

Department: Patient Financial Services	
Policy #: PFS003	
Name: Financial Assistance Policy	
Effective Date: 9/1/1994	Revised: 12/2017
Owner: Virginia Pittman	Page 1 of 7

**PURPOSE:**

To provide guidance and authority to staff in identifying and differentiating patients eligible for financial assistance from those unwilling to pay. Free or discounted care will be reviewed and considered without jeopardizing the financial viability of the Rehabilitation Hospital of Indiana, Inc. (RHI).

**POLICY:**

It is the policy of RHI to verify and collect the financial resource information on each patient to classify and establish how their account will be paid in a manner that protects each patient's confidentiality, dignity, and quality of life. No inpatient or emergent outpatient admission will be denied due to a patient's inability to settle their account. RHI will make adjustments to a patient's account balance based on the criteria defined in this policy. Any patient applying for financial assistance is expected to also apply for any available government-sponsored health coverage (e.g. Medicaid, HIP) and complete all of the requirements for eligibility determination. A Charity Taskforce will review and make a determination on all Financial Assistance Applications by majority vote. All determinations will be documented.

**SCOPE:**

This policy applies to charges for all medically necessary services provided by the hospital and RHI employed physicians.

**EXCEPTION:**

Any exceptions to the policy require approval by the Charity Taskforce and all appropriate account documentation and financial paperwork must be supplied.

**DEFINITIONS:**

**Charity (Financially Indigent)** – the household income is equal to or less than 200% of the Federal Poverty Guidelines (see Attachment A). Qualified applicants will receive adjustments according to the scale in Attachment A. A Financial Assistance Application must be submitted. All required supporting documents must be attached to the application at the time the requests is made. All financial documents must be current.

**Financial Assistance Application** is a confidential document detailing the patient/guarantor's insurance information, income, assets, and financial obligations.

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This document must be completed using verifiable documentation prior to any determination regarding financial assistance. See Attachment B. Any application received without current copies of required documents will not be accepted by the Charity Taskforce. All required information must be presented with the application.

**Interest-free Payment Arrangement** means an invoice payment plan that allows a patient up to twelve (12) months to pay an outstanding balance without accruing interest.

**Limited Means** - an inability to pay the full patient portion of charges, including deductibles and co-pays, and may include individuals who are self-pay and commercially insured. The patient/guarantor must request financial assistance, be ineligible for charity, and have income between 200% and 400% of the

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Federal Poverty Guidelines. Qualified applicants will receive partial adjustments according to the scale in Attachment A. A Financial Assistance Application must be submitted. All required supporting documents must be attached to the application at the time the requests is made. All financial documents must be current.

**Medicaid Pending** - the individual being referred to the hospital has been assessed prior to admission and deemed likely to qualify for Medicaid either financially and/or medically. All patients admitted as Medicaid Pending will complete a Financial Assistance Application. If Medicaid Pending patients are determined to be ineligible for Medicaid they may be eligible for financial assistance.

**Medically Indigent** – an inability to pay some or all medical expenses because patient’s medical expenses exceed 25% of their income even though they have income or assets that otherwise exceed the generally applicable eligibility requirements for free or discounted care referenced above.

**Medically Necessary Care** – shall mean health care services that a physician or physician extender, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are:

- (i) In accordance with generally accepted standards of medical practice;
- (ii) Clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the patient’s illness, injury or disease; and
- (iii) Not primarily for the convenience of the patient, physician or physician extender, or other health care provider, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient’s illness, injury or disease.

**Uninsured** – no medical insurance. This does not include individuals who are Medicaid Pending at the time of admission.

**ELIGIBILITY:**

1. This Policy applies only to charges for emergency or other medically necessary services provided by RHI. Attached to this policy as Attachment C is a list of all providers, in addition to RHI itself, delivering emergency or other medically necessary care at RHI that specifies which providers are covered by this policy and what are not covered.
2. All third party resources and non-hospital financial aid programs, including public assistance available through HCI and Medicaid, must be exhausted before financial assistance can be granted.

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3. Patients may be eligible for financial assistance if they are determined to be:
  - Financially Indigent,
  - Uninsured,
  - Limited Means, or
  - Medically Indigent
4. To determine eligibility, the patient/guarantor must participate and fully cooperate to determine eligibility by completing the Financial Assistance Application, and providing all required documents.
5. Falsification of any portion of an application or refusal to cooperate may result in denial of financial assistance.

