

Policy Title:	Financial Assistance Programs Policy
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PURPOSE

Littleton Regional Healthcare (the Hospital or LRH) is a not-for-profit organization which recognizes its responsibility to provide Emergency Care to patients of its community regardless of their ability to pay. Financial Assistance may also be available for patients who receive Medically Necessary care after reasonable efforts have been made to identify insurance and/or other payment sources. The purpose of this policy is to establish guidelines for patients to receive Financial Assistance that is consistent and in compliance with Section 501(r)(4)(A) of the Internal Revenue Code and implementing regulations (26 C.F.R. § 1.501(r) et seq.).

DEFINITIONS

1. **Family Unit Size** – is defined as the applicant (patient, if applicable), spouse, and all legal dependents as allowed by the Internal Revenue System. The patient/applicant's family unit will include any other taxpayer that can claim the patient/applicant as a dependent for income tax paying purposes. If patient/applicant is a minor, the family unit will include parent(s)/legal guardian(s), unless the minor is legally emancipated.
2. **Financial Assistance Program "FAP" Application:** Application completed in accordance with the process set forth in this Policy.
3. **Family Unit Income** – is defined as gross income for all members of the family unit for the last four months (annualized) or the last calendar year, whichever is the lesser amount. Examples of income include retirement, veteran's benefits, worker's compensation, sick leave, disability compensation, welfare, social security retirement, alimony, child support, stock/certificate dividends, interest, or income from property.
4. **FAP Eligible Patient** – subject to other requirements as outlined in the FAP, a FAP Eligible Patient is defined as a patient that receives emergency care or medically necessary care, has a household income at or below the levels specified elsewhere in the FAP of the federal poverty level (FPL), and who does not have the financial resources to pay for services. Subject to other requirements outlined in the FAP, a FAP Eligible Patient shall include all uninsured patients that receive Medically Necessary Care and have a household income as specified elsewhere in the FAP.
5. **Emergency Care** – is defined as care provided for an emergency medical condition. An Emergency Medical Condition means a medical condition that is manifesting itself by acute symptoms of sufficient severity such that the absence of immediate medical attention might result in either:
 - Placing the health of the individual in serious jeopardy (or with respect to a pregnant person, the pregnant person's unborn child)
 - Serious impairment to bodily functions
 - Serious dysfunction of any bodily organ or part

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- With respect to a pregnant person who is having contractions:
 - That there is inadequate time to effect a safe transfer to another hospital before delivery; or
 - That transfer may pose a threat to the health or safety of the pregnant person or the pregnant person's unborn child.
- 6. **Medically Necessary Care** – Care that is deemed medically necessary by an examining provider's determination. Such care is also based upon generally accepted medical practices in light of conditions at the time of treatment which is appropriate and consistent with the diagnosis and the omission of which could adversely affect or fail to improve the patient's condition.
- 7. **Extraordinary Collection Actions "ECA"**– is defined as actions that require a legal or judicial process or involve reporting adverse information about an individual to consumer credit reporting agencies or credit bureaus (collectively, "credit agencies").
- 8. **Federal Poverty Income Guidelines** – is defined as the poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services. LRH uses the Federal Poverty Income Guidelines to determine a patient/applicant's Federal Poverty Level ("FPL"). (<https://aspe.hhs.gov/poverty-guidelines>)

POLICY

1. Financial assistance applications will be accepted for Emergency Care as well as for Medically Necessary care. LRH shall allocate financial resources as part of its annual budget process and provide financial assistance to FAP eligible patients that apply for such assistance, in accordance with this Policy. LRH will provide free or discounted care to patients in accordance with this Financial Assistance Programs Policy (the "FAP") and in compliance with Section 501(r)(4)(A) of the Internal Revenue Code and implementing regulations (26 C.F.R. § 1.501(r) et seq.). The FAP provides guidelines to ensure consistent processing of FAP Applications to patients who qualify. LRH will grant Free Care services to patients who submit a FAP application, provide the required documentation, and have income at or below 150% of the Federal Income Level (FPL) and meet the other requirements of this FAP. LRH will grant Reduced Rate care, defined as 25% of the patient responsibility, to those applicants who receive Medically Necessary Care, and have income above 150% to 300% of the FPL. Determination of eligibility of a patient for Financial Assistance shall be applied regardless of the source of referral and without discrimination to race, color, gender, national origin, age, religion, creed, disability status, sexual orientation, gender identify or gender expression.
2. LRH will provide Emergency Care to all patients (within the meaning of the Emergency Medical Treatment and Active Labor Act (EMTALA) regardless of whether they are eligible for Financial Assistance. LRH will refrain from engaging in debt collections activities that interfere with the provision of Emergency Care. However, after medical screening and stabilization services have been rendered as required by EMTALA, LRH may then request

