



Control Number: **07-84-73**
Effective Date: 6/5/07, 01/23/06
Document Type: Policy & Procedure

Replaces:
Proposed By: Central Billing Office

Update approvals: Aspirus Board Finance Committee: 6/5/07
Committee/Dept. Approval & Dates: Aspirus Chief Financial Officer: 1/18/06; Aspirus Finance Committee: 1/18/06

SUBJECT: FINANCIAL AID AND DISCOUNT POLICY (COMMUNITY CARE)

PURPOSE:

Makes provisions for the management of patients that are unable to pay all or part of essential services they receive.

AREAS AFFECTED/STAKEHOLDER(S):

CBO/Patient Financial Services
Fiscal Services
Aspirus Corporations listed below:

COMPANIES/DEPARTMENTS (Refer to Company Specific Addendums):

Aspirus, Inc.....	Addendum 2
Aspirus Clinics, Inc.	Addendum 2
Aspirus Home Medical Equipment.....	Addendum 2
Aspirus Doctors Clinic, Inc.	Addendum 2
Aspirus General Clinic, LLC	Addendum 2
(Langlade Memorial Hospital General Clinic)	
Aspirus Lillian Kerr Healthcare Center, Inc.....	Addendum 2
Aspirus Specialist, Inc.	Addendum 2
Aspirus Stevens Point ASC.....	Addendum 2
Aspirus VNA Home Health, Inc.	Addendum 3
Aspirus VNA Extended Care, Inc.....	Addendum 3
Aspirus Wausau Hospital, Inc.	Addendum 2
Aspirus Wausau Hospital Hospice House.....	Addendum 4

PRINCIPLES:

1. Concern regarding a hospital bill should never get in the way of patient receiving essential health services.
2. Aspirus is committed to provide financial assistance to patients' ability to contribute to the cost of his or her care.
3. Financial aid policy will be considered in collection activities both internally and externally (legal and collection agencies)

DEFINITIONS:

Income: The Bureau of Census defines income to include total annual cash receipts before taxes from all sources. Income includes wages and salaries before any deductions.

1. Net receipts from non-farm self-employment.
2. Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses).
3. Regular payments from Social Security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veterans' payments and public assistance (including aid to Families with Dependent Children, Supplemental Security Income, Emergency Assistance money payments, and non-federally funded general assistance or general relief money payments).
4. Training stipends.
5. Alimony.
6. Child support.
7. Military family allotments.
8. Other regular support from an absent family member or someone not living in the household.
9. Private pensions.
10. Government employee pensions (including military retirement pay).
11. Regular insurance or annuity payments.
12. College or university scholarships.
13. Grant fellowships and assistantships.
14. Dividends.
15. Interest.
16. Net rental income.
17. Net royalties.
18. Periodic receipts from estates or trusts.
19. Net gambling or lottery winnings.
20. Capital gains.
21. Any asset drawn down as withdrawals from a bank.
22. The sale of property, house or car.
23. Tax refunds.
24. Gifts and inheritance.
25. One-time insurance payments or compensation for injury.

Poverty Guidelines: The poverty guidelines are a simplified version of the Federal Government's statistical poverty thresholds used by the Bureau of Census to prepare its statistical estimates of the number of persons and families in poverty. The poverty thresholds are used primarily for statistical purposes. However, the Department of Health and Human Services uses the thresholds for administrative purposes to determine whether a person or family is financially eligible for assistance or services under a particular federal program. Other programs, such as our Community Care, use the guidelines for the purpose of giving priority to lower-income persons or families in the provision of assistance or services. Our poverty guidelines are based on last (calendar) year's increase in prices as measured by the Consumer Price Index. The poverty guidelines are published in the Federal Register and are revised yearly.

FORMS USED:

Community Care Application (330-323-42-92)

Cover Letter (330-323-43-92)

Community Care Evaluation Form (330-323-56-93)

POLICY:

- I. Aspirus Community Care Program shall be administered in accordance with established eligibility criteria. No patient shall be denied based upon age, race, religion, creed, color, sex, pregnancy, national origin, disability, ancestry, arrest record, conviction record, marital status or sexual orientation.

