

## GOOD SHEPHERD HEALTH CARE SYSTEM DEPARTMENTAL POLICIES AND PROCEDURES

<b>SUBJECT: Financial Assistance</b>	<b>ADMINISTRATIVE APPROVAL:</b>	<b>NO.</b>
	<b>SUPERSEDES:</b>	<b>Page 1 of 2</b>
<b>DEPARTMENT RESPONSIBLE FOR POLICY MAINTENANCE: BUSINESS OFFICE</b>	<b>REVIEWED: FORMULATED:</b>	
<b>REVISED DATE: 6-23-05</b>		

### Purpose

To implement principles of Good Shepherd’s Mission by providing financial assistance for urgent healthcare services.

### Policy

Good Shepherd Medical Center will provide discounts based upon a sliding scale of 150% of the Federal Poverty Guidelines.

**What Services are covered?** All hospital services qualify for the discount except elective procedures, durable medical equipment rental, and services in which the total bill from the hospital is less than \$100.00.

**How much is the discount?** Discounts are provided on a sliding scale up to 95% of the hospital bill. Patients who do not qualify for a financial assistance discount, but have a high expense-to-income ratio, and cannot meet the established payment guidelines, will be evaluated on a case-by-case basis for discounts.

### Procedure

**Who can apply?** Patients whose incomes fall below 150% of Federal poverty guidelines are encouraged to apply, though applications are available to all patients.

**Where can a patient apply?** Applications may be obtained from either the financial counselor or financial assistant in order to follow up with each patient’s specific case.

**What is involved in the application process?** Patients will be given ten days to fill out the financial assistance application and return it to the financial counselor. Late or incomplete applications may result in disqualification for financial assistance. Patients **may** be required to turn in any or all of the following documentation for each person working in the household:

- Previous Year’s Federal Tax Return
- Current year check stubs from the previous three months (for situations resulting in extensive layoffs that dramatically affect household income)
- Proof of alternative income for current year such as unemployment, social security, or food stamps
- Denial for Oregon Health Plan (patient only)
- Most recent bank statement
- Statements for outstanding medical bills
- Expense statements for utilities, mortgage, car loans, credit cards, or any other personal loan.

Upon receipt of the application, the financial counselor will review for eligibility and contact the patient within two business days to formalize arrangements.

**What factors determine eligibility?** Eligibility is based upon total family income and total family size. Good Shepherd determines income using Federal Poverty Guidelines. Gross income is the money earned before taxes. Income may include earnings from a job, child support/alimony, worker's compensation, unemployment, food stamps, retirement/pension, and injury settlements. **Good Shepherd matches all other eligibility parameters using Oregon State resource guidelines.** Resources that affect total household income may include things such as cash, checking and savings accounts, stocks, bonds, and rental property or land. **The home the patient lives in and the patient's primary vehicle do not count as resources.** Expenses (particularly medical and pharmacy bills) will also be taken into consideration. Additionally, discounts will not be given to those patients expecting any kind of third party cash settlement.

**What system is used to review patient information?** The financial counselor and financial assistant will use a custom-designed Eligibility Worksheet created in excel spreadsheet form. Data will be entered from the financial assistance application to the spreadsheet in order to obtain the most accurate figure for "total household income". Once this figure is obtained, the financial counselor will refer to the "Charity allowance" sliding scale and locate the percentage discount according to the number in the household and the figure from the Eligibility worksheet.

**What sorts of income proof are used to calculate the discount?** In general, the gross household income from the previous year's tax return will be used. The following are some examples of special circumstances in which "total household income" may be figured differently:

- Extensive Layoffs – In situations where layoffs create a substantial income deficit compared to the previous year, current year check stubs may be used. Year to date income is divided by number of pay periods and pro-rated out twelve months.
- Seasonal work - Many jobs, particularly agriculture, are seasonal in nature. Many applicants work for more than one company during the year. In this case the financial counselor will request the latest check stubs or print outs from each separate company if previous year Tax Returns are unavailable.
- Fluctuating hours - Harvest and Security related jobs may fluctuate income from one month to the next creating a challenge in pro-rating current year income. In this case it is best to use the previous year's taxes.
- Migrant workers – Some applicants are new to the area and do not carry a substantial work history. In this case, the year to date income from the latest check stubs is used.
- Workers who are paid in cash – For workers who are paid in cash, a written and signed letter from their employer is requested to prove household income. If this is not available or the employer refuses to do so, a written explanation from the applicant or a bank statement is requested.
- Retired Applicants - For retired applicants the most recent bank statement showing their social security or retirement direct deposit is requested.
- Disabled Applicants – A copy of the most recent bank statement is requested. If the applicant does not have a bank account the financial counselor will extend the application period to the beginning of the next month at which point a copy of the actual check may be requested.
- Child Support/Alimony - This is considered income and a bank statement or statement of support will be requested.

