



Virginia Mason Medical Center

POLICY: Financial Assistance

Effective January 1, 2016

PURPOSE	In furtherance of its charitable purpose, Virginia Mason Medical Center (“VMMC”) is committed to providing emergency and medically necessary care to all persons in need of such care regardless of their ability to pay. VMMC shall provide financial assistance to eligible patients in conformance with federal and state law.
SCOPE	This policy applies to VMMC hospital and clinic services.
POLICY	<ol style="list-style-type: none">1. Financial Assistance shall be available and without discrimination as to race, color, creed, national origin, religion, sex, sexual orientation, disability, age, source of income, or any other class protected by federal or Washington state law.2. Financial assistance-eligible patients will be charged less than gross charges for Medically Necessary Care using the AGB prospective method.3. Patients with primary residency in one of the WWAMI states and with gross family income at or below three hundred percent (300%) of the federal poverty guidelines adjusted for family size may be eligible for Financial Assistance at a 100% discount. VMMC reserves the right to consider assets as part of the final determination for Financial Assistance if family Income exceeds 100% of the federal poverty level.4. A notice advising patients that VMMC provides Financial Assistance shall be posted in check-in areas of the VMMC hospital and clinics, including the Front Desk areas and the Emergency Department. Written information about VMMC’s Financial Assistance policy shall be made available to patients at admitting or check-in and any time upon request. Notice is also available on VMMC’s website, statements and patient brochures regarding fees and billing. Notices shall be provided in the primary language of any population that constitutes more than five percent (5%) or 1,000 of the residents of the community served by VMMC, whichever is less.5. Patients must first exhaust all other funding sources for which they may be eligible before they will be eligible for Financial Assistance, including, without limitation, the following:<ul style="list-style-type: none">• Group or individual medical plans• Worker’s compensation plans• Medicaid program (patient should have proof of denial)• Medicare• Other state, federal or military programs• Third party liability (i.e., auto accidents, personal injury)• Any other persons or entities who have legal responsibility to pay for the medical service• Health saving account (HSA) funds. Virginia Mason may require a responsible party to fully utilize any available funds from HSA to satisfy outstanding balances. <p>VMMC reserves the right to require confirmation a patient is ineligible for alternative funding sources, including, without limitation, written denials (or</p>

oral denials followed by documentation) from applicable funding sources.

6. Financial Assistance eligibility excludes persons coming from outside the WWAMI region solely seeking medical services. For purposes of this policy, patients are considered eligible if, prior to the beginning of their course of care, their primary residence is located within the WWAMI region. Exceptions to the residency requirement in this Financial Assistance policy are:
 - (a) All patients who have an emergency medical condition, consistent with applicable federal and state laws and regulations
 - (b) Refugees, asylees, and those seeking asylum who possess and can present United States Citizenship and Immigration Services (USCIS) documentation.
7. Patient Account Specialists will determine a patient's eligibility for financial assistance based on information provided by the patient in the form of a Financial Assistance Application and income verification. All information regarding a patient's Financial Assistance application will be kept confidential. In the event that the patient is not able to provide certain documentation requested on the Financial Assistance application, VMMC may rely upon a written and signed statement from the patient specifying the necessary information to make a final determination of eligibility for Financial Assistance.
8. Only Medically Necessary Care will be available for Financial Assistance determination. Financial Assistance eligibility excludes treatments provided under experimental and/or investigational protocols and outpatient pharmacy, equipment and supplies which are unrelated to hospital-based medical services. Any questions regarding the Medical Necessity of care will be given to the Patient Financial Services Physician Advisor(s) for determination.
9. VMMC will make final eligibility determination and notify the patient within fourteen (14) days of receipt of all required financial information. VMMC shall include information on appeal procedures for those denied Financial Assistance.
10. Designations of Financial Assistance, while generally determined at time of patient appointment or prior to admission, may occur at any time upon learning of facts that would indicate a patient's inability to pay. Should care be designated as qualifying as Financial Assistance under this policy after payment has been made by the patient, any payments in excess of the amount determined to be appropriate under this policy shall be refunded to the patient within 30 days of Financial Assistance determination.
11. The patient/guarantor may appeal a negative determination of eligibility within 30 days of the determination by correcting any deficiencies in documentation or requesting review of the denial by VMMC's Charity Appeal team. Billing and collection efforts will be suspended during the appeal process. If the determination affirms the previous denial of Financial Assistance, written notification will be sent to the patient/guarantor and the Department of Health in accordance with state law.
12. Full or partial discounts may be provided to patients who are not otherwise eligible for Financial Assistance. Such discounts may be provided to patients with catastrophic costs or conditions when circumstances as determined by VMMC indicate that full payment may cause extraordinary financial hardship to the patient or the patient's family. VMMC shall determine, on a case by case basis, whether a patient qualifies as Medically

Indigent pursuant to this policy and shall, through Patient Financial Services, determine the amount of the discount, if any. Determinations shall be made expeditiously after submission of financial information by the patient, but shall not be subject to any appeal rights.

