

Carolinas HealthCare System Blue Ridge Coverage Assistance and Financial Assistance

Origination Date: 09/18/1987

Review/Revised Date: 09/09/2020

APPLICABILITY:

Blue Ridge Healthcare Hospitals, Inc., DBA (Doing Business As) Carolinas HealthCare System Blue Ridge (CHS Blue Ridge)

PHILOSOPHY/INTRODUCTION:

CHS Blue Ridge shall provide appropriate levels of care commensurate with the facility's resources and the community needs.

CHS Blue Ridge is committed to assisting patients obtain coverage from various programs as well as providing financial assistance to every person in need of medically necessary treatment. CHS Blue Ridge will always provide emergency medically necessary care regardless of the patient's ability to pay. Similarly, patients who are able to pay have an obligation to pay and providers have a duty to seek payment from these individuals.

OBJECTIVES:

- To model CHS Blue Ridge core value of Caring.
- To ensure the patient exhausts other appropriate coverage opportunities prior to qualifying for CHS Blue Ridge financial assistance.
- To provide financial assistance based on the patient's ability to pay.
- To ensure CHS Blue Ridge complies with any required Federal or State regulation related to financial assistance.
- To establish a process that minimizes the burden on the patient and is cost efficient to administer.

DEFINITIONS:

The terms used within this policy are to be interpreted as follows:

- Clinic Sliding Scale: A program allowing indigent patients to utilize outpatient clinic services for a co-pay based on income.
- Elective: Services that, in the opinion of a physician, are not immediately needed or can be safely postponed.
- Emergency Care: Immediate care which is necessary in the opinion of a physician to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions or serious dysfunction of any organs or body parts.

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- Financial Assistance Score (FAS Score): A score developed with the assistance of a third-party vendor to provide a proactive, consistent, and automated mechanism to substantiate a patient's financial profile.
 - FAS Score is not a credit score.
 - FAS Score relies on various databases with more than 9,000 sources and 2 billion records to determine the likelihood that a patient lives in poverty.
 - A component of FAS Score is a Household Income Index that is calibrated to Federal Poverty Guidelines.
 - Other components include, but are not limited to, a review of census data, consumer transaction history, asset ownership files and utility files.
- Household Financial Income: Includes income from all members of the household as defined by federal tax guidelines. As measured against annual Federal Poverty Guidelines includes, but is not limited to the following:
 - Annual household pre-tax job earnings
 - Unemployment Compensation
 - Workers' Compensation
 - Social Security and Supplemental Security Income
 - Veteran's payments
 - Pension or Retirement income
 - Other applicable income to include, but not limited to: rent, alimony, child support, and any other miscellaneous source
- Medically Necessary: Hospital services provided to a patient in order to diagnose, alleviate, correct, cure or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity.
- Other Coverage Options: Options that would yield a third-party payment on account(s) under CAFA review including, but not limited to: Workers' Compensation, governmental plans such as Medicare and Medicaid, State/Federal Agency plans, Victim's Assistance, etc., or third-party liability resulting from automobile or other accidents.

POLICY:

CHS Blue Ridge follows two different processes based on place of service when determining eligibility for financial assistance for uninsured patients. Place of service types are categorized into two different groups:

1. Category I – All Inpatient and observation services, as well as outpatient hospital services with balances greater than or equal to \$10,000. Reference lab, clinic sliding scale and outpatient pharmacy accounts are excluded.
2. Category II – All other hospital outpatient or emergency services with balances less than \$10,000. Reference lab, clinic sliding scale and outpatient pharmacy accounts are excluded.

Category I

All uninsured patients with Category I services will be reviewed by the CHS Blue Ridge Coverage Assistance Services team. Patients with Category I services will be required to complete a Coverage Assistance/Financial Assistance (CAFA) application prior to being considered for financial assistance. The CAFA application gathers information needed to determine if the patient is eligible for any other coverage options. If the CAFA process indicates a high likelihood of coverage, then the patient, with CHS Blue Ridge assistance, will be required to pursue those opportunities before the patient will be considered for CHS Blue Ridge financial assistance. CHS Blue Ridge representatives are available to help those who are mentally and/or physically disabled in applying for assistance. CHS Blue Ridge will keep financial information confidential and will treat patients seeking coverage assistance and financial assistance with dignity. The financial assistance application process will not officially start until the coverage assistance process is completed and the patient is found ineligible for other coverage options. If the patient fully cooperates when seeking other coverage options, but such coverage is unlikely or properly denied, CHS Blue Ridge will determine the patient's eligibility for financial assistance. **A Patient who fails to fully cooperate with this process is deemed ineligible for financial assistance.**

Category I Eligibility Criteria

1. Services Eligible:

- All medically necessary (as determined by a physician) inpatient services.
- All medically necessary (as determined by a physician) outpatient services with balances greater than or equal to \$10,000.
- All hospital emergency medical services provided in an emergency room setting with balances greater than or equal to \$10,000.
- All non-elective, medically necessary (as determined by a physician) outpatient hospital services provided in response to life-threatening circumstances in a non-emergency room setting with balances greater than or equal to \$10,000.

