



Policy # & Policy Title: FS.02.033 Financial Assistance
Effective Date: 03/01/2023

Policy:

Thompson Health serviced by UR Medicine Affiliate Billing Office (CBO) shall have a common and uniform practice to offer Financial Assistance to all individuals, regardless of race, creed, color, sex, national origin, sexual orientation, disability or age, who incur significant financial burden as a result of the amount they are expected to owe "out-of-pocket" for acute health care services. This burden is generally determined by the gross income and household size for regular application but may be applied in selected other. Financial Assistance generally requires an application by the impacted guarantor who must provide needed information to qualify. Financial Assistance processors will support such application after first exhausting efforts to ensure no additional third party insurance is available.

The amount of Financial Assistance is determined using a uniform sliding scale discount to charges for medically necessary, non-elective services provided in hospital, clinic, and medical practice settings. This discount, based on the annual gross income and household size of the guarantor, and relative to such income on the Federal Poverty Level. Income and household size relative to this annually updated Federal Poverty Level are the sole measures of burden and eligibility, and assets such as home and automobile are not considered.

PURPOSE

The purpose of this policy is to establish uniform guidelines to the calculation and application of Financial Assistance, also referred to in the past as Charity Care, Financial Aid, Sliding Fee or Subsidy.

This policy is to meet or exceed the requirements of New York State Public Health Law 2807-K, effective January 1, 2007. This policy is also to ensure consistent application of Federal regulations and rules, such as meeting IRS Rule 69-545 on Community Benefit Reporting requirements.

GUIDELINES

Financial Assistance through a sliding scale process is provided to a patient / guarantor who is uninsured and/or underinsured with a demonstrated inability to pay as evidenced in a timely application for Financial Assistance. A patient is eligible for Financial Assistance consideration based upon meeting certain income eligibility criteria defined in the Federal Poverty Income Guidelines. Financial Assistance will not be denied due to a patient's inability to provide all requested documentation. Requirements will be reasonable, and assistance will be provided to patients when applying.

Financial Assistance may be applied to Self-Pay (no insurance) after application of Self-Pay Discount and New York Surcharge for Self-Pay Patients or for amounts not covered by any insurance or grant program including coinsurance, deductibles and non-covered, when incurred for medically necessary services if the patient meets the Financial Assistance/Sliding Fee Application eligibility criteria. Patients with insurance other than

that afforded low-income individuals should not have their patient liability unpaid balance, coinsurance, deductible or non-covered service written-off to Financial Assistance/Sliding Fee unless financial hardship can be proven thru the application process.

Financial Assistance applies only to medically necessary services that are provided by Thompson Health, it's clinics, and physician practices. The Program does not cover the following:

- Services provided by providers, clinics, or group medical practice not employed or owned by Thompson Health
- Patient convenience items and personal charges (e.g., telephone).
- Non-medically necessary services (i.e. Cosmetic Surgery, self-referred therapies)
- Nursing Home / Residential services
- Home Health Services
- Market priced/packaged screening and testing clinics
- Corporate/Business billed services

Essential urgent and emergent health services shall not be delayed pending investigation of or promotion of Financial Assistance and referral to Financial Assistance shall be embedded into associate conversations with all patients/ guarantors at scheduling, registration, and all efforts to collect amounts during post-service collections. Program information and applications will be available at all registration and check-in points, cashiers, and online in facility and corporate web sites. Financial Case Managers, Certified Application Consultants or other associates with special training, will help the guarantor find and enroll in a government or commercial insurance program, or obtain another funding source. Billing may be held to allow the guarantor to obtain coverage. Customer Service Representatives will process the individual into the Financial Assistance program.

Income based: Applicant's total household income must be at or below 400% of the Federal Poverty Income Guidelines.

Residency Restrictions: Guarantor Residency at time of service will constrain the types of services where Financial Assistance can be applied:

Resident of	Scope of Financial Assistance
New York counties of, or immediately adjoining, the Primary Service Areas of the UR Medicine and Affiliate facilities	All medically necessary services, including emergency, urgent, and elective services.
New York counties outside and not adjoining the Primary Service Areas of the UR Medicine and Affiliate facilities	Emergency and urgent medically necessary services. Elective services as approved by UR Medicine Affiliate Billing Office Director or Thompson Health_CFO.
States not New York	Emergency and urgent medically

	necessary services. Elective services as approved by UR Medicine Affiliate Billing Office Director or Thompson Health_CFO. Per encounter basis (no window for future eligibility approved).
Outside of United States	All applications require review and approval by UR Medicine Affiliate Billing Office Director or Thompson Health_CFO. Per encounter basis (no window for future eligibility approved).

