Policy/Purpose

Policy: It is the policy of Health Quest to provide the level of financial aid necessary to emergent, urgent, and medically necessary treatment to the greatest number of patients who reside in New York, as well as residents out of New York State, residing in the Health Quest’s primary service area. A “medically necessary” treatment is a treatment that is a covered health service or a treatment that is mandatory to protect and enhance the health status of a patient, and could adversely affect the patient’s condition if omitted, in accordance with accepted standards of medical practice. Services provided that are not medically necessary (e.g., cosmetic surgery, sleep study services) and/or discretionary charges, such as private rooms, private nursing are not covered by this policy. In addition, The Thompson House is not covered by this policy.

Health Quest does not take into account race, gender, age, sexual orientation, religious affiliation, social or immigrant status when making an eligibility determination. Health Quest will provide, without discrimination, care for emergency conditions regardless of a patient’s financial status, in accordance with EMTALA regulations.

Patients who are uninsured, underinsured, ineligible for government assistance programs, or unable to pay based on their individual financial situation are eligible for financial assistance. Determinations for eligibility are made upon review of the financial application and may require appointments or discussion with Health Quest’s Customer Service Dept. Financial assistance is provided only after all third party payment possibilities available to the patient have been exhausted or denied.

Uninsured Patients. For uninsured self-pay patients or patients who have exhausted their healthcare benefits, Health Quest will limit the patient payment to the amount generally billed or allowed under the Prospective Medicare Payment System (PPS). This discounted amount is considered “Tier 1” of our Financial Assistance Policy. Balances may be eligible for further discounts pursuant to this policy. The PPS reimbursement rate is based on the Medicare fee schedule, APC or DRG calculations. If in the event there is not a Medicare service/fee, the New York State Medicaid fee schedule will be used to determine the uninsured self-pay rate.

Insured Patients. For patients with insurance, financial assistance is not provided for amounts that are due after insurance if the patient fails to get the necessary referrals or approvals as required by the insurer. Financial assistance will be provided to insured patients only if allowed under the patient’s insurance carrier’s contract with Health Quest. Patients with tax-advantaged, personal health accounts such as a Health Savings Account, a Health Reimbursement
Arrangement or a Flexible Spending Account, will be expected to use the account funds prior to being granted financial assistance.

Services provided in qualifying Health Quest sites but delivered by healthcare providers not employed by Health Quest may not be covered under this policy (see Appendix I for a list of providers not covered under this policy).

Health Quest will make reasonable efforts to explain the benefits of Medicaid and other available public and private coverage programs to patients and to assist patients to apply for such benefits. Patients identified as potentially eligible will be expected to apply for such programs. Patients choosing not to cooperate in applying for programs may be denied financial assistance. If a patient is applying for Medicaid, he/she may also apply for financial assistance. The Financial Assistance Application (FAA) will be placed on hold until the Medicaid process is completed.

Patients are requested, but not required, to complete a FAA. However, in order to qualify for financial assistance, patients must comply with Health Quest’s request to verify income, family size and residency status. Financial assistance is granted only when patients are found to have met all financial criteria based on the disclosure of proper information and documentation. The FAA can be found on the Health Quest website.

There may be circumstances under which a patient’s qualification for financial assistance is established without completing the formal FAA, in which case Health Quest may utilize other sources of information which will enable Health Quest to make an informed determination of financial need.

Health Quest shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy. The following guideline applies: Patients may be expected to contribute payment for care based on their individual financial situation (Example: New York State Medicaid spend down requirements).

**Procedure:**

No patient is to be screened for financial assistance or payment information prior to receiving medical treatment in emergency situations. Collection actions that discourage people from seeking emergency medical care, such as demanding upfront payments or permitting debt collection activities that interfere with the provision of emergency medical care, are prohibited under the Health Quest policy.

Patients will be informed of the financial assistance policy and the application process. Applications for financial assistance may be submitted up to 240 days after the date of the first post-discharge statement. Patients have a responsibility to cooperate by providing information on family size, residency status and documentation of income as required under this policy.

No patient accounts may be forwarded to collection while an application for financial assistance is pending.
Health Quest shall issue either an approval or denial within thirty (30) days after receiving all information necessary to make a determination. If a patient application is missing documentation, the patient will be notified of the information needed to complete the application and will have thirty (30) days to supply Health Quest with the missing documentation.

Any patient who provides all requested information and is denied under this policy shall be entitled to appeal such decision in writing to the System Business Office at Health Quest, 1351 Route 55, Suite 104, LaGrangeville, New York 12540. The denial letter shall include information concerning the appeal process available to the patient. The denial letter will include the phone number to the New York State Department of Health. Every appeal will be assigned to the Customer Service Supervisor for re-consideration. A written determination of an appeal will be sent to the patient within thirty (30) days of receipt of the patient’s written request for appeal.

