

## **FINANCIAL ASSISTANCE PROGRAM (FAP) ELIGIBILITY DETERMINATION**

**Policy Statement:** It is the policy of WellStar Health to provide qualifying patients free or discounted emergency and other medically necessary hospital care, in accordance with the eligibility criteria and determination processes set forth in this document and the WellStar policy on its Financial Assistance Program (FAP) LD-24. Following a determination of a patient's eligibility for financial assistance, WellStar will not charge the patient more for emergency or other medically necessary care than the amounts generally billed to individuals who have insurance covering such care, as determined in accordance with this FAP.

It is also the policy and practice of WellStar to adhere to any and all applicable Federal, State, and Local laws and any contractual obligations, which may be associated with the contents and subject matter contained in this document.

**Purpose:** To set forth the eligibility criteria and process relating to provision of financial assistance, to qualifying patients for emergency and other medically necessary hospital care.

As further described below, this Financial Assistance Program (FAP):

1. Includes the eligibility criteria for financial assistance, and sets forth the circumstances in which a patient will qualify for free and/or discounted care.
2. Describes the basis for calculating amounts charged to patients eligible for financial assistance under this FAP, as well as the amounts to which discounts will be applied.
3. Limits the amounts that WellStar will charge for emergency or other medically necessary hospital care provided to patients eligible for financial assistance, to no more than the Amounts Generally Billed (AGB) as set forth in the FAP Policy LD-24 and the Procedure LD-24-02 Calculation of Amounts Generally Billed (AGB) to individuals who have insurance covering such care.
4. Procedure LD-24-02 Calculation of Amounts Generally Billed (AGB) describes the method by which WellStar determines the amount generally billed to individuals who have insurance.
5. Describes the method by which patients may apply for financial assistance.
6. Describes how WellStar will widely publicize the FAP within the community it serves.
7. The actions that WellStar may take in the event of non-payment are described in a separate Billing and Collection Policy (DPP-82280-01 SBO Collection Procedure). In addition, the FAP explains how an individual may obtain a free copy of the Billing and Collection Policy.

As required by law, WellStar provides emergency hospital care to all patients (EMTALA Requirements).

### **Materials required for this task:**

Patient or their guarantors may or may be requested by WellStar to, apply for Financial Assistance, within 240 days from the initial post discharge date of service billing by completing the FAP Application form provided by WellStar and providing all documentation requested by WellStar in accordance with this Policy LD-24.

In particular, all applicants filing a FAP Application for Financial Assistance must provide proof of Household Income and Household Assets by providing any or all of the following that are applicable:

- Provide three (3) months of the most recent paycheck stubs or a statement from employer verifying gross wages
- IRS W-2 issued during the past year
- Most recent IRS Form 1040

- Most recent two (2) months of bank statements for each checking, savings, money market or other bank or investment account
- Written statements for the most recent two (2) months for all other income (e.g., unemployment compensation, disability, retirement, student loans, award letter from Social Security Office, current Profit and Loss report for all self-employed applicants, alimony documentation, child support documentation, etc.)
- Unemployment compensation denial letter
- Documentation of asset values, including, without limitation, property tax statements, Certificates of Deposit, 401k, 403b, IRA and other investment statements
- Contribution statements from individuals who contribute income or in-kind assistance to the patient