Timelines for Application and Determination: Generally, the guarantor or patient must voluntarily ask for financial assistance, and supply information needed to determine eligibility on a timely basis:

- For self-pay (no insurance), within 90 days of the date of service or discharge from the hospital.
- For patient balances after insurance (below), within 90 days from the date of the first statement.

An application will be reviewed and determination made within 30 days from the receipt of the fully completed application.

Patients who are applying for Financial Assistance for the first time and their income meets the program guidelines for a sliding fee scale, all services rendered within the prior 12 months (1 year) from the date of the application will be eligible for the financial assistance. Any balances previously paid by the patient will be refunded on these accounts in the (365 days) look-back.

Self-Pay (No Insurance) Patients: Once approved, where the patient is self-pay, enrollment in Financial Assistance is good for a year from the initial approval date. Accounts placed with outside collections in the same period may be returned and eligible for a financial assistance discount. The patient is asked to supply new information if conditions change that might change the initial eligibility and discount determination and to re-apply before the end of the year. At the end of the year, letters shall be sent out to the approved recipients to alert them of this expiration, and to provide information on re-application to obtain ongoing coverage.

Patient Balances After Insurance: The amount eligible for Financial Assistance shall be the balance after payments and contractual adjustments are posted to the account. No Self-Pay discount or New York Surcharge are also added. Any approved discount after insurance (based on income, family size and residence) are also subject to the following:

- Once approved, where the patient is self-pay, enrollment in Financial Assistance is good for a year from the initial approval date.
- All patients who have insurance coverage (i.e., Federal Insurers, State Insurers, HMO, PPO, Commercial, No Fault or Workers Compensation) and are denied

coverage by their insurance company will allow Thompson Health to consider appeal/legal action against the insurer before the Financial Assistance Discount will be considered.

- The Financial Assistance Program will not cover co-insurance, co-payments, or deductibles for patients who are eligible for secondary coverage from Medicaid, CHP, FHB, and other similar need-based programs.
- Selected commercial and governmental insurance programs, by contract, may not permit Thompson Health to apply Financial Assistance to amounts after insurance payment. The Billing Manager shall ensure such restrictions are communicated to the individuals processing financial assistance applications.
- Patients who have access to traditional medical care coverage (e.g., primary and secondary insurance coverage) must utilize and exhaust their benefits prior to submitting a Financial Assistance application, unless income is such that further discount would not be approved. The Financial Assistance Program is available to assist these patients with co-insurance, deductibles, and co-payments for services received if providing such assistance complies with third party payer contracts, applicable laws, and eligibility requirements.
- Any reduction or waiver of cost-sharing amounts for Medicare beneficiaries shall be applied in accordance with applicable rules and regulations pertaining to the Medicare program.
- The Financial Assistance Discount will be applied after any grant payments are applied.

Other Considerations:

Thompson Health reserves the right to review all information received, including the review of an applicant's tax returns to the extent permitted by applicable law, for purposes of processing the application.

Applicants who falsify information on the Financial Assistance application will no longer be eligible for the program and will be held responsible for all charges incurred while enrolled in the program retroactive to the first day that charges were incurred under the program.

Financial Assistance Program participants should inform Thompson Health or UR Medicine Affiliate Billing Office within thirty (30) days of any change in income, expenses, insurance status or family status.

Approvals are made by CBO Customer Service Representatives, Thompson Health senior leadership or UR Medicine Affiliate Billing Office Director. An appeals process is provided if Financial Assistance is declined, and information on this process shall be provided to the patient during the application and upon denial, if denied.

Calculating the Discount on an Income Based Sliding Fee Scale

Income is determined from wage and bank statements, tax returns and as attested by the applicant in the application process. Assets other than income, adjusted for the number of persons in the household, are generally not included. This includes value in home, automobiles, insurance and retirement savings, college (529) funds or personal possessions. Credit scores will not be requested.

Income may be based on a full year of income in tax returns, but may also be identified on a short-term basis, and scaled to an annualized basis, such as due to unemployment with no immediate prospect for employment.

The Financial Assistance Discount is determined from a sliding fee table consisting of 5 gradations or tiers of discount granted relative to the adjusted household income compared to the Federal Poverty Level. This is based on the gross income adjusted for the number of household residents.

The 1-person income threshold and per person incremental values are published annually (generally around February) by US Dept of Health & Human Services (HHS) in the Federal Register. Thompson Health will use the same table, which is the 48-contiguous state table published by HHS.