**How is the discount finalized?** Once the percentage discount is figured, the patient will be contacted by phone to come meet with the financial counselor in person at which point the discount will be explained and payment arrangements will be made on the "net balance" after the discount. The patient or applicant will agree to the payment arrangements and sign the financial assistance payment contract. Payment is generally requested before the discount can be processed. In special cases an extension may be granted until the next pay-day. If applicant is not able to be reached by phone the payment contract and a letter of assistance are mailed. The complete application with payment contract attached is then forwarded to the Billing Manager for approval on accounts up to \$10,000. Accounts with balances above \$10,000 will be forwarded to the Vice-President of Finance for approval. A copy of the approved discount is subsequently forwarded to the Cashier for account adjustment. Those patients being considered on a case-by-case basis must be approved by the Vice-President of Finance, Chief Operating Officer, or the President.

**What is the Denial Process?** Patients with total family income above the allowable guideline for their family size will receive a phone call within two business days notifying them of their denial for financial assistance. A written denial will be mailed when the patient is unable to be reached. Patients who wish to appeal the decision or basis for their denial for financial assistance may contact the financial counselor or financial assistant. Their complete application and any other supporting documentation will then be forwarded to the President for final review. After a final decision is reached by the President the patient will be notified by phone regarding eligibility by the financial counselor or financial assistant.

**GOOD SHEPHERD MEDICAL CENTER**  
**BUSINESS OFFICE POLICY**  
**CHARITY CARE ALLOWANCE**  
2006

Family Unit Size	Taxable Income Range	Percentage of the bill for which the patient is responsible.										
		5%	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
1	From	\$0	\$14,701	\$16,334	\$17,967	\$19,601	\$21,234	\$22,867	\$24,500	\$26,133	\$27,766	Over
	To	\$14,700	\$16,333	\$17,966	\$19,600	\$21,233	\$22,866	\$24,499	\$26,132	\$27,765	\$29,400	\$29,400
2	From	\$0	\$19,801	\$22,001	\$24,201	\$26,400	\$28,600	\$30,800	\$33,000	\$35,199	\$37,399	Over
	To	\$19,800	\$22,000	\$24,200	\$26,399	\$28,599	\$30,799	\$32,999	\$35,198	\$37,398	\$39,600	\$39,600
3	From	\$0	\$24,901	\$27,667	\$30,434	\$33,200	\$35,967	\$38,733	\$41,499	\$44,266	\$47,032	Over
	To	\$24,900	\$27,666	\$30,433	\$33,199	\$35,966	\$38,732	\$41,498	\$44,265	\$47,031	\$49,800	\$49,800
4	From	\$0	\$30,001	\$33,334	\$36,667	\$40,000	\$43,333	\$46,666	\$49,999	\$53,332	\$56,665	Over
	To	\$30,000	\$33,333	\$36,666	\$39,999	\$43,332	\$46,665	\$49,998	\$53,331	\$56,664	\$60,000	\$60,000
5	From	\$0	\$35,101	\$39,001	\$42,900	\$46,800	\$50,699	\$54,599	\$58,499	\$62,398	\$66,298	Over
	To	\$35,100	\$39,000	\$42,899	\$46,799	\$50,698	\$54,598	\$58,498	\$62,397	\$66,297	\$70,200	\$70,200
6	From	\$0	\$40,201	\$44,667	\$49,133	\$53,600	\$58,066	\$62,532	\$66,998	\$71,465	\$75,931	Over
	To	\$40,200	\$44,666	\$49,132	\$53,599	\$58,065	\$62,531	\$66,997	\$71,464	\$75,930	\$80,400	\$80,400
7	From	\$0	\$45,301	\$50,334	\$55,367	\$60,399	\$65,432	\$70,465	\$75,498	\$80,531	\$85,564	Over
	To	\$45,300	\$50,333	\$55,366	\$60,398	\$65,431	\$70,464	\$75,497	\$80,530	\$85,563	\$90,600	\$90,600
8	From	\$0	\$50,401	\$56,000	\$61,600	\$67,199	\$72,799	\$78,398	\$83,998	\$89,597	\$95,197	Over
	To	\$50,400	\$55,999	\$61,599	\$67,198	\$72,798	\$78,397	\$83,997	\$89,596	\$95,196	\$100,800	\$100,800
9	From	\$0	\$55,501	\$61,667	\$67,833	\$73,999	\$80,165	\$86,331	\$92,497	\$98,663	\$104,829	Over
	To	\$55,500	\$61,666	\$67,832	\$73,998	\$80,164	\$86,330	\$92,496	\$98,662	\$104,828	\$111,000	\$111,000
10	From	\$0	\$60,601	\$67,334	\$74,066	\$80,799	\$87,532	\$94,264	\$100,997	\$107,730	\$114,462	Over
	To	\$60,600	\$67,333	\$74,065	\$80,798	\$87,531	\$94,263	\$100,996	\$107,729	\$114,461	\$121,200	\$121,200

