

Speare Memorial Hospital  
Plymouth, NH  
*A Critical Access Hospital*

**DEPT: Administration**

**Title: Financial Assistance Policy**  
(formerly known as Speare Charity Care,  
Community Care or Financial Assistance)

Created: 07/22/2009

Reviewed: 12/2010, 12/2011, 12/2013

Revised: 05/2015, 07/2016, 12/2016, 1/2017, 7/2017

**MRP: Director Revenue Cycle Services**

**POLICY**

Speare Memorial Hospital and the Speare Physician Practices do not discriminate based on a patient's ability to pay. All patients are to be treated during emergency situations, as defined within the Social Security Act - Sec. 1867. |42 U.S.C.1395dd|, regardless of their ability to pay or insurance coverage status. Speare Memorial Hospital and Speare Physician Practices follow federally mandated billing and collections practices.

**PURPOSE**

To outline hospital-wide and physician practice-wide policies regarding financial counseling, financial assistance, patient payments, and billing and collection practices.

**DEFINITIONS**

**Urgent Care**

An urgent care situation is an unexpected illness or injury that needs prompt medical attention - within a 24-hour period -, but is not an immediate threat to one's health. Examples include headaches, back or joint pain, flu symptoms or ear aches. These are times when care is necessary but not critical. Medical conditions that are not an emergency should be treated in family physician offices or a contracting urgent care center.

**Emergent Care**

An emergent medical condition threatens life or limb, such as difficulty breathing, suspected heart attack, uncontrolled bleeding, unconsciousness or severe burns.

**Deductible**

The deductible is how much you pay before your health insurance starts to cover a larger portion of your bills. In general, if you have a \$1,000 deductible, you must pay \$1,000 for your own care out-of-pocket before your insurer starts covering a higher portion of costs. The deductible resets yearly.

**Coinsurance**

Coinsurance is a percentage of a medical charge that you pay, with the rest paid by your health insurance plan, after your deductible

has been met. For example, if you have a 20% coinsurance, you pay 20% of each medical bill, and your health insurance will cover 80%.

### **Copay**

Your copay is a predetermined rate you pay for health care services at the time of care. For example, you may have a \$25 copay every time you see your primary care physician, a \$10 copay for each monthly medication and a \$250 copay for an emergency room visit.

The Patient Financial Services Department will maintain the process that provides controls for the proper identification and evaluation of applications. Determination of eligibility shall be based on the requirements that the services provided are emergent/urgent and medically necessary, and that the patient's family income meets the guidelines indicated in exhibits A, B & C.

### **PATIENT PAYMENTS**

Speare Memorial Hospital and Speare Physician Practices will collect appropriate co-payments, co-insurance, or deposits as determined by Patient Access or Patient Accounts Departments at the time of services except in the event of a medical emergency when a patient presents in the Emergency Department.

In the event of a medical emergency, payment will not be sought until after such a time that the patient is stabilized and the medical emergency is resolved. Payment arrangements for patients being transferred to other facilities for further emergency care will not be attempted until a later date and time when the patient is stable.

Whenever possible patients should be told in advance of their potential liability; and at a minimum patients are to be told that co-pays will be collected at the time of service during scheduling. Speare Memorial Hospital and Speare Physician Practices staff are responsible for ensuring that payments are processed timely and accurately, following established cash handling procedures.

The Supervisor of Patient Access, along with any departmental managers or directors for areas where cash collections are accepted, have the overall responsibility for ensuring that payments collected at the time of service are processed according to procedure and for ensuring staff compliance with collections policies.

Patients that indicate an inability to meet their financial obligations are to be referred to financial counseling. If the patient is scheduled for an elective procedure the ordering provider will be consulted to see if the patient can be rescheduled until a payment arrangement can be reached or until the patient can be cleared for Financial Assistance approval.

### **DISCOUNTS**

Patients are eligible for a 31% self-pay discount on all accounts for which there is no insurance to be billed. By applying this discount we ensure that no self-pay patient is charged more than an amount generally billed (AGB). This discount, or the AGB, was determined by taking the

average of the contractual amounts for Medicare and two (2) of our largest commercial insurance plans. This discount is applied automatically to all self-pay patients by the billing system. Self-pay patients will be notified of this discount at the time of service. Discounts are applied to all inpatient, outpatient and physician practice services.