The Financial Assistance Discount is determined from a sliding fee table consisting of 5 gradations or multiples of discount granted, based on where the defined gross income compares to the FPL cell that is applicable. A common and consistent discount “sliding scale table” shall be used at Thompson Health, as shown in Table 2.

Changes to the number of tiers and the associated discount in Table 2 may be revisited annually by UR Medicine Affiliate Billing Office leadership to incorporate New York or Federal regulatory requirements or to address changes in market and the economy.

Table 2: Financial Assistance Brackets and Discount

Total Household Income As % of Federal Poverty Level [=(Income/FPL Value)x100%]	Financial Assistance Discount To Balance
Up to 200%	Eligible for Medicaid Rates
201-250%	80%
251-300%	60%
301-351%	40%
351-400%	20%
Over 400%	0%

The UR Medicine Affiliate Billing Office Director or designee, when updating the FPL table (Table 1), shall compute and publish the amount of income that corresponds to the brackets to be eligible for the discount shown in Table 2. For 2022 this table is shown in Table 3

2023 INCOME LEVELS							
Financial Assistance % Allowance	% of Federal Poverty Level	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person
	Federal Poverty Levels (FPL)	\$ 14,580.00	\$ 19,720.00	\$ 24,860.00	\$ 30,000.00	\$ 35,140.00	\$ 40,280.00
100%	Up to 200%	\$ 29,160.00	\$ 39,440.00	\$ 49,720.00	\$ 60,000.00	\$ 70,280.00	\$ 80,560.00
80%	201% - 250%	\$ 36,450.00	\$ 49,300.00	\$ 62,150.00	\$ 75,000.00	\$ 87,850.00	\$ 100,700.00
60%	251% - 300%	\$ 43,740.00	\$ 59,160.00	\$ 74,580.00	\$ 90,000.00	\$ 105,420.00	\$ 120,840.00
40%	301% - 350%	\$ 51,030.00	\$ 69,020.00	\$ 87,010.00	\$ 105,000.00	\$ 122,990.00	\$ 140,980.00
20%	351% - 400%	\$ 58,320.00	\$ 78,880.00	\$ 99,440.00	\$ 120,000.00	\$ 140,560.00	\$ 161,120.00
0%	Over 401%						

Each additional household member add \$5,140

Example: A one person household with a gross annual income of \$30,000 would receive a Financial Assistance allowance of **80%** as they would be below the 80% income of \$36,450 but above the 100% income of \$29,160

The CBO shall utilize automated processing to the greatest degree processing to collect and track applications, approval status, and the determined bracket and associated discount, but where such automation clearly presents the associated calculations.

Special Circumstances:

The Financial Assistance Program discount may be extended in selected circumstances, including:

- A. Deceased patients without an estate or third-party coverage are eligible for Financial Assistance. Appropriate documentation to support proof of death is required.
- B. Homeless persons are classified to be eligible for the Financial Assistance (as Self Pay) if they do not have all the following:
 - job
 - mailing address
 - residence
 - insurance
- C. Faith Based Discount: Thompson Health has created special fee schedules for patients who have obtained an IRS exemption from Medicare and Social Security Taxes under Sections 1402(g)(1) or Section 3127 of the Internal Revenue Code (“exemption”), who do not, for religious reasons, pursue Medicaid or other

coverage that they would be eligible to receive. To qualify for these special fee schedules, a patient must provide satisfactory written proof that he or she holds a current and valid exemption (IRS Form 4029). Additionally, under this program, the patient must complete a Financial Assistance Application. Based on that application if we deem the patient to be Medicaid eligible, the patient will be responsible for payment at the Medicaid fee for service rates. If we do not deem the patient to be Medicaid eligible (above 201% of FPL), the patient will be responsible for the hospital's usual and customary charges with any applicable Financial Assistance deduction applied as noted below.

Total Household Income As % of Federal Poverty Level [=(Income/FPL Value)x100%]	Financial Assistance Discount To Balance
Up to 200%	Eligible for Medicaid Rates
201-250%	Standard self-pay rate plus 80%
251-300%	Standard self-pay rate plus 60%
301-351%	Standard self-pay rate plus 40%
351-400%	Standard self-pay rate plus 20%
Over 400%	Eligible for standard self-pay rate

