

Sakakawea Medical Center

Summary of Charity Care Program Policy

SMC has an extensive Charity Care Program. We offer financial assistance for emergency and medically necessary services provided and billed through our office. This assistance, ranging from a reduction in the amount of the balance outstanding up to complete forgiveness of the balance outstanding, is provided to patients demonstrating financial need.

The SMC Charity Care Program policy, summary and application are provided in English and the primary language of any populations that constitute more than 5 % or 1,000-person thresholds, whichever is less, of the residents in the community served.

If you are eligible for the SMC Charity Care Program, you will not be charged more than amounts generally billed to those who have insurance for emergency and medically necessary care.

To apply for assistance, fill out and return our Charity Care Program application and submit all necessary documents to our office.

The assistance is provided on a sliding scale discount based upon verifiable total household income as a percentage of the federal poverty level (FPL) guideline. Please reference the following table:

Annual Family Income	Minimum Discount
100% or less of FPL	100%
101% - 125%	80%
126% - 150%	60%
151% - 175%	40%
176% - 200%	30%
201% or above FPL	No discount given

Financial circumstance exceptions - If your total household income exceeds the maximum 200 percent of the FPL, yet you have supplied additional documentation to support the hardship your medical condition has caused for you and your family, you will be considered on a case-by-case basis for assistance.

Notification of availability of our policy - Every effort will be made to identify patients needing assistance as early as possible. SMC will widely publicize the program through (1) signs at registration and waiting areas in our hospital, (2) policy, summary and application available on the SMC website, (3) patient billing statements, and (4) brochures and other informational materials provided to the patient and family.

Services covered by a Charity Care Program application - An approved Charity Care Program application will cover charges for emergency and medically necessary care provided and billed through our SMC facility. We will consider charges for services provided after our date of approval for up to six months without requiring a new application to be completed.

Extraordinary collection activities – SMC will not engage in extraordinary collection activities, such as lawsuits or garnishments, before making reasonable efforts to determine whether an individual who has an unpaid account is eligible for financial assistance.

How to obtain a free application or copy of our policy - You may obtain a free application or copy of our policy by visiting our website at www.smcnd.org. If you do not have access to the internet, you may contact our billing office at 701-748-2225 to receive an application by mail or pick one up at Sakakawea Medical Center, 510 8th Ave NE, Hazen, ND 58545.

Sakakawea Medical Center
510 8th Ave NE, Hazen, ND 58545
Policy and Procedure
Charity Care Program
Revised: July 2018

Department: Hospital and Clinic Billing

Subject: Charity Care Program

PURPOSE: This program is designed for providing free or discounted care to those who have no means or limited means to pay for their services (uninsured and/or underinsured). In addition to quality healthcare, patients of Sakakawea Medical Center (SMC) are entitled to financial counseling with a representative from our Business Office who can offer possible solutions for those who cannot pay in full.

SMC offers a Charity Care Program to all patients that are unable to pay for their services, including SMC employees and non-United States citizens in the community and surrounding areas. The program applies to medically necessary care received. SMC will base Charity Care eligibility on a person's ability to pay and will not discriminate on the basis of age, gender, race, creed, disability or national origin. The Federal Poverty Guidelines are used in determining Charity Care Program eligibility. All Charity Care Program applicants must be screened to determine potential eligibility for third-party insurance benefits or medical assistance programs.

It is important to note that if you are deemed eligible for the SMC Charity Care Program and do not have insurance, you will not be charged more for services than the amount generally billed to those who have insurance. SMC uses the lookback method to calculate the amounts generally billed. This blended rate will be determined annually and based on claim reimbursements for the past 12 months from Medicare and other commercial payers. The current blended rate is 30%.

AVAILABILITY OF FINANCIAL ASSISTANCE:

SMC takes reasonable efforts to fully inform all patients and the public of the availability of financial assistance, including the following means of free communication:

- SMC payment policy brochure which is available at the time of service and given to all patients
- Signs in SMC lobby, SMC radiology/surgery waiting area and SMC front desk notifying patients of the Charity Care Program
- SMC billing statements notify guarantors of the Charity Care Program
- SMC collection letters notify guarantors of the Charity Care Program
- An explanation of our Charity Care Program and our application form are posted on our website
- Communicating the availability of our Charity Care Program when discussing the bill over the telephone with patients or guarantors

SMC billing, collections, and Charity Care Program policies, summary and application are available, free of charge, in English (or in other languages that constitute the primary language of at least 5%, or 1,000 person thresholds, of the population). Individuals may obtain these documents through the following means:

- Copies can be provided in person or can be mailed to the patient upon request
- Copies can be accessed, downloaded and printed from our website www.smcnd.org

SMC takes reasonable efforts to help overcome any language or disability barrier that may serve as an impediment to informing patients and guarantors about the availability of financial assistance including:

- Multilingual signs in English and in any other language that constitutes the primary language of at least 5%, or 1,000 person thresholds, of the population in the community where the facility is located

- Multilingual information on the www.smcnd.org website in English and any other language that constitutes the primary language of at least 5%, or 1,000- person thresholds, of the population in the local communities where SMC facilities are located
- Providing interpreters upon request of the patient or patient's companion to accommodate either language or disability needs

Once SMC has provided emergency or medically necessary services, a patient or guarantor may submit a Charity Care Program Application. The right to apply for financial assistance consideration begins on the date of service and extends through the 240th day after the first billing statement is sent to the patient or guarantor. However, patients and guarantors are encouraged to submit their financial assistance applications as soon as possible.