**2006 POVERTY LEVEL GUIDELINES  
ALL STATES (EXCEPT ALASKA AND HAWAII) AND DC**

**Income Guidelines as Published in the Federal Register on January 24, 2006  
Federal Register Vol. 71, Number 15, Page 3848-3849**

**ANNUAL GUIDELINES**

<b>FAMILY SIZE</b>	<b>100% POVERTY*</b>	<b>120%</b>	<b>133%</b>	<b>150%</b>	<b>170%</b>	<b>175%</b>	<b>185%</b>	<b>190%</b>	<b>200%</b>	<b>250%</b>	<b>300%</b>	<b>400%</b>	<b>450%</b>
1	9,800.00	11,760.00	13,034.00	14,700.00	16,660.00	17,150.00	18,130.00	18,620.00	19,600.00	24,500.00	29,400.00	39,200.00	44,100.00
2	13,200.00	15,840.00	17,556.00	19,800.00	22,440.00	23,100.00	24,420.00	25,080.00	26,400.00	33,000.00	39,600.00	52,800.00	59,400.00
3	16,600.00	19,920.00	22,078.00	24,900.00	28,220.00	29,050.00	30,710.00	31,540.00	33,200.00	41,500.00	49,800.00	66,400.00	74,700.00
4	20,000.00	24,000.00	26,600.00	30,000.00	34,000.00	35,000.00	37,000.00	38,000.00	40,000.00	50,000.00	60,000.00	80,000.00	90,000.00
5	23,400.00	28,080.00	31,122.00	35,100.00	39,780.00	40,950.00	43,290.00	44,460.00	46,800.00	58,500.00	70,200.00	93,600.00	105,300.00
6	26,800.00	32,160.00	35,644.00	40,200.00	45,560.00	46,900.00	49,580.00	50,920.00	53,600.00	67,000.00	80,400.00	107,200.00	120,600.00
7	30,200.00	36,240.00	40,166.00	45,300.00	51,340.00	52,850.00	55,870.00	57,380.00	60,400.00	75,500.00	90,600.00	120,800.00	135,900.00
8	33,600.00	40,320.00	44,688.00	50,400.00	57,120.00	58,800.00	62,160.00	63,840.00	67,200.00	84,000.00	100,800.00	134,400.00	151,200.00

\*For family units of more than 8 members, add \$3,400 for each additional member

**MONTHLY GUIDELINES**

<b>FAMILY SIZE</b>	<b>100% POVERTY</b>	<b>120%</b>	<b>133%</b>	<b>150%</b>	<b>170%</b>	<b>175%</b>	<b>185%</b>	<b>190%</b>	<b>200%</b>	<b>250%</b>	<b>300%</b>	<b>400%</b>	<b>450%</b>
1	816.67	980.00	1,086.17	1,225.00	1,388.33	1,429.17	1,510.83	1,551.67	1,633.33	2,041.67	2,450.00	3,266.67	3,675.00
2	1,100.00	1,320.00	1,463.00	1,650.00	1,870.00	1,925.00	2,035.00	2,090.00	2,200.00	2,750.00	3,300.00	4,400.00	4,950.00
3	1,383.33	1,660.00	1,839.83	2,075.00	2,351.67	2,420.83	2,559.17	2,628.33	2,766.67	3,458.33	4,150.00	5,533.33	6,225.00
4	1,666.67	2,000.00	2,216.67	2,500.00	2,833.33	2,916.67	3,083.33	3,166.67	3,333.33	4,166.67	5,000.00	6,666.67	7,500.00
5	1,950.00	2,340.00	2,593.50	2,925.00	3,315.00	3,412.50	3,607.50	3,705.00	3,900.00	4,875.00	5,850.00	7,800.00	8,775.00
6	2,233.33	2,680.00	2,970.33	3,350.00	3,796.67	3,908.33	4,131.67	4,243.33	4,466.67	5,583.33	6,700.00	8,933.33	10,050.00
7	2,516.67	3,020.00	3,347.17	3,775.00	4,278.33	4,404.17	4,655.83	4,781.67	5,033.33	6,291.67	7,550.00	10,066.67	11,325.00
8	2,800.00	3,360.00	3,724.00	4,200.00	4,760.00	4,900.00	5,180.00	5,320.00	5,600.00	7,000.00	8,400.00	11,200.00	12,600.00

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Instruction for Update:

Visit US Department of Health & Human Services at  
<http://aspe.hhs.gov/poverty/06fedreg.htm>