**APPLICATION:**

When the Financial Assistance Application is completed, Case Management/Admission staff will bring it to the Chief Financial Officer/Patient Financial Manager who will first determine if all documents are attached. The application will then be taken to the Charity Taskforce for determination on whether or not the patient/guarantor qualifies for assistance. The patient's account will be adjusted accordingly.

1. If the patient/guarantor has requested financial assistance but does not qualify for assistance, an interest free payment plan may be offered, up to a maximum of 12 months.
2. Once financial assistance has been granted, the guarantor will not be supplied with documentation required to bill insurance companies. This includes UB, 1500, and/or detailed itemization of charges.
3. The Financial Assistance Policy applies to deceased patients when it has been determined that there are no assets of value in the estate.
4. Financial assistance may be granted to patients who qualify for government programs when funding has delayed payment. If later government assistance is awarded, the account adjustment will be reversed.
5. Financial assistance may be granted to uninsured patients who have an inability to pay. The individual will need to complete a Financial Assistance Application for review by the Charity Taskforce.

**BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS:**

1. Following a determining of eligibility under this policy, a patient eligible for financial assistance will not be charged more for emergency or other medically necessary care than the amounts generally billed (AGB) to individuals who have insurance

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covering such care. At least annually, RHI calculates an AGB percentage based on the Look-back Method (as defined by Treasury Regulations issued under section 501(r) of the Internal Revenue Code of 1986, as amended). Members of the public may obtain the current AGB percentage (and a description of the calculation) in writing and free of charge by contacting RHI as indicated below.

2. RHI does not bill or expect payment of gross/total charges from individuals who qualify for financial assistance under this policy.

**ACTIONS TAKEN IN THE EVENT OF NONPAYMENT:**

1. For a patient who chooses not to participate or is denied financial assistance, the full measure of collection activity will continue through the billing cycle up to and including referral to a collection agency.
2. RHI will suspend collection activity on an account while an application is being processed and considered.
3. RHI will not attempt to collect on amounts that have been approved for financial assistance as defined by this policy. RHI will attempt to collect on amounts that are not approved for financial assistance.
4. Additional information regarding the actions that RHI may take in the event of nonpayment are described in a separate Billing and Collection Policy. Members of the public may obtain a free copy of this separate policy from RHI via the contact information listed below.

**MEASURES TO WIDELY PUBLICIZE THE AVAILABILITY OF FINANCIAL ASSISTANCE:**

RHI makes this Financial Assistance Policy, application form, and plain language summary of this policy widely available on its website, and implements additional measures to widely publicize the policy in communities served. Furthermore, RHI accommodates all significant populations that have limited English proficiency by translating this policy, application form, and plain language summary of this policy into the primary language(s) spoken by such populations.

**RHI CONTACT INFORMATION:**

For more information, please contact RHI as follows:

Website	<a href="http://www.rhin.com">www.rhin.com</a>
Telephone	317-329-2325
By Mail	Rehabilitation Hospital of Indiana, Inc. 4141 Shore Drive

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	Indianapolis, IN 46254 ATTENTION: Patient Financial Services Department
In Person <i>(inquire at information desk)</i>	<u>Main Campus:</u> Rehabilitation Hospital of Indiana, Inc. 4141 Shore Drive Indianapolis, IN 46254  <u>Carmel Outpatient Facility:</u>  RHI Carmel 12425 Old Meridian Street, Suite B2 Carmel, IN 46032  <u>RHI NeuroRehabilitation Center:</u>  RHI NRC 9531 Valparaiso Court Indianapolis, IN 46268

**CROSS REFERENCES:**

Federal Poverty Guidelines

**REFERENCES/CITATIONS:**

Billing and Collection Policy

**FORMS/APPENDICES:**

Attachment A – Federal Poverty Guidelines/Sliding Scale

Attachment B – Financial Assistance Application

Attachment C – Provider Listing

**RESPONSIBILITIES:**

Charity Taskforce

**APPROVAL BODY:**

Administration

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**Attachments:** [financial assistance application](#), [2019 Poverty Guidelines](#), [Provider Listing](#)

**Version Number:** 10.0

**References/Citations:**

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**Approvals:**

Patient Financial Services: 09/1994, 12/1995, 12/1996, 09/1997, 05/2000, 01/2004, 02/2009, 03/2010, 09/2010, 09/2011, 09/2012, 09/2013, 09/2014, 01/2016, 06/2018, 10/2019

**Signatures:**