



FINANCIAL ASSISTANCE – CHARITY CARE

Subject: Swedish Financial Assistance (Charity Care) Policy	Policy Number: PSJH RCM 002 - SHS	
Department: Revenue Cycle Management	<input type="checkbox"/> New <input checked="" type="checkbox"/> Revised <input type="checkbox"/> Reviewed	Date: 2/16/2023
Executive Sponsor: SVP Chief Revenue Cycle Officer	Policy Owner: Executive Director Financial Counseling	
Approved by: SVP Chief Revenue Cycle Officer	Implementation Date: 4/1/2023	

Swedish Health Services and Swedish Edmonds (“SHS” or “Swedish”) is a not-for-profit healthcare organization guided by a commitment to its Mission of improving the health and well-being of each person we serve, by its Core Values of safety, patient-centered care, respect, caring and compassion, teamwork and partnership, continuous learning and improvement and leadership, and by the belief that healthcare is a human right. It is the philosophy and practice of each SHS hospital that emergent and medically necessary healthcare services are readily available to those in the communities we serve, regardless of their ability to pay.

SCOPE:

This policy applies to all SHS hospitals in the state of Washington, and to all emergency, urgent and other medically necessary services provided by SHS hospitals (with exception of experimental, investigative, or elective care). A list and further explanation of SHS hospitals and related facilities covered by this policy can be found in Exhibit A Covered Facilities List. When we use the word “hospital” in this policy, it is referring to the scope of facilities described in Exhibit A.

This policy shall be interpreted in a manner consistent with Section 501(r) of the Internal Revenue Code of 1986, as amended, and with Chapter 70.170.060 of the Revised Washington Code, as amended. In the event of a conflict between the provisions of such laws and this policy, such laws shall control.

PURPOSE:

The purpose of this policy is to ensure a fair, non-discriminatory, effective, and uniform method for the provision of financial assistance (charity care) to eligible individuals who are unable to pay in full or part for medically necessary emergency and other hospital services provided by SHS hospitals.

It is the intent of this policy to comply with all federal, state, and local laws. This policy and the financial assistance programs herein constitute the official Financial Assistance Policy (FAP) and Emergency Medical Care Policy for each hospital owned, leased or operated by SHS.

RESPONSIBLE PERSONS:

Revenue Cycle departments. In addition, all appropriate staff who perform functions relating to registration admissions, financial counseling, and customer support will receive regular training on this policy.



POLICY:

SHS will provide free or discounted hospital services to qualified low income, uninsured and underinsured patients who are at or below 400% of the FPL and underinsured patients when the ability to pay for services is a barrier to accessing medically necessary emergency and other hospital care and no alternative source of coverage has been identified. Patients must meet the eligibility requirements described in this policy to qualify.

SHS hospitals with dedicated emergency departments will provide, without discrimination, care for emergency medical conditions (within the meaning of the Emergency Medical Treatment and Labor Act and Chapter 246-453-010 of the Washington Administrative Code) consistent with available capabilities, regardless of whether an individual is eligible for financial assistance. SHS will not discriminate on the basis of age, race, color, creed, ethnicity, religion, 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.

SHS hospitals with dedicated emergency departments will provide emergency medical screening examinations and stabilizing treatment or refer and transfer an individual if such transfer is appropriate in accordance with 42 C.F.R. 482.55 and RCW § 70.170.060. SHS prohibits any actions, admission practices, or policies that would discourage individuals from seeking emergency medical care, such as permitting debt collection activities that interfere with the provision of emergency medical care.

List of Professionals Subject to SHS FAP:

Each SHS hospital will specifically identify a list of those physicians, medical groups, or other professionals providing services who are and who are not covered by this policy. Each SHS hospital will provide this list to any patient who requests a copy. The provider list can also be found online at the SHS website:

www.swedish.org/obp.