insurance status and review applicable estimates of patient financial liability (e.g., deductibles, co-insurance and co-payments).

RESPONSIBILITIES

The FAP is maintained and administered by LRH's Revenue Cycle Department with authority and approval from the LRH Board of Trustees. LRH reviews the FAP annually.

FEDERAL & STATE COMPLIANCE:

1. This Policy, in conjunction with the LRH Credit and Collections policy, is intended to meet the requirements of applicable federal, state, and local laws, including, without limitation, section 501(r) of the Internal Revenue Code law of 1986, as amended, and the regulations there under.
2. LRH will make the FAP, the FAP application, and the plain language summary of the FAP available in English and in the primary language of any populations with limited proficiency in English that according to LRH, constitute a minimum of 5% or 1000 persons, whichever is less, of the residents in the LRH service areas.

PROCEDURES

Littleton Regional Healthcare Financial Assistance Program:

1. **Availability & Notification:** LRH will make concerted efforts to promote the FAP to its patients and ensure that the FAP is widely available.
2.
 - a. LRH makes the FAP, FAP application form, and a plain language summary of the FAP widely available on its website. [My Bill - Patient Financial Services - Littleton Regional Healthcare \(littletonhealthcare.org\)](https://www.littletonhealthcare.org)
 - b. LRH provides paper copies of the FAP, FAP application form, and a plain language summary of the FAP is available upon request and without charge, both by mail and in public locations in LRH's facility, including, but not necessarily limited to, LRH's emergency room, admission areas, and patient registration areas.
 - c. LRH promotes the FAP to its patients by conspicuously displaying physical signs and information of the FAP and the FAP application at LRH's principal patient entry points.
 - d. LRH notifies patients who receive care from LRH about the FAP by:
 - i. Offering a paper copy of the plain language summary of the FAP to patients as part of the intake or discharge process; and
 - ii. Including a conspicuous written notice on billing statements that notifies and informs recipients about the availability of financial assistance under LRH's FAP and includes the telephone number of LRH's Revenue Cycle Department that can provide information about the FAP and FAP application

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process and the direct website address (or URL) where copies of the FAP, FAP application form, and plain language summary of the FAP may be obtained.

- e. The FAP, FAP application, and a plain summary of the FAP may be obtained by calling or visiting any hospital Patient Financial Advocate, or by printing online at: [My Bill - Patient Financial Services - Littleton Regional Healthcare \(littletonhealthcare.org\)](http://MyBill-PatientFinancialServices-LittletonRegionalHealthcare(littletonhealthcare.org))

3. **Content:** LRH may require an applicant to furnish any information that is reasonably necessary to substantiate the applicant's income or the fact that the individual is not covered by insurance or eligible for coverage by state or federal programs of medical assistance. The applicant must apply for Medicaid, if deemed eligible by LRH's Patient Financial Advocate, who will utilize the NH Medicaid Screening worksheet to determine eligibility to apply for such programs. The Medicaid application must be a co-operative one and any denial due to withdrawal of the application will be grounds for denial of the patient's application for Financial Assistance. Individuals who have applied and have a pending application for a public assistance program are not eligible until an eligibility decision is reached. Individuals who choose not to enroll in Medicare Part B are not eligible for LRH's Financial Assistance.