A 15% discount is also available for any deductible or coinsurance amount that may be due in addition to monies owed after third-party health plan payments. To qualify for this discount, the patient must make payment within 30 days of the billing date shown on the first patient statement. This discount does not apply to copay amounts due from the patient on the date of service.

**PAYMENT PLANS**

The hospital will accept payment plans for settlement of Speare Memorial Hospital and Speare Physician Practices bills. Please see below for guidelines on acceptable payment plan levels. All payment plans outside of these guidelines must be approved by the Director of Revenue Cycle Services. When establishing a payment plan outside of these guidelines a Financial Assistance application must be completed.

<u>Patient Balance Due</u>	<u>Maximum Time Payment Period</u>	<u>Minimum Monthly Payments</u>
\$ 50 and under	2 months	\$ 25.00
\$ 51 to \$ 100	2 months	\$ 25.50 to 50.00
\$ 101 to \$ 200	4 months	\$ 25.25 to 50.00
\$ 201 to \$ 300	6 months	\$ 33.50 to 50.00
\$ 301 to \$ 400	7 months	\$ 43.00 to 57.14
\$ 401 to \$ 500	8 months	\$ 50.12 to 62.50
\$ 501 to \$ 750	10 months	\$ 50.10 to 75.00
\$ 751 to \$1,200	15 months	\$ 50.06 to 80.00
\$1,201 to \$1,600	18 months	\$ 66.72 to 88.88
\$1,601 to \$2,500	20 months	\$ 80.05 to 125.00
\$2,501 to \$4,000	26 months	\$ 96.19 to 153.84
\$4,001 to \$5,500	30 months	\$ 133.36 to 183.33
\$5,501 to \$7,500	36 months	\$ 152.80 to 208.33
\$7,501 to \$10,000	42 months	\$ 178.59 to 238.09

Patients with existing bad debt should be referred directly to the Collection Company.

**FINANCIAL COUNSELING**

Financial counseling will consist of a discussion of potential liability, payment plans, and Financial Assistance available to the patient, including but not limited to applying for Medicaid, Disability, ACA plans and Speare Financial Assistance.

## **FINANCIAL ASSISTANCE**

Speare Memorial Hospital and Speare Physician Practices have Financial Assistance available for medically necessary services for residents of Speare's catchment area (see Exhibit A) who meet Federal Poverty guidelines. If an individual does not reside in Speare's catchment area but is a resident of the state of New Hampshire, he/she may apply for financial assistance through the NH Health Access Network (NHHAN). (See separate policy "NH Health Access Network.") Financial Assistance is only eligible on accounts that have not been reported to a credit bureau and, with current outstanding balances. Financial Assistance is given according to a sliding scale based on Federal Poverty Guidelines and family size (see Exhibit B). Further Financial Assistance is not granted for in-house (hospital and practices) minimum payment and visit fee guidelines (see Exhibit C).

Only relatives that can be claimed as dependents on your tax return or those legally recognized as a spouse or domestic partner (i.e., two people living together with legally binding shared financial responsibilities) can be considered as part of a family unit for the purposes of a Financial Assistance application.

A Registrar or Financial Counselor will discuss Financial Assistance programs with patients without insurance or with plans that have a high deductible, co-pay or co-insurance prior to or at the time of service.

During the self-pay billing process, questions regarding the patient or guarantor's current employment and financial situation will be asked in order to screen patients for potential eligibility for Financial Assistance. Any patient that requests an application will be sent one regardless of the answers to the screening questions. Once an application for Financial Assistance is received, the initial review should take place within three to five business days. Response(s) to the patient for additional information should take place within five business days. Once a complete application and documentation is received, the approval should take place within five to ten business days. No collection efforts will take place on patients while their active, complete Financial Assistance application is in the approval process.

Patients and guarantors will be notified of the status of their Financial Assistance application in writing. Once approved, a Financial Assistance application is good for 6-months (or for one year for a Medicare beneficiary with no other income) before a patient or guarantor is required to re-apply.

Determinations for Financial Assistance will be made using the information contained in the application only. No information shall be obtained under duress.

When a potential applicant is identified, the Patient Financial Counselor shall provide a Speare Memorial Hospital / NH Health Access Network application to the patient or person requesting the application. If the applicant is unable to complete the application, the Patient Financial Counselor will assist in the completion of the application.