Only medically necessary services (as defined by Medicare Law) are eligible for the Charity Care Program unless pre-approved by SMC Chief Financial Officer. Medical necessity (term from Medicare Part B) "Section 1862 (a)(1)(A) of Medicare law, written in 1963, states that Medicare will cover "services that are reasonable and necessary for the diagnosis and treatment of illness or injury or to improve the functioning of a malformed body member." Some examples of non-medically necessary services include:

- Dietary counseling
- Exercise physiology
- Infertility work-ups and injections
- Elective surgeries and those charges incurred as part of the surgery (lab, radiology, anesthesia, surgery facility fees, etc.)
- Non-medically qualified cardiac rehab, physical therapy, or other related programs

Note: This listing may not be all-inclusive due to the continuous introduction of new procedures. A service could be considered medically necessary if there are extenuating emotional, financial, or mental health aspects, which are supported by documentation.

SMC providers are covered under the Charity Care Program. Providers not employed by SMC are not covered under the Charity Care Program. Services provided by a pathologist, radiologist and some surgeon's fees are billed by separate facilities and are not covered under the SMC Charity Care Program. Please visit with our business office if you have questions about providers and services covered.

METHOD OF APPLYING FOR FINANCIAL ASSISTANCE:

Eligibility is available with the following screening procedures:

1. All alternative payment resources have been exhausted and the patient is denied third-party payment from insurance(s). This includes application for any public assistance programs such as Medicaid (*unless single, non-disabled person between the age of 21 to 65, with no dependents*), IHS, etc. Copies of denials may be required as proof of application to the above mentioned programs. Any balance owed by an applicant who did not follow proper procedure to ensure coverage by his/her insurance carrier may not be eligible for the Charity Care Program until proper procedure is satisfied, unless there are extenuating circumstances.
2. Persons who are advised of the Charity Care Program, but are unwilling or fail to take advantage of the program within six months of the date of service will not be eligible for the Charity Care Program for that visit. Additionally, an account turned over to a collection agency for longer than 120 days is not eligible for the Charity Care Program for that visit.
3. Eligibility to receive full or partial financial assistance is based on the following criteria:
 - Household income of 100% or less of the Federal Poverty Level is eligible for full financial assistance.

- Household income of 101% to 200% of the Federal Poverty Level is eligible for partial financial assistance on a sliding scale.

Annual Family Income	Minimum Discount
100% or less of FPL	100%
101% - 125%	80%
126% - 150%	60%
151% - 175%	40%
176% - 200%	30%
201% or above FPL	No discount given

- The patient/responsible party must complete the Charity Care Program application in its entirety. **By signing the Charity Care Program application, the applicant authorizes SMC access in confirming income, debt, and resources as disclosed on the application form.** Verification of income can include a completed copy of their most recent Federal Income Tax Return or Form 4506-T to verify that they did not file a Federal Income Tax Return. If no tax return is available, payroll receipts and itemized bank statements for the last three months will be required to verify income. Copies of such documents will be retained for SMC records for a period of five years.
 - Income requested on the application includes wages, farm or self-employment income, income from social services (Food Stamps, AFDC, etc.), Social Security, unemployment compensation, worker's compensation, strike benefits, alimony, child support, military family allotments, pension, income from dividends, interest or rent, and any other income for the last 12 months.
- The applicant(s) may own, but not exceed, the following guidelines to qualify for the Charity Care Program:
 - A home on up to 160 acres located out of town (homestead exemption) or a home located on up to two acres in town
 - Equity up to \$3,000 in other real estate property
 - One licensed motor vehicle per adult and/or working individual
 - Cash, savings, redeemable stocks and bonds, and other liquid assets totaling no more than two months' income. (Retirement funds and IRAs are not considered)
 - Other assets such as recreational vehicles (snowmobiles, boats, ATVs, etc.), based on the guidelines below:
 - Family of one: \$2,000 maximum value
 - Family of two: \$4,000 maximum value
 - For families of three or more add \$1,000 per family member.
 - If assets are above the set value, the applicant may liquidate these items and apply the proceeds to outstanding SMC balances. At that time, their Charity Care Program application will be reconsidered.
- Medically necessary catastrophic medical exceptions:
 - If a patient/responsible party does not qualify for the Charity Care Program, but has catastrophic medically necessary medical expenses, defined as medical expenses that exceed 30% of their gross income, the amount in excess of 30% would be deemed Charity Care.
 - Expense qualification:
 - Multiply gross household family income by 30% = "a"
 - Determine allowable SMC medical expenses = "b"
 - If "b" is greater than "a," the expense qualification is met.
 - If "a" is greater than "b," the patient is not eligible for the Charity Care catastrophic coverage.