- II. Eligibility Criteria
 - A. All patients with outstanding account balances after all payment options (e.g. Commercial Insurance, Medicare, Medical Assistance, Crime Victims, etc.) have been exhausted, may be eligible for Community Care. Exceptions to eligible services are noted in the addendums for each entity. Whenever possible, the application must be filled out by the patient/guarantor.
 - B. Patients with balances \$200 and above must complete the full application process (Community Care Application (330-323-42-92)). This must be completed by the patient/guarantor/billing staff member.
 - C. Patients may apply for Community Care in advance of certain scheduled procedures. However, the write-off will not occur until all other payers have paid.
 - D. All third party resources and non-Aspirus financial aid programs, including public assistance available through state Medicaid programs and Indian Health Financial Assistance through the Tribal Council must be exhausted before Community Care can be requested.
 - E. The patient/guarantor, husband or wife, and dependents may not have property in excess of that indicated in company/department specific addendum. Bankruptcy filing with discharge of bill will be considered as not having excess assets and income. Application will be completed internally in these situations.
 - F. The patient/guarantor, husband or wife, and dependents and family may not have annualized family income greater than 201% or 300% for Aspirus Wausau Hospital of the poverty guideline set yearly by the Federal Government. Community Care will be a sliding scale for write-offs. See Addendum 1 for the table. Refer to company specific addendums for exceptions.
 - G. Person may not have transferred property within a period of two years of date of application, unless they received full market value for such property (financial statement will be required).

- H. Falsification of application or refusal to cooperate will result in denial of Community Care Benefits and reversal of any write-offs completed.
 - I. Aspirus reserves the right to change community care determination if financial circumstances have changed.
 - J. In accordance with the joint position of the Wisconsin Hospital Association, the Health Care Financial Management Association (Wisconsin Chapter) and the Wisconsin Medical Credit Association, the following uncollectible accounts will be classified as Community Care:
 - 1. Deceased with no assets, based on the reasoning that the decedent has no ability to pay. If a partial payment is received, the remainder of the bill will be classified as Community Care.
 - 2. If unable to locate a family member to fill out the application, Aspirus staff will fill out the application. Community Care Coordinator will attach a credit report, contact patient's resident county to see if patient owned any property, and will check with the State of Wisconsin to verify the deceased was not covered by Medical Assistance.
 - 3. Accounts returned by the collection agency that would qualify as community care will be reclassified to Community Care – Collection Agency Determination. An example of this would be deceased – no estate.
- III. Exclusions
- A. Community Care generally excludes care found to be unnecessary (cosmetic), or disallowed by government or third party payers. Please refer to company specific addendum for additional definitions.
 - B. Procedures considered experimental or cosmetic in nature.
- IV. Aspirus may allow exceptions to the above policy, which will allow additional persons to be eligible for uncompensated services. Excessive medical expenses, or other expenses beyond the control of the patient/guarantor would represent acceptable criteria for exceptions to this policy. Such criteria are considered, when in the view of management, payment and/or a deferred payment plan would result in a financial hardship.
- A. Accounts listed with an outside collection agency will be considered for Community Care.
 - B. Due to exceptions and exclusions patients may have accounts that Aspirus pursues payment on while writing off other accounts.

PROCEDURE:

- I. Patients can apply prior, during or after treatment. Identification prior to service being provided is preferred but is not possible in many situations. I.e: Emergency care, urgent care or night/weekends.
 - A. The form may be completed during a pre-registration telephone conversation/visit with the patient/guarantor. The form would be signed at the time of admission and supporting documentation attached.
 - B. The form may be mailed to the patient/guarantor who will complete, sign and return the form with supporting documentation.
 - C. The patient/guarantor may come in to Aspirus Cashier Office at Wausau Hospital to complete the form.
 - D. Account notes should be made to show the status of application and whether approved or denied.

II. Application Requirements

- A. The application must contain complete and accurate information.
- B. Income verification is required.
 1. Copies of paycheck stubs or a letter from your employer(s) indicating all income for the previous three (3) months for all individuals responsible for payment,
 2. Copy of most recent federal income tax return,
 3. If applicant is on Social Security and/or receiving a pension, a copy of the last check, or a copy of the benefit award letter from the Social Security Administration is required, and
 4. Copies of resources from saving and checking accounts, certificates of deposit, stocks and bonds.
- C. Number of exemptions as determined by federal income tax law.

III. Program Administration:

The Community Care Program will be administered according to the following guidelines:

- A. The application information, along with a copy of the most recent Federal income tax return will be reviewed and verified by the Community Care Coordinator personnel. Included in this process for all applications is checking with the Medical Assistance Dial-Up Database.

