

Sage Memorial Hospital
Navajo Health Foundation
Financial Assistance Policy

Pursuant to 501(r) of the Internal Revenue Code

Mission

The mission of Navajo Health Foundation – Sage Memorial Hospital (Sage Memorial) is to provide quality healthcare for the Dine people with respect, unity, beauty, harmony in honor of K’*e* and the sacredness of life.

Policy

Sage Memorial is committed to providing access to quality healthcare for the community it serves. Many of Sage Memorial’s patients may be eligible for services through the Indian Health Service (IHS), Medicare, or Medicaid. In addition, Sage Memorial consistent with general practices of a tribal health organization operating under the Indian Self-Determination, Education and Assistance Act (ISDEAA) and Indian Health Care Improvement Act, offers Financial Assistance to patients facing difficult financial circumstances with an established need to receive emergency medical care and medically necessary hospital services. Financial Assistance is not available for non-medically necessary care, patient requested services that are not deemed necessary by the treating provider, and certain services listed in the Excluded Services section of this policy.

Key Points

- Sage Memorial offers Financial Assistance subject to availability of funding, and that results in the waiver or reduction of charges for qualifying patients who receive emergency or medically necessary care.
- Not all patients are eligible for Financial Assistance.
- If a patient is not eligible for presumptive Financial Assistance, then the patient must apply by filling out an application and verifying household income. Financial Assistance is determined based on household income.
- Not all medical services are eligible for Financial Assistance.

Actions Sage Memorial may take in the event of non-payment are described in its Billing and Collections Policy. A free copy may be obtained at <https://sagememorial.com/insurance-billing-information/> or by calling 1-928-755-4500, Monday through Friday, 9:00 a.m. to 5:00 p.m. Mountain Time.

Sage Memorial will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for Financial Assistance under this policy.

Purpose

Sage Memorial provides health care services at no cost to members of the Navajo Nation (Indian beneficiaries) and other IHS eligible beneficiaries pursuant to its P.L. 93-638 contract with the Federal Government in accordance with the ISDEAA whereby Sage Memorial assists the federal government in fulfilling its trust responsibility of providing healthcare to Indian Tribes and their

members. Because Sage Memorial is carrying out the program, functions, services, and activities of the federal government (IHS), it provides those services at no cost to the patient. Sage Memorial bills IHS, Medicare, Medicaid, or, if applicable, an Indian beneficiary's private insurance for the services provided. For non-Indian patients, Sage Memorial will provide, to eligible applicants, discounts based upon household income. 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.

Definitions

Applicant: Patient or other individual responsible for payment of the patient's care who seeks Financial Assistance.

Applicant Period: Begins on the date medical care is provided and ends 120 days after the first post-discharge billing statement or 30 days after the hospital or authorized third party provides written notice of extraordinary collection actions the hospital plans to initiate, whichever is later.

Bad Debt: The cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

Emergency Medical Care: Medically necessary care provided after the onset of a medical condition, whether physical or mental, manifesting itself by symptoms of sufficient severity, including severe pain, that the absence of prompt medical attention could reasonably be expected by a prudent layperson who possesses an average knowledge of health and medicine to result in placing the health of the person or another person in serious jeopardy. A medical screening examination and treatment for emergency medical conditions or any other such service rendered to the extent required pursuant to the Emergency Medical Treatment and Labor Act ("EMTALA") (42 U.S.C. § 1395dd) qualifies as Emergency Medical Care. Emergency Medical Care also includes:

- Care determined to be an emergency by a licensed medical professional;
- Inpatient medical care associated with outpatient emergency care; and
- Inpatient transfers from another acute care hospital to Sage Memorial for the provision of inpatient care that is not otherwise available.

Family: For the purpose of this policy, a family is:

- A married couple and any dependents, as defined by IRS guidelines;
- An individual with dependents as defined by IRS guidelines; or
- An unmarried person with no dependents.

