

## Financial Assistance

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**POLICY:** Seattle Children's provides health care appropriate for the special needs of children up to 21 years of age who are residents of Washington, Alaska, Montana, or Idaho, regardless of their ability to pay. Financial assistance (charity care) is provided to these children based upon family need and hospital resources. Children's has established criteria for providing financial assistance in accordance with the requirements of Chapter 246-453 Washington Administrative Code (WAC). Consistent and objective decisions are made regarding eligibility for financial assistance without regard to race, sex, creed, ethnicity, religion, or other protected status of applicants.

**PURPOSE:** To outline Children's requirements and practices with respect to the provision of financial assistance.

**PROCEDURE:** The **ADDENDUM below** describes the current standards and procedures.

Reviewed by: Kelly Wallace, Senior Vice President, Chief Financial Officer

Revised by: Suzanne Vanderwerff, Senior Director, Revenue Cycle

Approved by: Lisa Brandenburg, President, Hospital

**Approved by DOH:** 04/05/10, 11/12, 03/13

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## ADDENDUM:

### I. Access to Emergency Services:

- A. Access to emergency services without discrimination will not be delayed or denied based on an individual's ability to pay for services or determination of an individual's insurance coverage or financial assistance eligibility.

### II. Scope of Financial Assistance

- A. **Services** – Financial assistance will be provided for appropriate medically necessary services, e.g., those hospital services that are reasonably calculated to diagnose, correct, cure, alleviate, or prevent the worsening of conditions that endanger life or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and for which there is no other equally effective, more conservative, or substantially less costly course of treatment available or suitable for the person requesting the service. Services that are primarily cosmetic or purely elective are not eligible for financial assistance. (See examples in APPENDIX I)
- B. **Duration** – The determination of eligibility for financial assistance will be applicable to the episode of care identified at the point of determination (up to 1 year for chronic conditions requiring continuous treatment). Patients or guarantors can reapply at any time.

### III. Eligibility Criteria for Financial Assistance:

Patients must meet **all** the following criteria in order to be eligible for financial assistance:

- A. **Residency** –Patient must reside in Washington, Alaska, Montana, or Idaho (the “WAMI Region”). Patients are considered residents of the WAMI Region only if, prior to beginning their course of care, their primary residence is located in one of the WAMI Region states. **Exceptions:**
  1. Children's may grant limited-duration financial assistance to the patients who reside outside of the WAMI region when such patients have an unanticipated, emergency onset of illness.
  2. Solid organ transplant patients who reside in Oregon or Hawaii are eligible for financial assistance due to these states being part of our UNOS transplant region.
- B. **Age** – Patients are considered children until reaching their 21<sup>st</sup> birthday and may qualify for financial assistance. **Exceptions:**
  1. Adults who are being tested or treated at Children's to further the care of a Children's patient who is under the age of 21 (for example, testing for the presence of tuberculosis) may qualify for financial assistance. This includes adults who receive care in Seattle Children's Prenatal Clinic.
  2. Patients 21 years and older may qualify for financial assistance when Medical Director review identifies that the patient's medical condition is best treated by a pediatric specialist.  
Patients 21 years of age and older who receive care at Children's and who do not meet the above exception criteria may qualify for financial assistance only up to the income levels mandatory under Washington State law.
- C. **Alternate Funding** –Children's financial assistance is a secondary funding source after all other funding options including group or individual health insurance, eligible government programs including Medicaid, third party liability or workers'

compensation programs, designated grant or trust funds, Health Reimbursement or Savings accounts (HRAs or HSAs), or any other persons or entities with a legal responsibility to pay for medical services.

Children's reserves the right to require confirmation that a patient is ineligible for alternate funding sources.