4. **FAP Application:** All patients may apply for the FAP. LRH will comply with its patient privacy practices when handling all FAP applications, supporting documentation, and communications with applicants regarding a pending FAP Application. In order for LRH to make a determination of eligibility for Financial Assistance, a completed and signed FAP Application must be submitted within 240 days of the first post-discharge billing statement. When returned, the FAP application shall be accompanied by one or more of the following types of documentation:

- a. *FAP Eligible Individual:* Evidence of participation in a State or Federal program which utilizes Federal Poverty Guidelines as criteria for approval may be accepted in lieu of income documentation and considered a FAP Eligible Individual subject to other requirements outlined in the FAP. LRH reserves the right to accept or deny decisions made outside these guidelines. All applicable co-pays or other patient responsibility amounts should be requested in accordance with requirements of such programs. LRH may recognize decisions made by the following assistance programs without requesting copies of FAP Applications:

- New Hampshire Health Access Network Card
- Ammonoosuc Community Health Services, Inc.
- Current Medicaid, if not retroactive to cover past services
- Deceased patient with no estate (as confirmed by executor of estate)

- b. The Applicant must provide proof of Family Unit Income, which may include at least one of the following:

- A copy of the last four most recent pay stubs of all employed individuals within the applicant's Family Unit. Applicants must provide a notarized letter from

the employer if the applicant is unable to produce the applicant's four most recent pay stubs.

- Current year W-2 and/or recent year tax return
 - Social Security Award Letter
 - Proof of worker's compensation, sick leave, disability compensation, welfare or social security retirement.
 - Applicants must complete and notarize LRH's "No Income and Support Verification Form" if the applicant does not have income at the time the FAP Application is submitted. The Form must be accompanied by the applicant's signature, and it must be notarized. The form requires the applicant to explain who provides food, shelter, clothing, etc. for the applicant and/or the applicant's family, if applicable.
- c. Proof of assets as follows:
- Copies of applicant's 3 most recent statements for all banking, investment and/or retirement accounts.
 - Applicant must notarize and provide LRH's "No Bank Account Information Form" if banking information is not available.
- d. Proof of residence must be at least one of the following:
- Valid New Hampshire driver's license
 - Valid New Hampshire identification card
 - Current utility bill
 - Lease or rent record showing evidence of town/county of residence
 - Property tax assessment
 - Food stamp letter
 - Voter registration card
- e. LRH may request the following documents if applicable:
- Applicants must provide proof of the applicant's entire Family Unit Income. If the applicant has children, the applicant must provide information about all monies received from child support, if applicable. If the applicant has been divorced, or is legally married, but separated from their spouse, the applicant must provide information about all monies received from alimony.
 - Applicants that are legally married, but separated, must provide legal documentation of separation or provide spouse's income.
 - Written verification from public welfare agencies or other government agencies which can attest to the applicant's Gross Income status for past 12 months.
 - Most recent bank statements for personal and business checking and savings accounts.
 - Verification of Pension or Retirement Income.

- Verification of student status, which is defined as a copy of current class schedule, registration information and a copy of the student photo ID (if applicable).
 - Applicants that lost their job within the last 3 months are required to provide a separation letter from the applicant's last employer. Applicants must also provide documentation specifying whether or not the applicant receives unemployment benefits.
 - Applicants with adopted children or children other than biological or stepchildren, must provide legal documentation providing proof of adoption or guardianship.
- f. Seasonal Employment Income: LRH may take into consideration the applicant's seasonal employment and temporary increases and/or decreases of income. Seasonal and/or temporary employment income shall be annualized, when appropriate, based upon documentation provided and upon verbal information provided by the patient.
- g. In situations where the information provided by the patient or guarantor does not match the "Criteria Based Method", the Criteria Based information will be considered in the eligibility determination.
5. **Incomplete FAP Applications:** Approval can only be considered for complete applications. In the event that LRH received an incomplete application, a notification will be sent to inform patients of the status of their application, with instructions on how to obtain assistance with completion. If no application is submitted within the timeframe referenced above, the hospital may proceed with Extraordinary Collection Actions as provided under LRH's Credit and Collections Policy.