2. Services Ineligible:

- Elective and cosmetic services
- Reference lab services
- Outpatient pharmacy services
- Clinic Sliding Scale eligible services (Clinic visits, outpatient diagnostics, and emergency department services covered by the Clinic Sliding Scale co-pay)

3. Patients Eligible:

- Household income is between 0% and 400% of the Federal Poverty Guidelines (FPG)
- Uninsured and ineligible for other coverage options for the account(s) under CAFA review
- North Carolina and South Carolina residents
- Fully cooperate with the determination of other coverage options

4. Patients Ineligible:

- Household income is greater than 401% of the Federal Poverty Guidelines
- Eligible for assistance through the Clinic Sliding Scale Program
- Have current insurance coverage
- Have other coverage options available for the account(s) under review
- Fail to fully cooperate with the determination of other coverage options

Determination of Category I Financial Assistance Discount:

- Completion of the CAFA application to determine if other coverage options are available for medically necessary and non-elective services.
- Eligibility for a financial assistance discount is based on a patient’s total Household Financial Income for the prior 90 days reported at the time of evaluation.
- Financial need will be determined by comparing total Household Financial Income to Federal Poverty Guidelines (FPG) in effect at the time of determination.
- Patients who can demonstrate that their total Household Financial Income is at or below 200% of FPG is eligible for a 100% discount for an eligibility period of 180 days.
- Patient with total Household Financial Income between 201% and 400% of FPG is eligible for partial discounts for an eligibility period of 180 days.
- For patients with Category I services whose third-party vendor verification indicates that the patient has substantial financial resources, those resources may be considered when determining eligibility.
- Patient payments received prior to any financial assistance adjustment will not be refunded.

Category I Patient Financial Assistance Scale				
*Max Income Range	0-200% FPG	201%-300% FPG	301-400% FPG	≥401% FPG
Adjustment %	100%	75%	50%	0%
# in Household				
1	0-\$25,520	\$25,521-\$38,280	\$38,281-\$51,040	≥\$51,041
2	0-\$34,480	\$34,481-\$51,720	\$51,721-\$68,960	≥\$68,961
3	0-\$43,440	\$43,441-\$65,160	\$65,161-\$86,880	≥\$86,881
4	0-\$52,400	\$52,401-\$78,600	\$78,601-\$104,800	≥\$104,801
5	0-\$61,360	\$61,361-\$92,040	\$92,041-\$122,720	≥\$122,721
6	0-\$70,320	\$70,321-\$105,480	\$105,481-\$140,640	≥\$140,641
7	0-\$79,280	\$79,281-\$118,920	\$118,921-\$158,560	≥\$158,561
8	0-\$88,240	\$88,241-\$132,360	\$132,361-\$176,480	≥\$176,481

** Max income ranges based on 2020 Federal Poverty Guidelines*

Category I Verification of Household Financial Resources and Eligibility Period

Typically, CAFA applications are completed at or after the time that services are rendered. CHS Blue Ridge will attempt to interview all patients unable to pay for services. CHS Blue Ridge will utilize, where appropriate, any external third-party data to validate information provided by the patient on the CAFA application.

- **Verification Period** - Total Household Financial Income will be based on a look- back period of the prior 90 days from the application date and validated using third party vendors. If there is a discrepancy between what is reported by third party vendors and the patient, the patient may be asked to provide further documentation of income.
- **Eligibility Period** - Once approved, the eligibility period for Financial Assistance is 180 days from the date of approval for medically necessary and non-elective services. Any changes occurring within the eligibility period that would result in a high likelihood that the patient would be newly eligible for other coverage options must be pursued by the patient to retain financial assistance eligibility.
- **Documentation** - Patients may be asked to provide documentation from employers and banking institutions to further verify income. Financial statements and verification of income and third-party vendor documentation will be retained by CHS Blue Ridge for a period of 10 years or as required by law. Falsification of financial information including withholding information will be reason for denial of financial assistance.
- **Fraud** – CHS Blue Ridge reserves the right to reverse financial assistance adjustments provided by this policy if the information provided by the patient during the information gathering process is determined to be false or if CHS Blue Ridge obtains proof that the patient has received compensation for the medical services from other sources not disclosed to CHS Blue Ridge.