DEFINITIONS

- **Amounts Generally Billed (AGB):** Financial assistance-eligible patients will not be charged more for emergency or other medically necessary care than the amounts generally billed to individuals who have insurance covering such care by using the prospective method described in section 501(r)(5)(b)(4) of the Internal Revenue Code. The AGB under the prospective method is determined by using the billing and coding process the hospital facility would use if the financially eligible individual were a Medicare fee-for-service beneficiary and setting AGB for the care at the amount the hospital facility determines would be the total amount Medicare would allow for the care, including both the amount that would be reimbursed by Medicare and the amount the beneficiary would be personally responsible for paying in the form of co-payments, co-insurance, and deductibles.
- **Family Unit:** a group of two or more persons related by birth, marriage, or adoption who live together; all such related persons are considered as member of one family (WAC 246-453-01)
- **Financial Assistance:** Financial Assistance is provided in the hospital or clinic setting for no fee or a discounted fee, based on the patient's demonstrated inability to pay. With the exception of emergency and urgent care, this care should be planned for and approved before the delivery of care. VMMC reserves the right to limit Financial Assistance to hospital services in accordance with state and federal law.
- **Financial Assistance Application form (Confidential Financial Statement):** A confidential disclosure of patient financial status.
- **Income:** defined per WAC 246-453-010(17) as total cash before taxes derived from wages and salaries, welfare payments, Social Security payments, strike benefits, unemployment or disability benefits, child support, alimony and net earnings from business and investment activities.
- **Medically Indigent.** Persons who are generally not eligible for free or discounted care under this Financial Assistance policy but who VMMC may determine to have catastrophic costs or conditions which may cause extraordinary financial hardship to the patient or the patient's family.
- **Medically Necessary Care:** Services or supplies that are determined by VMMC to be:
 - Consistent with the illness, injury or condition of the patient;
 - The most appropriate supply or level of service which can safely be provided;
 - There is no other equally effective, more conservative or substantially less costly course of treatment available or suitable to the person requesting the services;
 - In accordance with generally accepted medical or surgical practice guidelines; and
 - Not primarily cosmetic, purely elective or primarily for the convenience of the patient.
 - Not considered experimental and/or related to investigational protocols or research studies/services.
- **Residency:** For the purposes of Financial Assistance eligibility, patients must be able to provide proof of residency within the states of Washington,

	<p>Wyoming, Alaska, Montana or Idaho (here after referred to as WWAMI region).</p> <ul style="list-style-type: none"> • Should/May: Indicates that staff <u>may use his/her own judgment</u> regarding compliance with actions described or defined. • Staff, Staff Member: employees of VMMC to whom VMMC issues IRS Forms W-2, including employed professional staff. • Will: Indicates that staff <u>must comply</u> with action(s) described or defined.
RELATED DOCUMENTS	<p>Internal Revenue Code §501(r) RCW 70.170.060 WAC 246-453 Collection Policy Collection Process Policy</p>
SPONSOR TITLE	<p>Lynne Chafetz, Senior Vice President and General Counsel Steve Schaefer, Vice President</p>
AUTHOR TITLE	<p>Jo MacKay, Manager Revenue Stream Debra Madsen, Associate General Counsel and Administrative Director, Legal</p>
GOVERNING DEPARTMENT	<p>Patient Financial Services</p>
NAME OF POLICY MANUAL	<p>Organizational Policies</p>
IMPLEMENTATION & MONITORING PLAN	<p>All Patient Financial Services leaders and staff will be trained in the new policy. Compliance with the policy is reported annually on the VMMC IRS Form 990.</p>
NEXT REVIEW DATE	<p>September 2018</p>
SEARCH KEYWORDS	<p>Financial Assistance, Charity Care</p>