Financial Assistance Eligibility Requirements:

Financial assistance is available to both uninsured and insured patients and guarantors where such assistance is consistent with this policy and federal and state laws governing permissible benefits to patients. SHS hospitals will make a reasonable effort to determine the existence or nonexistence of third-party coverage which may be available, in whole or part, or sponsorship status of charity care, for the care provided by SHS hospitals, prior to directing any collection efforts at the patient.

When a patient or their guarantor may be eligible for coverage through medical assistance programs under chapter 74.09 RCW or the Washington health benefit exchange, or is determined to be qualified for retroactive, health care coverage through the medical assistance programs under chapter 74.09 RCW, SHS hospital will provide assistance to the patient or guarantor with applying for such coverage. Financial assistance may be denied if the patient or their guarantor fails to make reasonable efforts to cooperate with and assist SHS hospitals in applying for such coverage. SHS hospitals will not place unreasonable burdens on the patient or guarantor during the application process for financial assistance and retroactive coverage, taking into account any physical, mental, intellectual, or sensory deficiencies, or language barriers which may hinder the reasonable party's capability of complying with application procedures. Patients who are obviously or categorically ineligible or have been deemed ineligible in the prior 12 months for a state or federal program will not be required to apply for such programs in order to receive financial assistance.

Uninsured patients may receive an uninsured discount prior to financial assistance eligibility verification. Eligible financial assistance balances include but are not limited to the following: uninsured or self pay patients, charges for insured patients with coverage from a plan in which SHS does not



participate, coinsurance, deductible, and copayment amounts related to insured patients. Deductible and coinsurance amounts claimed as a Medicare bad debt will be excluded from the reporting of charity care.

Patients seeking financial assistance must complete the standard SHS Financial Assistance Application and eligibility will be based upon financial need as of the date of service or as of the date of application, whichever indicates the lower amount of income and greatest financial need. Patients may re-apply for assistance if their financial circumstances change, even if a previous application was denied or approved in part. Reasonable efforts will be made to notify and inform patients of the availability of financial assistance by providing information during admission and discharge, on written communications concerning billing or collections, in patient accessible billing or financial services areas, on SHS hospital's website, by oral notification during payment discussions, as well as on signage in inpatient and outpatient areas, including areas where patients are admitted or registered and in the emergency department. Translations will be made available in any language spoken by more than ten percent of the population in the hospital's service area. SHS will retain information used to determine eligibility in accordance with its recordkeeping practices

Applying for Financial Assistance: Patients or guarantors may request and submit a Financial Assistance Application, which is free of charge and available at the SHS ministry or by the following means: advising patient financial services staff at or prior to the time of discharge that assistance is requested and submitted with completed documentation; by mail, or by visiting www.swedish.org/obp, downloading and submitting the completed application with documentation. A person applying for financial assistance will be given a preliminary screening, which will include a review of whether the patient has exhausted or is not eligible for any third-party payment sources and if they may meet the criteria for charity care.

Each SHS hospital shall make designated personnel available to assist patients in completing the Financial Assistance Application and determining eligibility for SHS financial assistance or financial assistance from government-funded insurance programs, if applicable. Interpretation services are available to address any questions or concerns and to assist in the completion of the Financial Assistance Application.

A patient or guarantor who may be eligible to apply for financial assistance may provide sufficient documentation to SHS to support eligibility determination at any time upon learning that their income falls below the minimum Federal Poverty Level (FPL) per the relevant Federal and State regulations. SHS will suspend any collection activities pending an initial determination of eligibility for financial assistance, provided that the patient or their guarantor is cooperative with SHS's reasonable efforts to reach an initial determination.

SHS acknowledges that a determination of eligibility for financial assistance or discount can be made at any time upon learning that a party's income is below 400% of the federal poverty standard adjusted for family size. In addition, SHS may choose to grant financial assistance solely based on an initial determination of a patient's status as an indigent person. In these cases, documentation may not be required.