Documentation Requirements

Documentation of household size and income is required to determine eligibility. Acceptable documents may include:

- Certified birth certificates or other proof of citizenship/alien status for everyone applying for Medicaid/North Carolina Health Choice (NCHC)
- Identity documents for everyone applying for Medicaid/NCHC
- Social security cards, social security numbers, or proof that you have made an application for a number from the Social Security Office, for everyone applying for Medicaid or NCHC
- A copy of all pay stubs for last month
- Copies of all medical or life insurance policies

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- A list of all cars, trucks, motorcycles, boats, etc. you or anyone in your household own, including the year, make, model, and vehicle identification number (VIN) for each item
- Most recent bank statements
- A list of all real property you own
- Current financial statements/award letters from other sources of income, such as social security, retirement benefits, pensions, veteran benefits, and child support.
- Law Enforcement Report (if applicable)
- Notification of Cobra and associated billing documents
- Previous year's Federal Tax Return

If the patient does not or cannot present the information outlined above, the facility may use other evidence to demonstrate eligibility.

If additional information is required from the patient to complete the application, the facility will notify the individual in writing of the information that is missing and provide a reasonable time for it to be provided.

Presumptive Eligibility

Patients who qualify and are receiving benefits from the following programs may be presumed eligible for 100 percent financial assistance:

- **Food stamps.** The U.S. Department of Agriculture Food and Nutrition Service Food Stamp Program.
- **State Relief Programs.** Some State programs that do not cover medical needs are available to individuals deemed to be living in poverty. CHS Blue Ridge may qualify a participant in specific programs as qualification for financial assistance when medical insurance benefits are not available.
- **Local Programs.** Verified as meeting poverty guidelines Some counties offer a financial assistance program designed to provide emergency short-term assistance to persons lacking the resources to meet their basic needs for food, shelter, fuel, utilities, clothing, medical, dental, hospital care and burial. The facility's Financial Assistance program may provide assistance for hospital charges not covered by these programs.
- **Homelessness.** Homeless persons qualify for assistance.
- **Deceased Patients.** Unpaid balances of patients who are deceased with no estate or surviving responsible party qualify for assistance.
- **Demographic Analytics.** Patient demographics may be compared with a third-party database using public information to identify poverty conditions (e.g. PARO score) to determine eligibility for the Financial Assistance Program.

Patients who meet presumptive eligibility criteria may be granted financial assistance without completing the financial assistance application. Documentation supporting the patient's qualification for or participation in a program must be obtained and kept on file. Unless otherwise noted, an individual who is presumed eligible under these presumptive criteria will continue to remain eligible for the Eligibility period outlined below, unless facility personnel have reason to believe the patient no longer meets the presumptive criteria.

Category II

CHS Blue Ridge will use a presumptive process to determine financial assistance eligibility for Category II services. All uninsured patients with Category II services will be evaluated automatically for a financial assistance discount based on a financial assistance score (FAS.) The patient is not required to complete a CAFA application for assistance. The FAS score is assigned prior to the first billing statement. The FAS will be assigned based on proprietary scoring algorithms from experienced third-party experts selected by CHS Blue Ridge. CHS Blue Ridge will periodically test the algorithms to ensure they are consistently applied and will adjust the FAS thresholds as needed.

Patients found eligible will receive a 100% financial assistance discount on eligible services and will not receive a bill. Each Emergency Department patient will be required to pay a co-pay of \$75.00 for service in the Emergency Department. Patients with Category II services found ineligible for a presumptive financial assistance discount will receive a bill and will be notified of their ineligibility via a letter.

1. Services Eligible:

- All medically necessary (as determined by a physician) outpatient services determined by a physician with balances less than \$10,000
- All hospital emergency medical services provided in an emergency room setting with balances less than \$10,000

2. Services Ineligible:

- Elective and cosmetic services
- Reference lab services
- Outpatient pharmacy services
- Clinic Sliding Scale eligible services (Clinic visits, outpatient diagnostics, and emergency department services covered by the Clinic Sliding Scale co-pay)

3. Patients Eligible:

- FAS Score calibrated to Federal Poverty Guidelines
- Do not have current health insurance coverage

4. Patient Ineligible:

- Have current insurance coverage
- Eligible for other coverage options
- Eligible for assistance through the Clinic Sliding Scale Program

Determination of Category II FA Discount:

- Eligibility for FA for Category II services is based on the CHS Blue Ridge FAS Score that is obtained from a third-party vendor prior to the first billing statement.
- Each patient with Category II services that has an eligible FAS Score will
- receive a 100% discount after applicable co-pay.
- Ineligibility for a FA discount will be communicated via a letter.
- Patient payments received prior to any financial assistance adjustment will not be refunded.

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- Each billable encounter of care for Category II services as determined by Medicare billing rules will be evaluated separately for FA eligibility.

