete the application for outside funding and set up an appointment for the patient to return with the required documents. Should the patient not return for the appointment, the account may be referred for collections.
  - c. If the patient is not eligible for outside funding, the Financial Counselor will document the patient's financial status and request income verifications, including but not limited to pay stubs, bank statements, tax return (including all schedules and supporting documentation), proof of alimony and/or child support, social security 1099 forms or award letters, unemployment or workers' compensation award letters, and any other letters or statements of support documenting income sources.
  - d. Any patient/family that falls below 400% of the Federal Government's Federal Poverty Guidelines will qualify for financial assistance. More specifically, any patient/family that

falls below 300% of the Federal Governments Federal Poverty Guidelines will qualify for a full coverage discount while those between 301% and 400% will qualify for a discounted coverage rate, as defined in the Financial Assistance Attachment B: Amounts Generally Billed (AGB) Calculation.

- i. The AGB calculation is based on fully paid Medicare Accounts as of May 18, 2021 with dates of service ranging from May 1, 2020 through April 30, 2021. The AGB threshold was established using the individual average reimbursement rate for inpatient, outpatient/emergency room, and physician services.
  - e. Financial Assistance eligibility determinations are generally made within 10 business days of the receipt of a completed application. Financial assistance approvals are valid from the date of service until up to one year after the determination date. If a patient's circumstances change and a new financial assistance application is submitted, the new application will start from the point of notification.
7. LG Health will consider other factors in the patient/family financial situation, should there be other critical expenses, not related to the patient's medical care, that make payment of the financial obligation difficult. If the patient worksheet indicates the patient can make payments but refuses, the case is to be referred for collections.
8. Financial Assistance approvals determined by UPHS and the Physicians' Surgery Center will be honored by LG Health upon receipt of the patient's approval letter. LG Health will honor the Federal Poverty Level (FPL) determined by UPHS or the Physicians' Surgery Center and will apply appropriate adjustments to qualifying accounts within the approved date range. LG Health will request a copy of the patient's complete Financial Assistance application and all supporting documentation when a date of service potentially eligible for adjustment falls outside the approval date range provided on the approval letter.
9. Patients whose whereabouts are unknown (skips) or who are incarcerated are recorded as free care, without application, and the account adjusted.
10. Patients seeking temporary or permanent refuge as a result of natural disaster are able to apply for Financial Assistance. In the event individuals are unable to provide the requested supporting documentation, applicants will be considered for catastrophic review.
11. LG Health is an active participant with the Ryan White Part C Grant program, for which a separate policy exists: Ryan White Certification. As part of the Ryan White Part C Grant eligibility process, patients are provided education on and offered an eligibility screening for LG Health's Financial Assistance program. If approved for both programs, discounts will be applied based on service type and at no time will a service qualify for discounts through both programs. Patients whose services qualify for discounts through the Ryan White Part C Grant program that remain unpaid/partially paid will not be subject to collection efforts.
12. The Financial Assistance Determination Sheet is completed and referred for approval and signature. All denials based on the applicant being over resourced/income are sent for Supervisor review. Denials due to not receiving the necessary supporting documentation are not sent for additional review.

13. SIGNATURE AUTHORIZATION based on the total account balances, at the time of the determination, for those dates of services falling within the approval timeframe:
  - a. Financial Assistance Administrator, Patient Financial Services up to \$ 20,000
  - b. Supervisor, Patient Financial Services over \$ 20,000
  - c. Manager, Patient Financial Services catastrophic first review
  - d. Director, Patient Financial Services catastrophic final review
14. Complete eligibility guidelines are included within the Financial Assistance Application (Financial Assistance Attachment C: Financial Assistance Application). These guidelines are reviewed with the patient and the patient will be considered for assistance upon completion and submission of the application and required documents.
15. This policy also applies to persons requiring Out-Patient Pharmacy items. For further information, the patients should be referred to the Financial Counselors, who then will assist patients in completing applications for free or reduced cost drugs from the pharmaceutical companies when available.
16. LG Health does not grant routine waivers or reductions to patient/family financial obligations, including co-payment, co-insurance and deductible obligations. Any waiver or reduction must comply with applicable law and requires an individual determination of the situation and/or reason for the request.
17. LG Health does not provide discounted services or professional courtesy based on a patient's relationship to any LG Health physician or any other provider, or to any Officer or Director of LG Health or its entities. These patients are subject to the same rules that apply to all patients regarding financial responsibility for services provided by LG Health.
18. Effective May 1<sup>st</sup>, 2020, self-pay accounts ineligible for Financial Assistance may receive a self-pay discount on total charges of approximately 125% of Medicare Reimbursement Rate for professional services and facility services.
19. In limited circumstances not related to a patient's/family's ability to pay, non-routine reductions and/or waivers of patient/family obligations, including co-payment, co-insurance and/or deductible obligations, may be approved by a member of Entity Senior Management or a representative of the Office of General Counsel.
20. Waivers or reductions, including "insurance only billing" or cessation of collection efforts, may be appropriate in limited circumstances for risk management or other lawful administrative purposes.
21. Notification about LG Health's financial assistance, which includes a contact number (Financial Counseling at 717-544-1957), shall be disseminated by various means, which may include, but are not limited to, the publication of notices in patient bills. LG Health also shall publish and widely publicize a summary of the Financial Assistance Policy and Plain Language Summary (see Financial Assistance Attachment D: Plain Language Summary) on facility websites ([www.LGHealth.org/Financial-Assistance](http://www.LGHealth.org/Financial-Assistance)), in patient access sites, and at other places within the community served by the hospital as LG Health may elect.

22. The Financial Assistance Policy, Plain Language Summary, the Financial Assistance Application, and associated application process letters will be available in English, Spanish, and Vietnamese based on the primary languages spoken by the LEP populations within the community being the lesser of 1,000 or 5 percent of community served threshold, using the United States Census Bureau data from 2013 and 2014.

### **PAYMENT PLANS**

LG Health offers interest-free payment plans, as defined by the Billing & Collections Policy of LG Health, depending upon the balance of the account. Payment plans are established after services have occurred.

### **ROLES/RESPONSIBILITIES**

This policy must be approved by The Lancaster General Hospital Board of Trustees.

Financial Counselors, Collectors, Supervisors, Managers, Practice Administrators, and Personnel are responsible for implementing this policy.

### **APPENDICES**

Financial Assistance Attachment A: Provider List

Financial Assistance Attachment B: Amounts Generally Billed (AGB) Calculation

Financial Assistance Attachment C: Financial Assistance Application

Financial Assistance Attachment D: Plain Language Summary

### **DISCLAIMER**

Any printed copy of this policy is only as current as of the date it was printed; it may not reflect subsequent revisions. Refer to the online version for the most current policy.

### **REFERENCES**

Billing and Collection Policy

IRC Section 501(r)

Ryan White Certification