Health Quest’s financial assistance policy information will be available in English, Spanish and other languages to the extent they are the primary language spoken by at least 1,000 residents within the Health Quest primary service area or 5% of the residents in the Health Quest primary service area (whichever is less).

A patient that has been denied financial assistance may resubmit an application if there has been a change of income or financial circumstances. No payments made up to the time of resubmitting an application will be refunded if eligibility is granted based on a re-determination due to such a change.

**Application Documentation:**
When applying for Financial Assistance, a patient must cooperate with Health Quest to explore available third party coverage. A patient must complete the Health Quest FAA and provide the following documents:

- **Proof of Identify (supply at least ONE from the list below for each person listed on the application)**
  - Passport
  - Permanent Resident Alien Card (Green Card)
  - Birth Certificate for all members in the family including children under 21 years old
  - Employment Authorization Card
  - Driver License
  - Photo ID for Spouse / Common-Law Partners

- **Proof of Address/Residency-Home Address (bring at least TWO from list below)**
  - Utility bills
  - Cell phone bills
  - Cable television bill
  - Rent receipt, copy of lease, or mortgage papers
• Letter from person you reside with or letter from landlord (must be notarized)

**Proof of Income (bring at least ONE from the list below)**

• Last four weekly pay stubs or two biweekly pay stubs
• Letter from employer on company letterhead and, the letter should be signed by employee’s Manager and include the employee’s gross income
  o If no letterhead, bring a notarized letter from the employer
• Award letter from Social Security Administration / Pension /Annuities
• Last unemployment benefit check
• Letter of support
  o If a patient is being wholly supported by someone else, bring a notarized letter from that person which states that they are supporting the patient in the absence of income
• If unemployed, explanation of support required
  o Please clarify in a letter how the patient is being supported (i.e. bank savings, etc.)
• Income from rental of property, room, etc.
• Provide documentation of child support income
• V.A. Benefits or Worker’s Compensation Income

**Other**

• Proof of school attendance

No patient will be denied assistance based on failure to provide information or documentation not described in this Policy or on the FAA. The FAA and required documentation are to be submitted to the following office: Health Quest, System Business Office, 1351 Route 55, Suite 104, LaGrangeville, New York 12540.

**Level of Financial Assistance Based on Financial Resources:**

Patients who can provide documentation that their family income is at or below 200% of the current year’s federal poverty line are eligible for a 100% discount on any patient balance.

Patients who can provide documentation demonstrating that their family income is between 201% and 300% of the current year’s federal poverty line are eligible for a 50% discount on any patient balance.

Patients with family income exceeding the 300% of the current year’s federal poverty line may still be eligible for discounts if the medical bills prove to be a hardship on the family. Health Quest will review these cases on an individual basis, taking into account extenuating circumstances.
Health Quest will limit the amounts charged to all patients eligible for assistance under this policy who receive emergency or medically necessary care. Please see Appendix II

**Qualification Period:** If a patient is determined eligible, financial assistance will be granted for a period of six months from the date of approval. Financial assistance will apply to all charges incurred in the specific visit the patient is applying for if within 240 days of the first post discharge statement.

Payments made by a patient on approved accounts will be refunded if the payment made for the patient portion is in excess of the amount owed, based on the financial assistance received (50% or 100%), unless this payment amount was less than $5.00. Should Health Quest grant financial assistance on accounts older than 240 days, any payments made on those accounts up to the date that assistance has been granted will not qualify for refund(s). This is consistent with the Health Quest Self Pay Credit Balance policy.

During the 240 day application period Health Quest will engage in collection actions against the individual. However, Health Quest will still accept and process a Financial Assistance Application if one is submitted. (See Billing, Collection and Litigation Policy for details. A copy of this policy may be obtained by contacting Health Quest Customer Service Department, Customer Service Director at 845-475-9983 and/or Supervisor at 845-475-9956 or Health Quest, System Business Office, Attn: Customer Service Supervisor, 1351 Route 55, Suite 104, LaGrangeville, New York 12540).

Receipt of a complete Financial Assistance Application will suspend collection activity, pending determination of eligibility.

**Presumptive Eligibility:** Health Quest realizes that certain patients may be non-responsive to the financial assistance application process. Under these circumstances other sources of information may be used to make an individual assessment of financial need. This information will allow for an informed decision on the financial need of these non-responsive patients utilizing the best estimates available in the absence of information provided directly by the patient.