Patient Responsibilities Regarding Financial Assistance

If applicable, prior to being considered for financial assistance, the patient/family must cooperate with the CHS Blue Ridge to furnish information and documentation to apply for the Coverage Assistance and Financial Assistance Program as well as other existing financial resources that may be available to pay for the patient's health care, such as Medicaid, Medicare, third-party liability, etc.

- A patient who qualifies for partial discounts must cooperate with the provider to establish a reasonable payment plan that takes into account available income, the amount of the discounted bill(s), and any prior payments.

Patients who qualify for partial discounts must make a good faith effort to honor the payment plans for their discounted healthcare bills. They are responsible for communicating to the provider any change in their financial situation that may impact their ability to pay their discounted healthcare bills or to honor the provisions of their payment plans.

Applying for Coverage Assistance and Financial Assistance

CAFA applications are for patients who have received Category I services. As stated above, CHS Blue Ridge teammates will strive to interview all uninsured Category I patients and assist them in the completion of a CAFA application. CHS Blue Ridge will determine eligibility for financial assistance once the coverage assistance process is completed. In those situations, where the patient cooperates with the CAFA application, CHS Blue Ridge will automatically determine financial assistance eligibility at the completion of the coverage assistance process. If CHS Blue Ridge teammates are unable to interview a patient with Category I services, the patient may download a paper Coverage Assistance/Financial Assistance Application online and mail the application to CHS Blue Ridge. A patient may also request a paper application via phone by calling (828) 580-5090 and an application will be sent to the patient via mail. Patients with Category I services can also apply in person at the time of service.

Patients who have received Category II services are not required to complete an application for coverage assistance or financial assistance. Patients with Category II services will be automatically screened for financial assistance eligibility at final billing. A patient found eligible will receive a 100% discount after applicable co-pay. A patient found ineligible through this process will receive written notification via mail. If the patient believes that she should be eligible for financial assistance, even though the FAS Score deemed the patient ineligible, she can apply for CAFA by downloading a CAFA application online and mailing it to CHS Blue Ridge. A Patient may also request a paper CAFA application via phone by calling (828) 580-5090 and a CAFA application will be sent to the patient via mail. Only fully completed CAFA applications will be reviewed. Patients who choose to apply for CAFA will be required to pursue other coverage options before being considered for a financial assistance discount.

All paper applications should be mailed to:

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CHS Blue Ridge
Attn: Financial Counseling
2201 S Sterling Street
Morganton, NC 28655
(828) 580-5090

Once an application is received, an CHS Blue Ridge Coverage Assistance Services team member will contact the patient if necessary.

Communication of Policy

CHS Blue Ridge communicates the availability of its CAFA process to all patients through the following:

- CHS Blue Ridge's website www.blueridgehealth.org
- On all hospital billing statements
- Information posted at conspicuous locations throughout the facility
- Information posted in the Emergency Department and at Admissions
- Onsite Coverage Assistance Services interviews with patient and families

Coverage Assistance and Financial Assistance Policy and Application are available in English, Spanish, Hmong and any other language that is considered the primary language of any population with limited English proficiency that constitute more than 5% of 1000 persons (whichever is less) of the population served by the facility.

Participation by Clinicians who work in CHS Blue Ridge

A listing of Clinicians who are included in this Coverage Assistance and Financial Assistance Policy and those who are not included in this policy is available by contacting our Financial Counselors at (828) 580-5090.

Actions In the Event of Non-Payment

The actions CHS Blue Ridge hospitals may take in the event of non-payment for services are described in a separate billing and collections policy which can be obtained by asking for a free copy from the Patient Accounting Service Department at 704-512-7171.

Quality Assurance and Other Provisions

CHS Blue Ridge teammates are prohibited from making recommendations and/or process CAFA applications for family members, friends, acquaintances, and co-workers. The Patient Accounting Department will conduct periodic audits of accounts processed for FA discounts for Category I patients to ensure the appropriate documentation is on file. The Patient Accounting Department will also audit the Category II process to ensure appropriate adjustments are being made.

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Public Health Emergency Provision

Alternative funding sources due to a public health emergency will NOT prevent uninsured patients from receiving financial assistance for remaining balances that qualify under this policy. As part of CHS Blue Ridge's dedication to our community, CAFA may also be applied to any insured patient copays or responsibility that have been waived but not paid/reimbursed by payors or when conflicting billing guidance is issued during times of public health emergency.

Additional Information

- CHS Blue Ridge has established a separate Billing and Collection policy which outlines actions that may be taken on balances due from patients. A copy of can be obtained on our website at www.blueridgehealth.org or at no cost to patient by submitting a request to:

CHS Blue Ridge
Attn: Financial Counseling
2201 S Sterling Street
Morganton, NC 28655
(828) 580-5090