- D. **Income** - Patients may be eligible for financial assistance if the patient or guarantor has a gross family income at or below 400% of the Federal Poverty Guidelines as adjusted for family size. If self-employed, net (take home) income information is used. The amount that a family personally pays toward their medical insurance premium will be deducted from their gross family income before it is assessed. Income documentation to verify information indicated on the application form may be requested. Responsible parties whose income exceeds 400% and who have incurred significant patient account balances not eligible for funding from other sources may be eligible for financial assistance with a deductible. In this case they are responsible for a portion of the outstanding balance, and Children's financial assistance covers the remaining balance.
- E. **Application** –The patient or their guarantor must submit an application form. In cases where a patient can be reasonably presumed to qualify for financial assistance, and when the standard application processes are not likely to be completed due to socioeconomic or other factors, Children's Medical Director, Chief Financial Officer, or Senior Director of Revenue Cycle, or their designee, may administratively designate a patient to qualify for financial assistance in the absence of receiving all required information. Additionally, when a family includes additional information about their financial situation with their application, these same individuals can administratively make a determination granting financial assistance using this information.

#### IV. Financial Assistance Determination Process

- A. Documentation – All information relating to the application will be kept confidential. Determination of eligibility will be made by the Business Services Department within fourteen (14) days of receipt of all required information.
  - 1. **Approvals** – A letter communicating the approval or denial of financial assistance and the applicable eligibility period will be sent to the party who applied for financial assistance. A copy of this letter is provided to Children's University Medical Group (CUMG), which honors Children's financial assistance determinations.
  - 2. **Denials** – In the event Children's determines a patient is not eligible for financial assistance, a written denial will be provided to the applicant and will include the reason(s) for denial, the date of the decision, and the instructions for appeal or reconsideration.
  - 3. **Appeals** - The applicant may appeal the determination of eligibility for financial assistance by providing additional information about the family's income, size, other financial liabilities, or other pertinent factors to the Senior Director of Revenue Cycle within thirty (30) days of receipt of notification. All appeals will be reviewed by the Senior Director of Revenue Cycle for final determination. If this determination affirms the previous denial of financial assistance, written notification will be sent to the responsible party and the Department of Health in accordance with state law.

In the event that a patient or guarantor makes a payment toward medically necessary services and is subsequently found to have met financial assistance criteria, any payments for medically necessary services made in the prior 90 days or during the eligibility period will be refunded within thirty (30) days.

In the event that an individual is denied eligibility for financial assistance and has no third party funding source or discount, a 25% discount will be automatically applied to the patient's charges. The patient or guarantor is not billed full charges. This discount level is equal to or greater than both the contractual discount negotiated with each major payer and the average discount negotiated with all major payers.

V. Communications to the Public:

Information about Children's financial assistance policy is made publicly available as follows:

- A. Public Notice – A notice is displayed at all main entrance registration locations both in English and in Spanish. Additionally, Children's financial assistance policy and application form is on its website at [www.seattlechildrens.org](http://www.seattlechildrens.org).
- B. Individual Notification – Children's will make financial assistance information available to each person who is being seen at a Children's site of care.
- C. Alternate Languages – Children's application form for financial assistance is available in English and Spanish. Financial Counselors, who have access to interpreter services for other languages, are available in person and by telephone to assist with completion of the application.
- D. Staff – Children's trains its front-line staff to answer financial-assistance questions or to direct such questions to the financial counseling department in a timely manner. Applications can also be requested from a financial counselor at (206) 987-3333.
- E. Patient bills – Each bill sent to a family contains written information about the availability of financial assistance and the number to call for further assistance. An application will be sent to potentially eligible guarantors if no response is received to patient bills.

**APPENDIX I:**

Services which Seattle Children's has determined are routinely elective or cosmetic and which are not eligible for charity care funding include, but are not limited to:

1. Orthodontia services for malocclusion in the absence of an underlying craniofacial condition
2. Adults seeking genetic testing for purposes of determining whether a genetic condition could be transmitted to future children.
3. Earwell cosmetic ear reshaping procedure
4. Laser surgery performed for cosmetic purposes
5. Otoplasty for cosmetic purposes