<b>INDIGENT CARE TRUST FUND (ICTF) DISTRIBUTION:</b>			
<b>STEP ONE</b>	<b>NOTE:</b> Free or reduced payment will be applied to qualified accounts of insured or uninsured Patients on a first come first served basis until ICTF funds are fully exhausted. After ICTF funds are exhausted the hospitals Indigent, Charity, and Discount alternatives apply.		
	1.1 Inform the Patient of alternative payer sources and Discount alternatives	All Access Areas and/or Financial Assistance Program Department and/or Account Management Department	Information may be provided at different times and by different methods which include but are not limited to: <ul style="list-style-type: none"> <li>• Pre-Service – when Patients are pre-registered</li> <li>• Point of Service – At the time of service</li> <li>• Post Service – Through billing statements or verbal communications initiated by the Patient or by WellStar</li> <li>• Post discharge – within 240 days following the initial Billing statement, defined as the Application Period</li> </ul>
	1.2 Determine adjustment category based on family size and Household Income (HI) utilizing the LD-24 Job Aid 1 Financial Assistance Program Tables	All Access Areas and/or Financial Assistance Program Department and/or Account Management Department	<u>FAP Categories</u> Category 1 (HI below 125% of FPG) Category 2 (HI 126%-200% of FPG) Category 3 (HI 201%-250% of FPG) Category 4 (HI 251%-300% of FPG)

	<p>1.2 Apply adjustment based on ICTF rules and WellStar’s expanded sliding scale</p>	<p>Financial Assistance Program Department and/or Designee</p>	<p>All uninsured patients receive the Minimum Charitable Allowance (MCA) (100% minus the AGB Percentage, multiplied by the total charges for service). In addition, additional charitable allowances are available as follows:</p> <p><u>Patient Payment Responsibility</u>            Category 1 - pay 0% of AGB            Category 2 - pay 3% of AGB            Category 3 - pay 10% of AGB*, **            Category 4 - pay 20% of AGB*, **</p> <p>* For all patients, subject to meeting Qualifying Assets tests.</p> <p>**For patients with insurance coverage, the patient pay responsibility will be the insurance co-pay, co-insurance and deductible, subject to additional charitable allowances due to Medical Indigency, and capped in all cases at a percentage of gross charges, up to the AGB.</p> <p>Note: WellStar’s goal is to keep patient responsibility under the IRC 501 (r) requirements.</p> <p>WellStar has elected to use AGB percentage means a percentage of gross charges that a hospital facility uses under § 1.501(r)-5(b)(3) to determine the AGB for any emergency or other medically necessary care it provides to an individual who is eligible for assistance under its financial assistance policy (FAP).</p>
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INDIGENT CARE										
STEP TWOZ	<p>2.1 Inform Patient/guarantor they are eligible to apply for Indigent care if their income level falls at 125% of FPG or less.</p>	<p>All Access Areas and/or Financial Assistance Department and/or Designee</p> <p>The Patient/guarantor can apply:</p> <ul style="list-style-type: none"> <li>• At the time of admission/service</li> <li>• During a hospital stay</li> <li>• At the time of discharge</li> <li>• Within 240 days of discharge</li> </ul> <p>The application pertains to: Qualifying patients for emergency and other medically necessary care</p> <p><u>Category 1-Charitable Example</u>                      125% of FPG or less is eligible for 100% (Assume hospital AGB% is 25%). Patient Liability would be 0% of gross charges.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Gross Charges:</td> <td style="text-align: right;">\$1,000</td> </tr> <tr> <td>MCA would be:</td> <td style="text-align: right;">(\$750)</td> </tr> <tr> <td>Additional Charity Discount:</td> <td style="text-align: right;">(\$250)</td> </tr> <tr> <td>Category 1 Patient Owes</td> <td style="text-align: right;">\$ 0</td> </tr> </table> <p><b><i>[MCA-Calculation: \$1,000 of charges, assuming hospital AGB% of 25% would be an MCA of \$750. Note: For all uninsured patients, the MCA would be the minimum applicable charity allowance. The MCA would be the only charitable allowance for household incomes &gt;300% of FPG.]</i></b></p>	Gross Charges:	\$1,000	MCA would be:	(\$750)	Additional Charity Discount:	(\$250)	Category 1 Patient Owes	\$ 0
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**CHARITY CARE – Self-Pay / Uninsured**