- B. If the amount to be charged off to the Community Care Program exceeds 1,000 a credit report and a property check will be done by the Patient Financial Services personnel.
- C. After reviewing the application, the Director of Aspirus PFS/CBO will determine if the patient/guarantor qualifies for benefits based on the supporting documentation and the recommendation of the Community Care Coordinator personnel who verified the information contained in the application.
- D. If the amount to be charged off to the Community Care Program exceeds \$10,000, review and approval by the Aspirus Senior Vice President of Finance/CFO will be required.
- E. If the amount to be charged off to the Community Care Program exceeds \$25,000, review and approval by the Aspirus President/CEO or CMO will be required.
- F. Approved applications will be charged off per established procedures by the PFS/CBO personnel or clinic personnel (those not in Epic).
- G. The patient/guarantor will be notified in writing within ten (10) days of the decision.
- H. Providing the patient's finances have not changed, an approval will be valid for six months from the original approval date. Applications can be reviewed and updated within the six months period to verify this.
- I. Any third party payments received after the account has been written off to Community Care will be applied to the account and the write off will be reversed.
- J. Aspirus will retain Community Care applications as follows:
 - 1. Current Fiscal Year: Onsite and accessible.
 - 2. Two Previous Fiscal Years: Onsite and accessible. This is necessary because of ongoing Medicare Cost Report Audits for the hospital.
 - 3. Three to Seven Fiscal Years: Offsite (CDC) in clearly labeled and sealed box.

REFERENCES:

none

AUTHOR:

Cindy Rosine
Community Care Coordinator

John Osen, Director
Aspirus PFS/CBO
6/5/2007
Nkz-p

COMMUNITY CARE GUIDELINES

Eligibility Criteria

- A. The patient/guarantor, husband or wife, and dependents may not have property in excess of:
 - 1. Land and home with equity in excess of \$50,000 (financial statements and tax bills are required). Income producing land (e.g., dairy farm) is evaluated individually on a case-by-case basis. Aspirus also has a sliding scale for equity exceptions that goes to \$100,000 based on where the patient falls within the poverty guidelines.
 - 2. Cash assets in excess of \$3,000 at the time of application. Aspirus also has a sliding scale for cash exceptions that goes to \$7,000 based on where the patient falls within the poverty guidelines. Specifically excluded from consideration are:
 - a. IRA and Pension Plans, and
 - b. Irrevocable Burial Trust Funds
- B. The 2007 Poverty Guidelines are listed below. These are published at <http://aspe.hhs.gov/poverty>.

Family Size	Amount
1	\$10,210
2	\$13,690
3	\$17,170
4	\$20,650
5	\$24,130
6	\$27,610
7	\$31,090
8	\$34,570

- C. 2007 Community Care Income sliding scale is below. The amounts indicated are a sliding scale going up to 225% of the Federal Poverty Guidelines as noted above.

Percent of Poverty Guideline	Percent Write-off	Minimum Per Diem
0% to 125%	100%	\$0
126% to 140%	90%	\$10
141% to 160%	70%	\$10
161% to 180%	50%	\$10
181% to 200%	30%	\$10
***201% to 300%	15%	\$25

***This line applies to Aspirus Wausau Hospital charges only. All other non-hospital entities such as clinics only go to 200% of the federal poverty guidelines.

The 201%--300% range does not apply to insurance deductibles, copays, and coinsurance.

The per diem payment is the lowest amount owed per encounter. Ex: If a patient's charges are \$90 and the patient falls in the 130% range then the percentage would calculated an amount of \$9.00. In this case the patient amount owed would be \$10.00.

ADDENDUM #2

The following are specific to application of Community Care processing. This is not an all-inclusive list and is subject to addition/deletion.

The companies involved for this Addendum include:

- Aspirus, Inc.
- Aspirus Imaging
- Aspirus Wausau Hospital, Inc.
- Aspirus Clinics, Inc.
- Aspirus Home Medical Equipment
- Aspirus Doctors Clinic, Inc.
- Aspirus Lillian Kerr Healthcare Center, Inc.
- Aspirus Specialist, Inc.
- Aspirus General Clinic, LLC
(Langlade Memorial Hospital General Clinic)
- Aspirus Stevens Point ASC

NOTE: The only company in the above list that has the range 201—300% of the Federal Poverty Guidelines is Aspirus Wausau Hospital.

Services generally excluded from coverage under commercial insurance indemnity plans.

1. Cosmetic services.
2. Physicals outside of recommended AMA guidelines
3. INS and FAA Physicals
4. Depo-Provera Contraceptive
5. All charges related to IUD contraception
6. Vasectomies and tubal ligations unless medically necessary
7. Mole or wart removal unless medically necessary
8. Dermatology services found to be cosmetic or not medically necessary
9. Tattoo removal
10. Tubal reversal
11. Gastric by-pass unless medically necessary (Aspirus Health Plan guidelines used)
12. Puva treatments
13. Weight management program (Winning Ways)
14. Impotency or fertility services
15. Mobility systems (Electric Wheelchairs)
16. Company management has the discretion of setting limits on the duration of monthly rentals under the community care program. Generally, this

- would not be less than two months. Management will notify Patient Financial Services/CBO when this applies.
17. Other services not deemed as medically necessary.
-

ADDENDUM #3

The following are specific to application of Community Care processing. This is not an all-inclusive list and is subject to addition/deletion.