All employed/contracted providers of Speare Memorial Hospital and the Speare Physician Practices are covered by the Financial Assistance Policy and NH Health Access Network (NHHAN). (The New Hampshire Health Access Network helps low-income residents of New Hampshire who have health insurance but need financial assistance to help cover out of pocket medical expenses such as deductibles, co-pays and co-insurance.)

#### **PUBLICIZING OUR FINANCIAL ASISTANCE POLICY**

All patients are eligible to apply for Financial Assistance. Applications, along with this policy, are available at the switchboard, from any registration representative, at hospital based clinics/physician practices and, are available on-line at <http://www.SpeareHospital.com/>. Applications and copies of the policy will also be mailed upon request. Patients requiring assistance with completing their application may request help via appointment with our Patient Financial Counselor.

Brochures explaining our Financial Assistance policies, including hospital discounts and other Financial Assistance programs are available in most public areas within the hospital, and physician practices. Signs regarding the policy are to be placed in all Registration and waiting areas in the hospital, in the registration and waiting area of hospital based clinics, and physician practices. Patients who are admitted to our Inpatient Care Unit or our Emergency Department will be given information about our Financial Assistance program upon discharge. Outpatients and ambulatory surgery patients will be given information about our Financial Assistance policies on admission.

Community-wide education regarding hospital Financial Assistance programs will take place through the hospital website, article(s) and in newsletters published by the hospital. . Patient Financial services will also be available at the annual community wide health fair(s) to assist community members with questions or concerns.

Speare Memorial Hospital and Speare Physician Practices will also work with local referring providers, including federally recognized health centers to make them aware of our Financial Assistance policy. Outreach will include, but not be limited to mailings, meetings, and site visits. Outreach will also take place with community action groups such as the United Way and the Agency on Aging.

Yearly education of staff regarding our Financial Assistance Policy will take place via newsletters and emails.

#### **BILLING AND COLLECTION PROCESSES**

Speare Memorial Hospital and Speare Physician Practices will make a concerted effort to engage patients in financial counseling and determination of eligibility for Financial Assistance using the following timeframes. The backside of all bill notices will contain a summary of the Financial Assistance program, and time pay plans.

1. Speare Memorial Hospital prorates balances to self-pay in the Meditech or Cerner system. This updates the Collector to our self-pay outsource vendor

2.	Our self-pay outsource vendor sends the <b>first bill</b> notice to patient.
3.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor sends a <b>second bill notice</b> .
4.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor initiates telephone attempts.
5.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor initiates second telephone attempt.
6.	Accounts enters 9-day wait for results of telephone contact.
7.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor sends <b>third bill notice</b> .
8.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor initiates third telephone attempt.
9.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor sends review notice to Speare Memorial Hospital to determine if the account will be sent to collections.
10.	If partial payment is not received, and patient has not requested a Financial Assistance application, vendor sends <b>final notice</b> which includes pending Extraordinary Collection Actions if they have not paid their bill, made payment arrangements, or completed their Financial Assistance application.
11.	Patient is sent a 30-day notice of pending Extraordinary Collection Actions if they have not paid their bill, made payment arrangements, or completed their Financial Assistance application along with supporting documentation.
12.	Extraordinary Collection Actions can begin in situations where a patient has requested Financial Assistance application that has not been completed along with supporting documentation.

Any extraordinary collection processes, i.e., collection bureau reporting, will be suspended once a complete application for Financial Assistance has been received and will resume at the same place in the timeline where the process left off if it is determined that the patient is not eligible for Financial Assistance.

If the patient/guarantor is eligible for a Financial Assistance program the billing office must provide a billing statement that explains the amount due, how the amount generally billed was arrived at, and refunds of any excess payments made by the individual. The billing office will also

take reasonable measures to reverse any extraordinary collection actions taken against the patient or guarantor.

Self-pay patients are given information about our Financial Assistance process during the billing process (on the reverse side of their statements) in addition to the information given at the time of admission/registration.

**EXTRAORDINARY COLLECTION ACTION PROCESSES**

Extraordinary Collection Action processes occur when accounts are sent to a collection agency for further collection after the initial balance billing process is performed by Speare Memorial Hospital, Speare Physician Practices or their agent(s).

An account will not be turned over to a collection agency until the account has exceeded 120 days of aging (past the first day of the bill) and the patient or guarantor has received three (3) bills, two (2) regular billing reminder notices, two (2) attempted phone calls, and a notice of pending collection action 30-days before the end of the 120-day period. If a patient has requested a Financial Assistance application, the account will not be turned over until a decision on the complete Financial Assistance application is final.