Federal Poverty Guidelines: A measure of income issued each year by the Department of Health and Human Services. These guidelines are used to determine eligibility for certain programs and benefits and for Financial Assistance from Sage Memorial.

Financial Assistance: The providing of free or discounted care to individuals who cannot afford to pay all or a portion of their hospital medical bills based on the eligibility rules identified in this policy. Sage Memorial may determine inability to pay before or after medically necessary services are provided.

Gross Charges: The full established price for medical care provided to patients.

Medically Necessary Care: Healthcare items and services that a prudent provider would deem reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the function of a malformed organ or body part in a manner that is:

- In accordance with generally accepted standards of medical practice;
- Clinically appropriate in terms of type, frequency, extent, site and duration; and
- Not primarily for the economic benefit of the health plans or insurance or for the convenience of the patient or other healthcare provider.

Medically necessary care does not include the following services (this is a non-exhaustive list):

- Cosmetic evaluation and/or surgery;
- Hospital services that could have been provided in a lower-cost setting but were not provided in that lower-cost setting at the request of the patient or patient's decision maker, such as a family member;
- Evaluation and management services exceeding those considered medically reasonable and necessary at the request of the patient;
- Excessive therapy or diagnostic procedures at the request of the patient;
- Screening tests, exams, and therapies where the patient has no symptoms or diagnosis;
- Unnecessary services based on the patient's diagnosis at the request of the patient; and
- Services noted in other sections of this policy as excluded.

Self-Pay Balance: The amount due to Sage Memorial after services are rendered and all other payment options or reimbursement methods are exhausted. Financial Assistance is applied after calculating the self-pay balance.

Providers Covered Under This Policy

All Sage Memorial employees and medical providers rendering care are covered under this policy.

Excluded Services

Specific services and items are excluded from Financial Assistance, including, but not limited to, the following:

- Cosmetic surgery;
- In-Vitro Fertilization (IVF);
- Advanced Reproductive Therapy (ART);
- Gastric bypass services absent a payer's determination of medical necessity resulting in coverage and payment;
- Accounts and services linked to a research study;
- Patient convenience items including premium accommodations and overnight accommodations that are based on the patient's request and typically not covered by health insurance;
- Other non-medically necessary services that are billed according to a pre-determined self-pay schedule;
- Certain post-transplant medications; and
- Program fees such as Executive, Medallion, and other programs.

Presumptive Financial Assistance

Applicants may qualify for presumptive Financial Assistance if not otherwise excluded.

- If the patient has proof of current enrollment in a Medicaid or Medical Assistance through the Arizona Health Care Cost Containment System, or is deemed eligible for such coverage, the patient does not need to complete an application for Financial Assistance and will automatically be deemed eligible for 100% adjustment of the self-pay balance, if any; or
- If Sage Memorial determined the patient is eligible for Financial Assistance based upon socio-economic information specific to the patient that is gathered from market sources;

Eligibility Criteria for Financial Assistance

All patients may apply for Financial Assistance. A sliding fee schedule shall be used to determine the discount off of gross charges. The sliding fee schedule is set out in the table below:

Household Income in Relation to the Federal Poverty Level	Patient Responsibility
0% - 100%	0%
101% - 150%	25%
151% - 200%	50%
201 – 250%	75%
Over 250%	100%

In addition, as discussed further below, following a determination of eligibility for financial assistance under this policy, an individual may not be charged more than amounts generally billed for emergency or other medically necessary care.

Applying for Financial Assistance

Financial Assistance is offered through either an application process or based on current eligibility for medical assistance, presumptive eligibility, or other government need-based assistance.

Application Process

Applicants who want to apply for Financial Assistance shall apply using the application found at <https://sagememorial.com/insurance-billing-information/>. Completed applications should be sent to Sage Memorial, PO Box 457, US 191 & 264, Ganado, AZ 86505. The patient must submit all required documentation required in the application. Sage Memorial will notify the patient of incomplete applications and specify the documents or information needed to complete the application process, which should be provided within 15 calendar days. Sage Memorial reserves the right to deny Financial Assistance if the application is not completed within the 15-day time period.