The companies involved for this Addendum include:

- Aspirus VNA Home Health, Inc.
- Aspirus VNA Extended Care, Inc.

Aspirus VNA Home Health

- A. All services that are deemed medically necessary are qualified services under the Community Care Program.
- B. VNA Executive Director will have the discretion of setting limits on the quantity and duration of services provided under the Community Care program. Generally, this would not be less than two months. Executive Director shall notify Patient Financial Services when this section applies.

Aspirus VNA Extended Care

- A. The services of Aspirus VNA Extended Care are generally excluded services under the Community Care program with the following exceptions.
 - 1. Personal Care worker services that are considered medically necessary.
 - 2. Other services deemed by the VNA Executive Director as medically necessary.
- B. VNA Executive Director will have the discretion of setting limits on the quantity and duration of services provided under the Community Care program. Generally, this would not be less than two months. Executive Director shall notify Patient Financial Services when this section applies.

NOTE: VNA program goes to 200% of Federal Poverty Guidelines.

ADDENDUM #4

Aspirus Wausau Hospital
 Hospice House
 Community Care Guidelines

Policy Statement: Community Care assistance will be granted to those patients who are determined to have a financial need.

Qualification will be based on meeting both requirements of a "two area" test: monthly income and assets.

Income-Based on several exemptions tied to household size.

Assets-Defined as "liquid assets" (e.g. bank accounts, Certificates of Deposits, checking), real estate (exempting \$50,000 of equity of primary home for families of 2 or more), and vehicles (exempting one vehicle).

Exemption limits will be adjusted effective January 1st of each year based on the published Social Security Cost of Living Adjustment.

I. Income

Family Size>	1			2			3			4		
Mthly Income	\$ Exempted	Pt Pays	Mthly Income	\$ Exempted	Pt Pays	Mthly Income	\$ Exempted	Pt Pays	Mthly Income	\$ Exempted	Pt Pays	
\$184.58	\$90.00	\$94.58	\$248.75	\$2,025.00	-	\$312.92	\$2,508.75	-	\$377.08	\$2,992.50	-	
\$369.17	\$90.00	\$279.17	\$497.50	\$2,025.00	-	\$625.83	\$2,508.75	-	\$754.17	\$2,992.50	-	
\$553.75	\$90.00	\$463.75	\$746.25	\$2,025.00	-	\$938.75	\$2,508.75	-	\$1,131.25	\$2,992.50	-	
\$738.33	\$90.00	\$648.33	\$995.00	\$2,025.00	-	\$1,251.67	\$2,508.75	-	\$1,508.33	\$2,992.50	-	
\$1,476.67	\$90.00	\$1,386.67	\$1,990.00	\$2,025.00	-	\$2,503.33	\$2,508.75	-	\$3,016.67	\$2,992.50	\$24.17	
\$2,215.00	\$90.00	\$2,125.00	\$2,985.00	\$2,025.00	\$960.00	\$3,755.00	\$2,508.75	\$1,246.25	\$4,525.00	\$2,992.50	\$1,532.50	
\$2,953.33	\$90.00	\$2,863.33	\$3,980.00	\$2,025.00	\$1,955.00	\$5,006.67	\$2,508.75	\$2,497.92	\$6,033.33	\$2,992.50	\$3,040.83	
\$3,691.67	\$90.00	\$3,601.67	\$4,975.00	\$2,025.00	\$2,950.00	\$6,258.33	\$2,508.75	\$3,749.58	\$7,541.67	\$2,992.50	\$4,549.17	

The above table illustrates several examples of patient contribution based on various income levels and family sizes. Patient monthly responsibility towards cost of their monthly Hospice House fees will be based on a sliding fee scale according to household size, income and monthly exemptions.

The actual payment amount will be calculated using the following formula:

Monthly Income _____
 Exemptions:
 one person 90.00 90.00
 2nd person 1,935.00
 0 _____
 ea. Addl person 483.75 _____

Less total exemptions>>

Available income

II. ASSETS

Household size/Asset Limit

1.	\$ 3,000.00
2.	\$10,000.00
3.	\$10,000.00
4.	\$10,000.00
etc.	\$10,000.00