A presumptive eligibility process will be used by Vassar Brothers Medical Center, Northern Dutchess Hospital and Putnam Hospital Center for uninsured patients only, for any balances greater than $100.00. Prior to classifying a debt as bad debt, Health Quest will utilize healthcare industry-recognized software programs that incorporate public record data to calculate a socio-economic and financial capacity score that includes estimates for income, assets and liquidity and will assess a patient’s eligibility for financial aid based on the same standards and historical approvals for Health Quest financial assistance under the traditional application process. The data returned from this electronic eligibility review will constitute adequate documentation of financial need under this policy.

When the electronic enrollment process is used as the basis for presumptive eligibility, a 100% discount will be granted for eligible services for the specific account in the file. If a patient does not qualify under the electronic enrollment process, the patient may apply for assistance by
submitting an application through the standard Financial Assistance Application process.

Patient accounts granted presumptive eligibility will be classified as financial assistance. They will not be sent to collection, will not be subject to further collection actions, will not be sent a written notification of their electronic eligibility qualification, and will not be included in the hospital’s bad debt expense.

**Limitation on Charges for Patients Eligible for Financial Assistance:** Health Quest has elected to use the Prospective Medicare Payment System (PPS) to determine the discount applied to accounts for patient’s eligible for financial assistance. Health Quest will determine the amount generally billed for any emergency or other medically necessary care provided to an eligible patient by using the billing and coding process used as if the patient were a Medicare fee-for-service beneficiary and discounting the bill to the amount billed for the care equal to the total amount Medicare would allow for the care. The amount expected to be paid for eligible services by patients eligible for assistance under this policy will not exceed 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.

Patients determined eligible for financial assistance will not be expected to pay gross charges for eligible services while covered under financial assistance policy. Questions concerning amount generally billed should be directed to Health Quest Customer Service Department at 845-475-9940.

**Collection Practices for Financial Assistance Patients:**
Internal and external collection policies and procedures will take into account the extent to which a patient is qualified for financial assistance or discounts. In addition, patients who qualify for partial discounts are required to make a good faith effort to honor payment agreements with Health Quest, including payment plans and discounted hospital bills. Health Quest is committed to working with patients to resolve their accounts, and at its discretion, may provide extended payment plans to eligible patients.

**Payment Plans:** If a patient, after receiving a 50% Financial Assistance adjustment, requires a payment plan, monthly installments can be made interest free, and installments are capped at 10% of a patient’s gross income (Payment Plan Policy). A patient’s or guarantor’s failure to comply with a payment plan agreement will result in referral to bad debt collection.

For more information on Health Quest bad debt collection practices, please refer to the Credit and Collections Policies.
Payment Criteria

<table>
<thead>
<tr>
<th>Account Balance</th>
<th>Maximum Payment Term</th>
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</thead>
<tbody>
<tr>
<td>$1.00 - $100.00</td>
<td>Payment in Full</td>
</tr>
<tr>
<td>$101.00 - $500.00</td>
<td>6 months</td>
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<tr>
<td>$501.00 - $1,999</td>
<td>12 months</td>
</tr>
<tr>
<td>$2,000 - $10,000</td>
<td>24 months</td>
</tr>
<tr>
<td>&gt; $10,000</td>
<td>60 months</td>
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</tbody>
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If a patient cannot commit to the above guidelines, but responds with a reasonable offer (1-3 months past normal guidelines) a payment option can be approved. If the account has already been referred to the collection agency, the account will be reviewed with the collection agency for a payment plan.

Communication of Patient Financial Assistance Program:
Health Quest communicates the availability and terms of its financial assistance program to all patients, through means which include, but are not limited to:

- Posted signs within waiting rooms, registration desks, emergency departments and financial services departments.
- Notifications on patient bills or statements with a direct link to the Financial Assistance Application ([healthquest.org/financialassistance](http://healthquest.org/financialassistance)).
- Brochures given to patients by hospital team members or with other paperwork.
- Reference within Health Quest patient handbook.
- Designated staff knowledgeable on the financial assistance policy to answer patient questions or who may refer patients to the program.
- Requests can be made by patient, their family members, friend or associate, but will be subject to applicable privacy laws.
- Patients concerned about their ability to pay for services or would like to know more about financial assistance should be directed to the System Business Office at 845-475-9940.

REFERENCES/SOURCES
1. New York Public Health Law §2807-k(9-a)(“Hospital Financial Assistance Law”)
2. Internal Revenue Code §501(r)

ATTACHMENTS
Appendix I (listing of the providers non-participating with HQ Financial Asst. Policy)
Appendix II (Gross Income Criteria and Schedule)

POLICY HISTORY:
Supersedes: Hospital Financial Assistance Policy
Original implementation date: 10/04/2012
Date Reviewed: 03/4/2014, 1/1/2015, 1/1/2016
Date Revised: 1/1/2015, 1/1/2016, 6/20/2017, 3/8/2018

Katherine Bacher, Chief Financial Officer