<b>STEP THREE</b>	<p><b>NOTE:</b> The actions that WellStar may take in the event of non-payment, including extraordinary collection actions, if any, which may be taken, are described in the WellStar’s Billing and Collections Policy (DPP-82280-01 SBO Collection Procedure). Individuals may obtain a copy of the Billing and Collections Policy by contacting WellStar Customer Service at 470-245-9998.</p>																													
	<p>3.1 Consider Patient/guarantor for Charity care if their income level is greater than 125% of FPG. See LD-24 Job Aid 1 Financial Assistance Program Tables.</p> <ul style="list-style-type: none"> <li>• Provide assistance to Charity qualified Self-Pay / Uninsured Patients:</li> <li>• Upon request of the Patient</li> <li>• Upon discovery due to financial hardship</li> </ul>	<p>All Access Areas and/or Financial Assistance Program Department and/or Designee and/or Account Management Department</p>	<p><b>Method of application</b> - Same as for Indigent care.</p> <p><b>Requirements for consideration</b> - Same as Indigent requirements, with the following exceptions:</p> <p><u>Category 2-Charitable Example</u>                      126% - 200% of FPG is eligible for a discount write-off to Charity up to the Patient Liability of 3% of the AGB calculation. (Assume hospital AGB % is 25%)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Gross Charges:</td> <td style="text-align: right;">\$1,000</td> </tr> <tr> <td>MCA would be:</td> <td style="text-align: right;">(\$750)</td> </tr> <tr> <td>Net AGB amount calculated</td> <td style="text-align: right;">\$ 250</td> </tr> <tr> <td>Additional charitable discount</td> <td style="text-align: right;">(\$242.50)</td> </tr> <tr> <td>Category 2 Patient Owes</td> <td style="text-align: right;">\$ 7.50</td> </tr> </table> <p><u>Category 3-Charitable Example</u>                      &gt;201% - 250% of FPG is eligible for additional charitable discount up to the Patient Liability of 10% of the AGB calculation, provided that patient meets the Qualifying Assets test. (Assume hospital AGB% is 25%).</p> <p>Charity example:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Gross Charges:</td> <td style="text-align: right;">\$1,000</td> </tr> <tr> <td>MCA would be:</td> <td style="text-align: right;">(\$750)</td> </tr> <tr> <td>Net AGB amount calculated</td> <td style="text-align: right;">\$ 250</td> </tr> <tr> <td>Category 3 Patient Owes</td> <td style="text-align: right;">\$ 25</td> </tr> </table> <p><u>Category 4-Charitable Example</u>                      251% - 300% of FPG is eligible for an additional charitable discount up to the Patient responsibility of 20%, provided that patient meets the Qualifying Assets test. (Assume hospital AGB% is 25%)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Gross Charges:</td> <td style="text-align: right;">\$1,000</td> </tr> <tr> <td>MCA would be:</td> <td style="text-align: right;">(\$ 750)</td> </tr> <tr> <td>Net AGB amount calculated</td> <td style="text-align: right;">\$ 250</td> </tr> <tr> <td>Additional charitable discount:</td> <td style="text-align: right;">(\$200)</td> </tr> <tr> <td>Category 4 Patient Owes</td> <td style="text-align: right;">\$ 50</td> </tr> </table>	Gross Charges:	\$1,000	MCA would be:	(\$750)	Net AGB amount calculated	\$ 250	Additional charitable discount	(\$242.50)	Category 2 Patient Owes	\$ 7.50	Gross Charges:	\$1,000	MCA would be:	(\$750)	Net AGB amount calculated	\$ 250	Category 3 Patient Owes	\$ 25	Gross Charges:	\$1,000	MCA would be:	(\$ 750)	Net AGB amount calculated	\$ 250	Additional charitable discount:	(\$200)	Category 4 Patient Owes
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**CHARITY CARE - INSURED**