- If the patient qualifies for the catastrophic exception under the Charity Care Program guidelines, the balance of their account will be reduced by 70%.
7. Deceased patients with balance owed on account:
 - Proof of no assets is required from the deceased patient's estate to have their balance transferred to the Charity Care Program.
 - The normal collection process will be followed if no response from the estate is received.
 8. Applicant notification of the Charity Care Program determination will be provided to the applicant(s) in writing and will include the percentage of the Charity Care Program write off, or reason(s) for action taken, if denied. If the application is approved for less than 100% or denied, the patient and/or responsible party must establish payment arrangements immediately with SMC. The Charity Care Program applications cover outstanding balances for six months prior to application approval and any balances incurred within six months after the approved date, unless their financial situation changes significantly. The applicant has the option to re-apply after the six months has expired.
 9. Information related to Charity Care Program decisions will be stored in a centralized confidential file located in the SMC Business Office, in an effort to preserve the dignity of those receiving free or discounted care.
 - Applicants that have been approved for the Charity Care Program will be logged in a secure document on the SMC directory, noting names of applicants, dates of coverage, and percentage of coverage.
 - Application information will be retained for a period of five years from the date of the application.

CONTACT:

For questions, please contact the Billing Department at Sakakawea Medical Center at 701-748-2225.

Sakakawea Medical Center
510 8th Ave NE, Hazen, ND 58545 | 701-748-2225
Charity Care Program Application

Date of Request: _____

I _____, hereby request that Sakakawea Medical Center (SMC) makes a determination of my eligibility for Charity Care Program services at SMC. I understand that the information which I submit will be subject to verification by SMC, and if the information which I submit is determined to be false, it will result in a denial of Charity Care Program services.

Services not eligible for the Charity Care Program include, but are not limited to, non-medically necessary services such as cosmetic lesion removal, mammography services and balances designated as recipient liability under the Medicaid program.

1. Name: _____
First Middle Last

Address: _____
Number and Street City State Zip Code

Telephone: _____ Cell Phone: _____

Occupation: _____ If student, estimated graduation date: _____

Employer: _____ Phone: _____

Date of Birth: _____ Marital Status: Single Married Widowed Divorced

2. (If applicable) Spouse's Name: _____
First Middle Last

Occupation: _____ If student, estimated graduation date: _____

Employer: _____ Phone: _____

3. Income: **A) List total gross income for household/residents below**
B) You must provide a copy of your most recent Federal Income Tax return (or complete a Form 4506-T to verify that you did not file a Federal Income Tax Return)
C) Or provide us with verification of income for the last 3 months

Total for Last 12 Months

<u>Self</u>		<u>Spouse</u>	
Wage Income	_____	Wage Income	_____
Farm or Self-Employment	_____	Farm or Self-Employment	_____
Social Services (Food Stamps, AFDC, etc.)	_____	Social Services (Food Stamps, AFDC, etc.)	_____
Social Security	_____	Social Security	_____
Unemployment Compensation	_____	Unemployment Compensation	_____
Worker's Compensation	_____	Worker's Compensation	_____
Strike Benefits	_____	Strike Benefits	_____
Alimony	_____	Alimony	_____
Child Support	_____	Child Support	_____
Military Family Allotments	_____	Military Family Allotments	_____
Pension	_____	Pension	_____
Income from Dividends, Interest, Rent	_____	Income from Dividends, Interest, Rent	_____
Other	_____	Other	_____
Sub Total	_____	Sub Total	_____

TOTAL: _____

Charity Care Program Application (continued)

4. Assets:

Land & Real Estate

- Do you own a home that is located out-of-town and has more than 160 acres (Homestead exemption) or a home located on more than two acres in town? Yes No
- Do you have more than \$3,000 in other real estate property? Yes No

Savings Account(s)/CDs

- Do you have more than \$2,000 in liquid assets (one-person family), \$3,500 (two-person family), additional \$500 per person? Yes No

Other Assets

- Do you own more than one motor vehicle per licensed adult? Yes No
- Do you have any recreational vehicles (snowmobile, ATV, jet ski, etc.)? Yes No

If you answered yes, please list what type and how many: _____

5. Health Insurance: Do you have any type of health insurance, such as Blue Cross, Medicare, Medicaid, or other commercial health insurance? Yes No

If yes, please specify:

Insurance name _____ Policy # _____

Insurance name _____ Policy # _____

6. Dependents: Household dependents that are claimed on tax return. Dependents over 18 must show proof of verification of income

<u>Name</u>	<u>Relationship</u>	<u>Age</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(If additional room is needed, please use the back of this page.)

I affirm that the information listed in this application is true and correct to the best of my knowledge. I hereby authorize SMC to investigate any information provided and I authorize the release of any information that SMC deems necessary in making an eligibility determination.

Signature (Person Making Request)

Date

TO BE COMPLETED - FACILITY PERSONNEL ONLY

This document was received on _____ by _____