ELIGIBILITY CRITERIA

1. Financial assistance will be provided to patients when net available assets are not sufficient and gross family income is between 0 and 300 percent of the Federal Poverty Guidelines adjusted for family size, and either in full or in part in accordance with the LRH Sliding Scale (see further below).
2. Financial assistance eligibility may occur at any time during the FAP Application Period. If the completed application is received after extraordinary collection efforts have been commenced, but within the application period, the application processing will be expedited and all ECAs will cease during processing.
3. Following the initial request for financial assistance, LRH will continue to make reasonable efforts to identify other sources of funding, including but not limited to Medicare, Medicaid and/or other coverage options.

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4. LRH's Financial Assistance is a coverage of last resort and is secondary to all other financial resources available to the patient.
5. The financial obligations that remain once the financial assistance adjustment has been applied may be paid in a lump sum or the patient may arrange a payment plan subject to the conditions of LRH Credit and Collection Policy.
6. Financial Assistance will remain in effect for a period of twelve (12) months from the date of approval for Medicare patients, and six (6) months from the date of approval for all other patients.
7. **Basis for Calculating Amounts Billed to FAP Eligible Patients:** LRH has adopted a "prospective method" of calculating Adjusted Gross Billings Amounts Generally Billed (AGB) charges to FAP eligible patients pursuant to 26 C.F.R. § 1.501(r)-5(b)(4). The Medicare rate letter received annually by LRH will be used as the resource to determine the maximum amounts charged to FAP eligible patients. LRH shall determine AGB by using the billing and coding process LRH would use if the FAP-eligible individual were a Medicare beneficiary, by setting AGB for the care at the amount LRH determines would be the total amount Medicare would allow. This includes both the amount that would be reimbursed by Medicare and the amount the beneficiary would be personally responsible for paying in the form of co-payments, co-insurance, and deductibles. The AGB rate will be adjusted annually within 120 days of receipt of the most current Medicare rate letter. At no time will a FAP eligible individual be charged more for emergency or other medically necessary care than the lower of Amounts Generally Billed (AGB) or gross charges to individuals who have insurance covering such care. For purposes of this Section, "charged" means the amount the individual is personally responsible for paying, after all deductions, discounts (including discounts available under the FAP), and insurance reimbursements have been applied.

APPROVAL CALCULATION AND SLIDING SCALE DETERMINATION:

1. For FAP Eligible Patients, gross charges will first be adjusted by the AGB as defined previously in this policy. The remaining balance may qualify for a financial assistance of a sliding scale as follows:
 - a. Up to 200% of federal poverty guidelines will receive 100%
 - b. 201%-225% of federal poverty guidelines will receive 75%
 - c. 226%-275% of federal poverty guidelines will receive 50%
 - d. 276%-300% of federal poverty guidelines will receive 25%
2. Assets will be taken into consideration, including but not limited to: savings, checking, certificates of deposit, investments and retirement accounts.

Assets will be excluded subject to the following limits in determining eligibility for Financial Assistance:

- a. Savings, checking, certificates of deposit or other investments up to 100% of federal poverty limit for income
- b. Retirement Accounts up to \$100,000
- c. Primary residence is fully excluded

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Please note that this asset test does not apply to Rural Health Clinic balances.

3. Example of the calculation based on the following assumptions:
 - a. Gross Charges for services are \$1,000,
 - b. Patient qualifies based on the Federal Poverty Guidelines and sliding scale for 50% financial assistance
 - c. Gross Charges are first reduced by AGB leaving a balance of \$420
 - d. Remaining balance is approved at 50%, leaving patient responsibility of \$210

APPROVAL CALCULATION AND SLIDING SCALE DETERMINATION:

1. The hospital will make reasonable efforts to notify the patient of the final determination within thirty (30) working days of having received a complete application.
2. The notification will include the calculation of the approved amount including the application of the AGB, and the determination of the amount for which the responsible party will be financially responsible for, if applicable.
3. Applications that are deemed not to qualify will be communicated in writing as to why the application did not qualify and will include instructions for the applicant to submit an appeal for reconsideration.
4. If the application is approved, any prior payments made by the patient on accounts that are covered by the approved application will be refunded, if the excess is greater than \$9.99.
5. The FAP Applicant may appeal LRH's decision of a FAP Application by submitting a request for reconsideration of eligibility for financial assistance within 30 days from the date of LRH's denial letter. The applicant's appeal must include documentation supporting the reason for the appeal, along with any additional information that the applicant believes LRH should receive. LRH will consider appeals for reconsideration of eligibility within 30 days of having received the amended complete application, and notifications will be processed as per above.