STEP FOUR	<p>4.1 Consider insured Patient/guarantor for Charity care if their income level is greater than 200% of FPG. See LD-24 Job Aid 1 Financial Assistance Program Tables.</p> <ul style="list-style-type: none"> <li>• Provide assistance to Charity qualified Self-Pay / Uninsured Patients:</li> <li>• Upon request of the Patient</li> <li>• Upon discovery due to financial hardship</li> </ul>	<p>Financial Assistance Department</p> <p>Account Management Department</p>	<p><b>Method of application –</b></p> <p>For patients with insurance coverage and in Category 3 and 4 who meet the Qualify Assets test, the patient pay responsibility will be the insurance co-pay, co-insurance and deductible, subject to potential additional charitable discounts due to Medical Indigency, capped in all cases at a percentage of gross charges, up to the AGB.</p> <p><u>Example 1: Insured Charity example</u></p> <p><b>Patient Responsibility Balance After Insurance (PRBAI) is greater than AGB</b></p> <p>Patient meets Qualifying Asset test and qualifies for a FAP Category 3. Responsibility will be the insurance co-pay, co-insurance and deductible (PRBAI), capped in all cases at a percentage of gross charges, up to the AGB. (Assume hospital AGB% is 25%)</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Gross Charges:</td> <td style="text-align: right;">\$10,000</td> </tr> <tr> <td>Contractual Allowance (example)</td> <td style="text-align: right;">(5,000)</td> </tr> <tr> <td>PRBAI</td> <td style="text-align: right;">\$ 5,000</td> </tr> <tr> <td>Additional charitable allowance</td> <td style="text-align: right;">(\$2,500)</td> </tr> <tr> <td>AGB Calculated/Value Patient owes:</td> <td style="text-align: right;">\$ 2,500*</td> </tr> </table> <p>*Subject to additional charitable discount due to Medical Indigency, if applicable.</p> <p><u>Example 2: Insured Charity example</u></p> <p><b>Patient Responsibility Balance After Insurance (PRBAI) is less than AGB.</b></p> <p>Patient meets Qualifying Assets tests and qualifies for a FAP Category of 4. Patient Payment Responsibility will be the insurance co-pay, co-insurance and deductible (PRBAI), capped in all cases at a percentage of gross charges, up to the AGB. (Assume hospital AGB% is 25%).</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>Gross Charges:</td> <td style="text-align: right;">\$10,000</td> </tr> <tr> <td>Contractual Allowance (example):</td> <td style="text-align: right;">(\$5,000)</td> </tr> <tr> <td>Less Insurance Co. Responsibility:</td> <td style="text-align: right;">(\$4,000)</td> </tr> <tr> <td>PRBAI/Patient owes</td> <td style="text-align: right;">\$ 1,000*</td> </tr> </table> <p style="text-align: center;">[Net AGB Value: \$ 2,500 &gt; \$1,000]</p> <p>*Subject to additional charitable discount due to Medical Indigency, if applicable.</p>	Gross Charges:	\$10,000	Contractual Allowance (example)	(5,000)	PRBAI	\$ 5,000	Additional charitable allowance	(\$2,500)	AGB Calculated/Value Patient owes:	\$ 2,500*	Gross Charges:	\$10,000	Contractual Allowance (example):	(\$5,000)	Less Insurance Co. Responsibility:	(\$4,000)	PRBAI/Patient owes	\$ 1,000*
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<b>MEDICAL INDIGENCE (MI)</b>		
<b>STEP FIVE</b>	<b>NOTE:</b> Medical Indigence is Awarded on a case by case basis.	
	5.1 Consider the Patient/guarantor for Indigent and Charity discounting for individuals who have met with medical misfortune, which may threaten financial ruin if assistance is not made available.	Financial Assistance Program Department

<b>Amounts Generally Billed (AGB)</b>		
<b>Required Action Steps</b>	<b>Performed By</b>	<b>Supplemental Guidance</b>
<b>STEP SIX</b>	6.1 Determination of the AGB percentage	Details of the procedures used in the calculation of the AGB percentage are defined in the WellStar procedure LD-24-02 Calculation of Amounts Generally Billed (AGB) and is available by request to WellStar Business Office between the hours of 8:00am and 4:30pm, Monday through Friday at (678) 838-5750
	6.2 AGB Percentages	Determined by Facility Location