Sage Memorial will also accept requests to provide Financial Assistance from physicians, community or religious groups, social services, and personnel. All information contained in the request shall be subject to the Health Insurance Portability and Accountability Act (HIPAA). All requests shall identify that patient and who is financially responsible party.

Financial Assistance Determinations

The initial determination for Financial Assistance eligibility shall be completed at the time of admission or as soon as possible following initiation of services to the patient. Sage Memorial reserves the right to verify eligibility with third parties.

Pending final determination, Sage Memorial will not initiate collection efforts or request deposits.

Sage Memorial will notify the applicant, in writing, of its final determination within 15 calendar days of receiving a completed application and all required documentation. If Financial Assistance is denied, the applicant will receive written notice of the denial. The written notice will include the following:

- Reason(s) for the denial;
- Date of the decision;
- Instructions for appeal or reconsideration,
- If denied because the applicant did not provide requested determination, the denial will also include
 - A description of the information requested and not provided, including the date the information was requested, and
 - A statement that eligibility for Financial Assistance cannot be established based on information available to Sage Memorial.

The applicant may appeal the determination by providing additional verification of income or family size to Sage Memorial within 30 calendar days of the date of the decision.

Basis for Calculating Amounts Charged to Patients

Sage Memorial limits the amount charged for an emergency or other medically necessary care it provides to a patient who qualifies for Financial Assistance to not more than the amount generally billed (AGB) to individuals covered by private insurance, Medicaid, or Medicare fee-for-service. Sage Memorial uses a look-back method, determined annually, to determine the AGB percentage. The AGB percentage is calculated by dividing the amounts allowed by private insurance, Medicaid, and Medicare fee-for-service by the gross charge amount for all care emergency or medically necessary care provided. The AGB percentage is then multiplied by the gross charge amount resulting in the maximum self-pay balance the patient is responsible for paying. The combination of insurance payments and patient payments may exceed AGB.

Refund Policy

If an applicant submits a complete application for Financial Assistance and is determined to be eligible, Sage Memorial will reimburse the applicant for the amounts previously paid in excess of the amount due pursuant to this policy, including any interest paid; however, if the amount due the patient is less than \$5.00 (or other amount set by the Internal Revenue Service), Sage Memorial is not required to reimburse the patient or pay interest.

Confidentiality

All information relating to the application will be kept confidential, in compliance HIPAA.

Availability of this Policy

Sage Memorial will widely publicize this policy by:

- Making this policy and a plain language summary of this policy widely available at <https://sagememorial.com/insurance-billing-information/>;
- Making paper copies of this policy, the plain language summary of this policy, and the application available upon request and without charge, both by mail and in public locations in the hospital, including at a minimum in the emergency room and admissions area;
- Offering a paper copy of the plain language summary of this policy to patients as part of the intake or discharge process;
- Setting up conspicuous displays (or other measures reasonably designed to attract patients' attention) that notify and inform patients about this policy in public locations at Sage Memorial, including at a minimum in emergency departments and admissions areas;
- Notifying members of the community served by Sage Memorial in a manner reasonably calculated to reach those members who are most likely to require Financial Assistance about this policy and where to obtain more information.
- Including a conspicuous written notice on billing statements that notifies and informs recipients about the availability of Financial Assistance under this policy and includes the phone number of the office that can provide information about this policy and the direct website address where copies of the policy, the application for Financial Assistance and the plain language summary of this policy can be obtained.

Translations for Limited English Proficiency Population

Sage Memorial is committed to accommodating members of the community who have limited English proficiency by providing a version of this policy, the application, and the plain language summary translated into Navajo. Translation efforts are ongoing. When complete, the translated version will be available at <https://sagememorial.com/insurance-billing-information/>.