- D. Consideration must also be given to classifying patients who do not provide adequate information as to their financial status after attempts to find the information have failed:
- With no insurance (Self Pay), these accounts will receive the Self Pay Discount but Financial Assistance discounts may also be applied without receiving a full application (e.g. without supporting documentation), as recommended by Thompson Health, UR Medicine Affiliate Billing Office staff or collection and approved by the UR Medicine Affiliate Billing Office Director or above.
 - Thompson Health may utilize third party assessment and screening tools during the collection process to determine "presumptive charity eligibility" and apply Financial Assistance without a regular application from the guarantor.
- E. Patients who are in liquidation or reorganization bankruptcy or recently completed bankruptcy are considered for Financial Assistance Discount. Appropriate documentation to support bankruptcy proceedings is required. For

any accounts that have been sent to a collection agency for further collections, the appropriate documentation to support bankruptcy proceedings is sent to the collection agency in order for all collection activity to stop. This includes self-pay or balances after insurances.

F. Temporary regulations may be issued at New York or Federal levels that extended Financial Assistance to include selected encounters base on diagnosis or residency. An example is the 2021 COVID-19 National Declared Public Health Emergency where patients diagnosed with COVID-19 and who become uninsured but may or may not meeting incomes limits, and absent any special grant funding, may be classified as “charity care” or “assistance eligible”. Similar issues may occur with natural or man-made disasters rapidly impacting coverage.

The UR Medicine Affiliate Billing Office Director shall work with Thompson Health financial leadership to develop appropriate processes to identify eligible encounters and apply processing that utilizes or isolates these adjustments as needed. This may include using Financial Assistance, which would include adjustments in the “regular” Financial Assistance, but may require additional or different reporting, and a different process, including manual, not system driven application. Those directions may create temporary variations from this policy and should be reviewed at the earliest possibility with Thompson Health and corporate leadership.

G. On rare occasions, a patient’s circumstances may be such that while they do not meet the regular Financial Assistance Discount criteria in this policy, they do not have the ability to pay their hospital bill. In these situations, there must be complete supporting documentation of the decision, and why the patient did not meet the regular criteria. Some examples of special circumstances and relevant considerations include:

- Single parents or individuals caring for elders
- Other financial obligations/disabled family member
- The amount and frequency of billings for healthcare services including obligations outside of UR Medicine facilities
- Type of services provided (e.g., elective vs. emergency)
- The size of the medical bills relative to the annual income of the family who is outside the 400% limit for regular Financial Assistance Discount
- Change in employment status (i.e., loss of job)
- Patient’s address (lives in a zip code known to have a per capita income below the Federal poverty level)
- External catastrophic circumstances

H. All special circumstances may be referred by Thompson Health leadership or CBO staff, to the UR Medicine Affiliate Billing Office Director. Discounts up to 50% may be approved by the UR Medicine Affiliate Billing Office Director, and discounts over 50% must be approved by the Thompson Health CFO.

Other Guidelines & Supporting Practices:

Agencies: Support and service vendors used by member facilities and CBO shall be aware of the details of the Financial Assistance program and refer candidates to CBO or facility Financial Case Managers/CAC's. Obligations sent to outside agencies, either as Pre-Collections or Collections, may be taken back at CBO's sole discretion into active AR and reprocessed to apply appropriate discounts. This includes qualifying earlier accounts to a newly approved application, up to 1 year before the date of application ultimately approved, or under other circumstances.

Credit Bureaus: Discounts for self-pay or financial assistance are not reported to local or national credit bureaus by or UR Medicine Affiliate Billing Office.

Payment Plans: After Financial Assistance Discount is applied, guarantors may request payment plans to cover any outstanding balances after discount.

Information Security: The CBO will store all Financial Assistance applications, correspondence and guarantor supplied information in a secure document folder apart from the patient chart and other CBO communications. Designated Representatives from Thompson Health shall have access and can review at any time.

Appeals Process: All applicants to the Financial Assistance Program will receive in writing an approval and/or denial notification. Contact information for an appeal if denied is on each notification including special numbers to contact at UR Medicine Affiliate Billing Office at (585)396-6515 and the New York State Centralized Compliant Hotline: (800)804-5447.

Appeals submitted to Thompson Health will be forwarded to the UR Medicine Affiliate Billing Office, or received directly, and all will be reviewed in detail by the UR Medicine Affiliate Billing Office Director. The UR Medicine Affiliate Billing Office Director will work with the Financial Assistance Processors in the CBO in their review of the application and documentation. The initial Financial Assistance Application determination can be overturned by the CBO Director.

Appeal decisions will be sent in writing to the applicant. Where decisions are upheld after review, applicants will be advised to pursue further with the NYS Department's Centralized Complaint Hotline.

