

**SAGE MEMORIAL HOSPITAL
POLICIES AND PROCEDURES**

TITLE: DISCOUNT/SLIDING FEE POLICY

Check One

- HOSPITAL WIDE
 DEPARTMENT - SPECIFIC FOR

List department(s) if department specific
Patient Accounting Department

POLICY NUMBER: PA-001

RESOURCE PERSON:
CFO

ENDORSED BY:

APPROVED BY:
Policy & Procedure Committee

POLICY:

Navajo Health Foundation-Sage Memorial Hospital (SMH) provides health care services at no cost to members of the Navajo Nation (Indian beneficiaries) and other Indian Health Service (IHS) eligible beneficiaries pursuant to its P.L. 93-638 contract with the Federal Government in accordance with the Indian Self Determination Education and Assistance Act (ISDEAA) whereby SMH assists the federal government in fulfilling its trust responsibility of providing healthcare to Indian Tribes and their members. . Because SMH is carrying out the program, functions, services and activities of the federal government (HIS), it provides those services at no cost to the patient. SMH bills Indian beneficiary patient's insurance if applicable and bills Medicare and Medicaid for services provided to eligible beneficiaries. For non-Indian patients, SMH will provide to eligible applicants, discounts based upon household income and size. A sliding fee schedule is used to calculate the basic discount and is updated each year using the federal poverty guidelines. Once approved, the discount will be honored for six months, after which the patient must reapply.

PROCEDURE:

Communications to the Public

Sage Memorial's Sliding Fee Schedule Policy shall be made publicly available through the following methodologies:

1. A notice advising patients that the hospital provides a discount shall be posted in key public area of the hospital, including registration, the emergency department, billing and financial services.
2. The healthcare system will distribute a written notice of the discount policy to patients at the time that information pertaining to third party coverage is requested of a patient. This written information shall also be verbally explained at this time. If for some reason, for example in an emergency, the patient or patient's representative shall be notified in writing as soon as possible thereafter.
3. Written information about the discount policy shall be made available to any person who requests the information, either by mail, by telephone, or in person. The healthcare system's sliding fee schedule, if applicable, shall also be made available upon request.

Discount Application Process

A completed application including required documentation of the home address, household income, and insurance coverage must be on file and approved by the business office before a discount will be granted. If the applicant appears to be eligible for Medicaid, a written denial of coverage by Medicaid may also be required.

Adolescent non-Indian patients seeking confidential care are exempt from the application process, and services are provided at the nominal rate.

Services Covered and Excluded

Medical:	The discount is applied to all on-site services provided by Sage Memorial health care providers.
Pharmacy:	Samples are not provided. The discount is applied to on-site prescriptions.
Lab & X-ray:	The discount is applied to laboratory and x-ray services.

Eligibility Criteria

All patients are eligible to apply for Sage Memorial's Charity Care program.

The full amount of charges will be determined to be charity care for a patient whose gross family income is at or below 100 percent of the current federal poverty level.

A sliding fee schedule shall be used to determine the amount that shall be written off for patient with incomes between 101 and 300 percent of the current federal poverty level.

Relationship of Patient's or Responsible Party's

Income to the Federal Poverty Level (FPL) as

Determined Annually by the Federal Government:

Patient Responsibility:

0 to 100% of Federal Poverty Level

10%

101% to 150% of Federal Poverty Level

25%

151% to 200% of Federal Poverty Level

50%

201% to 250% of Federal Poverty Level

75%

Over 251% of Federal Poverty Level

100%

Inability to pay

For patients who do not meet the discount guidelines, but are uninsured, Sage Memorial Hospital will provide options to participate in a payment plan. Should the patient be unable to make scheduled payments, they may submit a letter of hardship to the Office of the CEO for consideration.

Process for eligibility determination

A. Initial Determination

1. The healthcare system shall use an application process for determining eligibility for discount consideration of hospital or clinic based medical services. Requests to provide discount care will be accepted from sources such as: physicians, community or religious groups, social services, financial services, personnel, and the patient, provided that any further use or disclosure of the information contained in the request shall be subject to the Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulations and the hospital's Privacy Policies. All requests shall identify the party that is financially responsible for the patient.
2. The following will be supplied to the responsible party
 - Information about Discounted/Sliding Fee Scale Services
 - Applications for Sliding Fee Scale

- Application for AHCCCS Health Insurance
 - Sage Memorial employee contact information
3. The initial determination of eligibility for the discounted/sliding fee scale shall be completed at the time of admission/visit or as soon as possible following initiation of services to the patient.
 - Sage Memorial employee will use the AHCCCS application or apply via the Health E Arizona system. All required documents must be obtained from patient.
 - Sage Memorial Hospital may verify eligibility with and third parties insurances.
 4. Pending final eligibility determination, Sage Memorial Hospital will not initiate collection efforts or request deposits, provided that the responsible party is cooperative with the system's efforts to reach a final determination of the application status.

B. Final Determination

1. During the initial request period, the patient and the healthcare system may pursue other sources of funding, including Medicaid and Medicare. The responsible party will be required to provide written verification of the ineligibility for all other sources of funding. All third party payers must first be exhausted prior to the application of discount/sliding fee care.
2. Each discount/sliding fee care applicant who has been initially determined eligible for charity care shall be provided with at least 15 calendar days, or such time as may reasonably be necessary, to secure and present documentation in support of his or her care application prior to receiving a final determination of application status.
3. The hospital shall notify the applicant of its final determination within 15 days of receipt of all application and documentation material.
4. The responsible party may appeal the determination of eligibility for discounted care by providing additional verification of income or family size to the Sage Memorial Representative within 30 days of notification.
5. When an application for discounted care is denied, the patient will receive a written notice of denial, which includes:
 - The reason or reasons for the denial
 - Date of the decision
 - Instructions for appeal or reconsideration
6. When the applicant does not provide requested information and there is not enough information available for Sage Memorial Hospital to determine eligibility, the denial notice will include:
 - A description of the information that was requested and not provided, including the date the information was requested.
 - A statement that eligibility for charity care cannot be established based on information available to the hospital.

C. Appeals

1. The patient will be allowed 30 days from dated denial notifications to appeal.

Documentation and Records

- A. Confidentiality. All information relating to the application will be kept confidential, in compliance with HIPAA requirements. Copies of documents that support the application will be kept with the application form.
- B. Documents pertaining to discounted care shall be kept filed.

Initial Approval: 03/17/2010
Reviewed: 03/17/2010, 2016 by Policy & Procedure Committee
Revised: 2013
References: IRC 501(r)(4)(A), IRC 501(r)(5), 501(r)(6)