Individual Financial Situation: Income, certain assets, and expenses of the patient will be used in assessing the patient's individual financial situation. SHS will consider and collect information related to assets as required by the Centers for Medicare and Medicaid Services (CMS) for Medicare cost reporting. Assets considered when making a determination of eligibility for financial assistance shall not include: (A) for a single individual, the first \$100,000 of a patient's monetary assets, and 50% of a patient's monetary assets over the first \$100,000; (B) for a family of two or more, the first \$100,000 of the family's monetary assets, and 50% of the family's monetary assets over the first \$100,000; (C) any equity in a primary residence; (D) retirement or deferred compensation plans qualified under the Internal Revenue Code or nonqualified deferred compensation plans; (E) one motor vehicle and a second motor vehicle if it is necessary for employment or medical purposes; (F) any prepaid burial contract or burial plot; and (G) any life insurance policy with a face value of \$10,000 or less. The value of any asset that has a penalty for early withdrawal shall be the value of the asset after the penalty has been paid.



Information requests from SHS to the responsible party to verify assets will be limited to that which is reasonably necessary and readily available to determine the existence, availability, and value of a person's assets and will not be used to discourage application for free or discounted care. Duplicate forms of verification will not be requested. Only one current account statement will be required to verify monetary assets. If no documentation is available, SHS will rely on a written and signed statement from the responsible party. Any asset information obtained by the hospital in evaluating a patient for charity care will not be used for collection activities and assets will not be considered for households under 300% of the federal poverty level.

Income Qualifications:

Income criteria, based on FPL, shall be used to determine eligibility for free or discounted care. Please see Exhibit B for details.

Determinations and Approvals:

Patients will receive notification of FAP eligibility determination within 14 days of submission of the completed Financial Assistance Application and necessary documentation. Any determination of ineligibility will include an explanation of the basis for denial. Once an application is received, collections efforts will be pended until a written determination of eligibility is sent to the patient. The hospital will not make a determination of eligibility for assistance based upon information which the hospital reasonably believes is incorrect or unreliable.

Dispute Resolution:

The patient may appeal a determination of ineligibility for financial assistance by providing relevant additional documentation to the hospital within 30 days of receipt of the notice of denial. The patient may need to provide relevant additional documentation in support of their appeal. SHS will suspend any collection activities pending review of the appeal. All appeals will be reviewed and if the review affirms the denial, written notification will be sent to the guarantor and State Department of Health, where required, and in accordance with the law. The final appeal process will conclude within 10 days of receipt of the denial by the hospital. An appeal may be sent to Swedish Medical Center, Attn: Corporate Business Office, 747 Broadway, Seattle, WA 98122.

Presumptive Charity:

SHS may approve a patient for a charity adjustment to their account balance by means other than a full Financial Assistance Application. Such determinations will be made on a presumptive basis using an industry-recognized financial assessment tool that evaluates ability to pay based on publicly available financial or other records, including but not limited to household income, household size, and credit and payment history.

Other Special Circumstances:

Patients who are eligible for FPL-qualified programs such as Medicaid and other government-sponsored low-income assistance programs, may also be eligible for financial assistance. Patient account balances resulting from charges that are non-reimbursable by Medicaid or other government-sponsored low-income assistance programs may be eligible for full or partial charity write-off, including but not limited to non-reimbursable charges for medically necessary services related to the following:

- Denied inpatient stays
- Denied inpatient days of care
- Non-covered services
- Prior Treatment Authorization Denials
- Denials due to restricted coverage

Catastrophic Medical Expenses:

SHS, at its' discretion, may grant charity in the event of a catastrophic medical expense. These patients will be handled on an individual basis.

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Times of Emergency:

Financial assistance may be available at SHS’s discretion in times of a national or state emergency, independent of assistance for catastrophic expenses.

Limitation on Charges for all Patients Eligible for Financial Assistance:

No patient who qualifies for any of the above-noted categories of assistance will be personally responsible for more than the “Amounts Generally Billed” (AGB) percentage of gross charges, as defined below.

Reasonable Payment Plan:

Once a patient is approved for partial financial assistance, but still has a balance due, SHS will negotiate a payment plan arrangement. The reasonable payment plan shall consist of monthly payments (without interest or late fees) that are not more than 10 percent of a patient’s or family’s monthly income, excluding deductions for Essential Living Expenses that the patient listed on their Financial Assistance Application.