EXCLUDED SERVICES:

Physicians' services are excluded from Financial Assistance eligibility unless they are included in hospital charges on the patient's account, or are services rendered by a Littleton Regional Healthcare-owned physician practice. Attached is a list of the Physician Practices that accept the Littleton Care Program. Some facilities or providers may have an external financial assistance policy, which is determined by and implemented at the discretion of the separate entity.

The following lists includes the Physician Practices that are currently part of the Littleton Care Program: (updated November 2023)

- | | |
|--|---|
| <ul style="list-style-type: none">• Alpine Clinic (excluding Durable Medical Equipment)• Gastroenterology Services• Littleton Urology Associates• LRH Audiology | <ul style="list-style-type: none">• LRH Oncology/Hematology (including Non-chemo infusion services)• Neurology Associates• North Country Otolaryngology |
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- North Country Primary Care (including Pediatrics and Behavioral Health)
- North Country Pulmonology and Sleep Medicine

- North Country Women's Health
- Palliative Care Services
- Surgical Associates at LRH

The following lists includes the Physician Practices on the LRH campus that are **NOT** currently part of the Littleton Care Program:

- Cardiology: Dartmouth Hitchcock Clinic Littleton, Dr. Storms
- Dermatology, Dartmouth Hitchcock Clinic Littleton, Dr. Hammer
- Shippee Family Eye Care
- Littleton Internal Medicine

- Oncology/Hematology: Dartmouth Hitchcock Norris Cotton Cancer Center
- UVM Medical Center Pathology
- White Mountain Family Health

There are certain services, both in the hospital and clinic setting which are excluded from the Littleton Care Program or other financial assistance programs accepted at Littleton Regional Healthcare (i.e.: NHHAN, ACHS Sliding Fee Program). The following services are considered either elective or non-emergent and therefore, **not covered**: cosmetic procedures, services related to treatment of obesity, sexual dysfunctions, genetic counseling, massage therapy, fertility treatment, sterilization or contraceptive methods, and all other non-Medically Necessary Care services. A comprehensive list will be maintained by senior staff as an addendum to this policy.

The Hospital Board of Trustees, consistent with state and/or federal regulations, will determine the availability of Financial Assistance annually.

EXAMPLES OF EXCLUDED PROCEDURES

- Acne care
- Acupuncture
- Biofeedback
- Birth Control implants and devices
- All non-medically necessary newborn testing (i.e. cord blood studies)
- Chronic and Long-term pain management
- Circumcisions (Newborn)
- Cosmetic procedures, including plastic surgery, Botox injections, varicose vein repairs, etc.
- Dental services
- Durable Medical Equipment (including braces and prosthetics)
- Direct admits to: Intermediate Care (ICF), custodial care, or rest cures in swing beds
- Elective Procedures
- Experimental/investigational procedures
- Infertility procedures including artificial insemination, in-vitro fertilization, intra-uterine implantation procedures, laparoscopy (for treatment of infertility)
- Insurance company claims denied for lack of referral/pre-certification that the patient is required to obtain or for patient failure to submit information being required by the insurance company

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- Independent Medical Exam (IME)
- Massage therapy
- Occupational health services
- Physical exams and related services for work or insurance purposes or as required for other administrative or liability reasons.
- Private rooms
- Services or procedures available through federal, state or local law, regulations or programs
- Services or procedures for any condition, disease or injury arising out of or in the course of employment, when the member has the opportunity to be covered by a Workers' Compensation programs
- Services or procedures for disease or injury sustained as a result of war, riot or civil disobedience
- Sex transformation procedures and related services
- Sterilization and/or reversal of voluntary sterilization charges. (Physician consultation charges for discussion of possible sterilization may be covered.)
- Supplies, including but not limited to: hearing aid(s), allergy serum, IUD and other birth control devices, cast cover, crutches, and durable medical equipment

Responsible Owner/Author:	Administration, Finance, Patient Financial Services, Patient Access	Contact(s):	
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