Approved

_____ Chief Financial Officer	_____ Date
_____ President / Chief Executive Officer	_____ Date
_____ Chairperson, Board of Directors	_____ Date

**EXHIBIT A**  
**SPEARE CATCHMENT AREA**

**DEFINITION OF SPEARE COMMUNITY CARE SERVICE AREAS:**

Speare Memorial Hospital and Speare Physician Practices best defines their community as those towns comprising southern Grafton County. In reviewing our patient origin information and market share data published by the New Hampshire Hospital Association, the following towns comprise the "communities" served by Speare Memorial Hospital and Speare Physician Practices:

Alexandria, NH	Lincoln, NH
Ashland, NH	Meredith, NH
Bridgewater, NH	New Hampton, NH
Bristol, NH	Plymouth, NH
Campton, NH	Rumney, NH
Center Harbor, NH	Thornton, NH
Dorchester, NH	Warren, NH
Ellsworth, NH	Waterville Valley, NH
Groton, NH	Wentworth, NH
Hebron, NH	Woodstock, NH
Holderness, NH	



**EXHIBIT B**

**SPEARE COMMUNITY CARE GUIDELINES  
EFFECTIVE APRIL 1, 2016**

	<b>CATEGORY A</b>	<b>CATEGORY B</b>	<b>CATEGORY C</b>	<b>CATEGORY D</b>	
<b>Family Size</b>	<b>126% to 150%</b>	<b>151% to 175%</b>	<b>176% to 200%</b>	<b>201% to 224%</b>	<b>225%</b>
<b>DISCOUNT</b>	<b>100%</b>	<b>75%</b>	<b>50%</b>	<b>25%</b>	
1	17,820	20,790	23,760	26,730	29,700
2	24,030	28,035	32,040	36,045	40,050
3	30,240	35,280	40,320	45,360	50,400
4	36,450	42,525	48,600	54,675	60,750
5	42,660	49,770	56,880	63,990	71,100
6	48,870	57,015	65,160	73,305	81,450
7	55,095	64,278	73,460	82,643	91,825
8	61,335	71,558	81,780	92,003	102,225
9	67,575	78,838	90,100	101,363	112,625
10	73,815	86,118	98,420	110,723	123,025
Each Add '1	6,240	7,280	8,320	9,360	

**EXHIBIT C**

<b>FEDERAL POVERTY INCOME GUIDELINES</b>	<b>0 to 125%</b>	<b>126% to 150%</b>	<b>151% to 175%</b>	<b>176% to 200%</b>	<b>201% to 225%</b>
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NH Health Access Network % Forgiven	1 100%	2 75%	3 50%	4 25%	
Speare Memorial Hospital % Forgiven	A 100%		B 75%	C 50%	D 25%

**Minimum Payment and Co-payment Guidelines**

**HOSPITAL OUTPATIENT & PHYSICIAN PRACTICES VISIT FEE:\***

Emergency Room Visit	\$40	\$50	\$70	\$100	\$130
Rehabilitation Service	\$5	\$5	\$15	\$20	\$20
Primary Care Physician Office Visit	\$20	\$20	\$20	\$20	\$20
Specialty Care Physician Office Visit	\$30	\$30	\$60	\$90	\$120

\* Service fee is expected at time of service and excludes procedures/injections/infusions. Any overdue unpaid patient balances at the time of charity care application renewal could result in discontinuation of eligibility. Please see below for Optical Services.

**PROCEDURES SLIDING SCALE:**

Surgery, Anesthesia, and other procedures (this discount applies to professional services only)	80%	80%	60%	40%	30%
Elective Surgery, Anesthesia, and other procedures (this discount applies to professional services only). **	60%		50%	40%	30%

\*\*Devices and injectable need to be paid in full prior to surgery. Please see Attachment B for Optical Services

**WHITE MOUNTAIN EYE CARE & OPTICAL SERVICES**

Select group of frames and lenses are made available at reduced cost:

Single Vision..... \$ 90.00

Conventional Bifocals..... \$ 130.00

Conventional Trifocals ..... \$ 150.00

(Lenses must be paid in full prior to ordering).

Options:

Tinting, transitions, non-glare, polarized or progressive lenses are available at a 20% discount off regular price 20% discount on non-prescription sunglasses.