Billing and Collections:

Any unpaid balances owed by patients or guarantors after application of available discounts, if any, may be referred to collections. Collection efforts on unpaid balances will cease pending final determination of FAP eligibility. SHS does not perform, allow, or allow collection agencies to perform any extraordinary collection actions. For information on SHS billing and collections practices for amounts owed by patients, please see SHS Hospital’s policy, which is available free of charge at each SHS hospital’s registration desk, or at:

www.swedish.org/obp.

Patient Refunds:

In the event that a patient or guarantor has made a payment for services and subsequently is determined to be eligible for free or discounted care, any payments made related to those services during the FAP-eligible time period which exceed the payment obligation will be refunded, in accordance with state regulations.

Annual Review:

This SHS Financial Assistance (Charity Care) Policy will be reviewed on an annual basis by designated Revenue Cycle leadership.

Exceptions:

See Scope above.

Definitions

For the purposes of this policy the following definitions and requirements apply:

1. Federal Poverty Level (FPL): FPL means the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services.
2. Amounts Generally Billed (AGB): The amounts generally billed for emergency and other medically necessary care to patients who have health insurance is referred to in this policy as AGB. SHS determines the applicable AGB percentage by multiplying the hospital’s gross charges for any emergency or medically necessary care by a fixed percentage which is based on claims allowed under Medicare and commercial payors. Information sheets detailing the AGB percentages, and how they are calculated, can be obtained by visiting the following website: www.swedish.org or by calling 1-866-747-2455 to request



a copy.

3. Extraordinary Collection Action (ECA): ECAs are defined as those actions requiring a legal or judicial process, involve selling a debt to another party or reporting adverse information to credit agencies or bureaus. The actions that require legal or judicial process for this purpose include a lien; foreclosure on real property; attachment or seizure of a bank account or other personal property; commencement of a civil action against an individual; actions that cause an individual's arrest; actions that cause an individual to be subject to body attachment; and wage garnishment.

Regulatory Requirements

<i>Internal Revenue Code Section 501(r); 26 C.F.R. 1.501(r)(1) – 1.501(r)(7)</i>
<i>Washington Administrative Code (WAC) Chapter 246-453</i>
<i>Revised Code of Washington (RCW) Chapter 70.170.060</i>
<i>Emergency Medical Treatment and Labor Act (EMTALA), 42 U.S.C. 1395dd</i>
<i>42 C.F.R. 482.55 and 413.89</i>

References

<i>American Hospital Associations Charity Guidelines</i>
<i>Providence St. Joseph Health Commitment to the Uninsured Guidelines</i>
<i>Provider Reimbursement Manual, Part I, Chapter 3, Section 312</i>



**Exhibit A
Covered Facilities List**

SHS Hospitals in Washington	
Swedish Medical Center First Hill/Ballard	Swedish Medical Center Cherry Hill
Swedish Issaquah	Swedish Edmonds

For clarity, this policy also applies to all covered facility inpatient and outpatient departments and clinics. In addition, this policy applies to the employees of covered facilities, as well as any not-for-profit or non-profit entity majority owned or controlled by Swedish and bearing the Swedish name and their respective employees.



Exhibit B
Income Qualifications for SHS Hospitals

If...	Then ...
Annual family income, adjusted for family size, is at or below 300% of the current FPL guidelines,	The patient is determined to be financially indigent and qualifies for financial assistance 100% write-off on patient responsibility amounts.
Annual family income, adjusted for family size, is between 301% and 400% of the current FPL guidelines,	The patient is eligible for a discount of 75% from original charges on patient responsibility amounts.
If annual family income, adjusted for family size, is at or below 400% the FPL <u>AND</u> the patient has incurred total medical expenses at SHS hospitals in the prior 12 months in excess of 20% of their annual family income, adjusted for family size, for services subject to this policy,	The patient is eligible for 100% charity benefit on patient responsibility amounts.