SPECIAL COMMUNICATION CONSIDERATIONS

Timing: All efforts to provide information at a variety of locations using a variety of media and techniques will be attempted. Thompson Health and system level services will strive to make the program information available to patients prior to them receiving services; however, it is recognized that in many cases patients will investigate Financial Assistance after services are rendered.

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Compliance: Communications may be required to meet regulatory requirements, such as the use of alternate language form and electronic content. The UR Medicine Affiliate Billing Office and Patient Access areas will periodically assess the need for alternate language communications and adapt materials as required.

Verbal: Thompson Health will make its best efforts to verbally communicate the program through its associates recognizing that there are levels of associate involvement and ability to effectively engage with patients and guarantors. Scheduling and registration staff will attempt to verbally inform all self-pay patients of this available benefit. There will be informational sheets and applications available for all patients in the registration area. Thompson Health Patient Access associates will be given information sheets to assist them with the ability to communicate this program to patients.

Interested persons and/or applicants who do not speak English can contact Thompson Health, or the UR Affiliate Billing Office at (585)396-6515, or 1(833)978-8325 and they will contact our Interpreter Service to be able to speak to the interested person and/or applicant in their preferred language as well as interpret the Financial Assistance application.

Written Media: A variety of written communications will be used as:

- Information Sheets – located in the same areas as the signs will be information sheets regarding the availability of a Financial Assistance Program identifying key contacts and phone numbers for further information.
- Application & Directions – these documents will provide the patient with the Financial Assistance application and directions as to how to complete the application and the additional information required for a “complete” application.
- Financial Assistance Applications are mailed by the Customer Service Department or Financial Case Managers to all Emergency Room, Urgent Care Center, Inpatients and Observation patients who are registered as self-pay
- Patient Bills & Collection Correspondence – Patient billing statements will include a statement regarding the existence of the program and who to contact. Similar information will be included in the “collection” letters.
- Financial Assistance Applications as well as the Financial Assistance Policy and supporting documentation will be translated into the language for any population that reaches over 5% of total population visits per year.

Electronic (Online) Media includes:

- Intranet – On Thompson Health current or any future system-wide Intranet (intended for physicians and staff) will include this policy and directions in the

Policy & Procedure Manual on the Intranet making the policy and program available to all associates.

- Internet Web Site – Thompson Health will include this full policy and a summary of this policy to incorporate general information about the policy, sliding fee application and directions, facility and professional services covered by the policy, financial counseling contact information on their (public) Internet Web Page.

Non-Patient Communication – Thompson Health or CBO will communicate the program with community health & human service agencies and social service organization & agencies (i.e., Office of the Aging, etc.) as well as companies it utilizes in its collection efforts (i.e., collection agencies).

REPORTING, REVIEW AND MONITORING

Patient Access and Finance areas, and counterparts at the facility level along with UR Medicine Affiliate Billing Office will comply with all Federal, State and Financial Standards Accounting Board accounting and reporting requirements as well as make its best effort to follow any voluntary or recommended standards established by New York State Healthcare Associations.

Thompson Health CFO, or UR Medicine Affiliate Billing Office Director or Regional Patient Access Director as delegated, shall communicate details regarding the program to Thompson Health system and its facility Administration, Board of Directors, or Advisory Boards as needed.

Thompson Health CFO will report on the Financial Assistance program at the system or facility level in its audited financial statement, CMS Institutional Cost Report, or other mandated reporting as well as updating marketing materials.

This policy will be reviewed annually by the UR Medicine Affiliate Billing Office Director, to incorporate the annually published Federal Poverty Level tables by US HHS/CMS in the Federal Register, and as needed for any changes with the publication of any related State or Federal regulations or legislation.

Thompson Health and UR Medicine Affiliate Billing Office will comply with NYCRR Part 86-1.11(g) (ii), section IX and other applicable regulations. This compliance will be verified annually as part of an external review through the “Bad Debt & Charity Care Audit” at the Thompson Health or system level as needed. The UR Medicine Affiliate Billing Office Director shall coordinate cross-reviews and audits, and develop policy updates with their affiliate, the University of Rochester (URMC), or as requested Thompson Health senior leadership in order to meet local market conditions.

References:

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Joint Commission: N/A

NYSDOH: N/A

Other References: Guidelines from the Healthcare Association of New York State/New York State
Legislation Budget Bill S.6457C, IRS Affordable Care Act Mandates and New Tax Code
Section 501 (r)

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Registration, 01.935 - Physician Billing

Approved By: Lalena Symonds (Legal & Compliance Admin), Mark Prunoske (Sr Vp Finance & Cfo)