

**POLICY NUMBER: PFS-400-003-BH**

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**FINANCIAL ASSISTANCE POLICY – BALLAD HEALTH**

**I. PURPOSE:**

This Financial Assistance Policy (FAP) outlined herein is intended to address the dual interests of providing access to care to those without the ability to pay and to offer a discount from billed charges for those who are able to pay a portion of the cost of their care. Upon adoption by the Ballad Health (BH) Board of Directors, acting in its capacity as the governing body for each Covered Entity, the policy set forth herein will constitute the official financial assistance policy (within the meaning of Section 501(r) of the Internal Revenue Code) for each such Covered Entity.

**II. SCOPE:**

Applies to each Hospital, Physician Clinic, or other healthcare provider delivering Covered Services in each facility wholly or majority owned and operated by Ballad Health from time to time and covered by this FAP (each, a "Covered Entity"). Exhibit B lists all such providers and is maintained and made available to the public as required by law.

**III. FACILITIES/ENTITIES:**

Ballad Health Corporate

Tennessee: BRMC, FWCH, GCH, HCH, HCMH, HVMC, IPCH, JCCH, JCMC, SSH, UCH, WPH, Niswonger Children's Hospital, New Leaf, Ballad Health Hospice House

Virginia: DCH, JMH, LCCH, LPH, NCH, RCH, SCCH, Clearview Psychiatric Unit, Green Oak Behavioral Health (Geriatric Behavioral Health Inpatient Program – DCH), Ridgeview Pavilion, Norton Community Physicians Services (NCPS), Abingdon Physician Partners (APP), Norton Community Hospital SNF Unit

Ballad Health Medical Associates

Blue Ridge Medical Management Corporation

Home Health/Hospice

Mountain States Physicians Group, Inc. (MSPG)

Strong Futures

Takoma Regional Hospital, Inc.

Wellmont Cardiology Services

Wellmont Medical Associates

WPS Providers, Inc.

#### **IV. DEFINITIONS:**

- A. **Amounts Generally Billed (AGB)** means the Usual and Customary Charges for Covered Services provided to Uninsured or Underinsured Patients, and to FAP-Eligible Individuals multiplied by the Applicable AGB Percentage for such services.
- B. **Application Period** means period of time a patient has to submit a completed Application for Financial Assistance.
  - 1. Patients are given the opportunity to apply for financial assistance up to two hundred forty (240) days from the date of the first post-discharge billing statement.
- C. **CMS** means the Center for Medicare and Medicaid Services.
- D. **Credit and Collection Policy** means the Ballad Health Policy entitled: "Credit and Collection Policy – Patient Accounts – Ballad Health," as the same may be amended from time to time.
- E. **Covered Providers** means those physicians and other non-hospital individuals, if any, whose Emergent and other Medically Necessary services are covered by the FAP.
- F. **Covered Services** means those inpatient and outpatient services provided by a Covered Entity to a patient which are medically necessary, determined in accordance with (as applicable for each patient) (i) the standards of Ballad Health's Medicare fiscal intermediary, Medicaid regulations, and/or payor contract, or (ii) if (i) is not applicable, the definition set forth in Section IV, P below.
- G. **Emergent Condition** means a medical condition of a patient that has resulted from the sudden onset of a health condition with acute symptoms which, in the absence of immediate medical attention, are reasonably likely to place the patient's health in serious jeopardy, result in serious impairment to bodily functions, or result in serious dysfunction of any bodily organ or part as outlined in "Emergency Medical Conditions" per Section 1867 of the Social Security Act (42 U.S.C. 1395dd).
- H. **Emergent Services** means the services necessary and appropriate to treat an Emergent Condition.
- I. **FAP-Eligible Individual** means an Uninsured, Underinsured or Insured Patient who may be eligible for financial assistance under this Policy without regard to whether the individual has applied for financial assistance.
- J. **Federal Poverty Guidelines** means minimum income requirements published annually by the U.S. Department of Health and Human Services and in effect at the date(s) of service for which financial assistance may be available.
- K. **Hospital** means each Hospital owned or operated by Ballad Health at which the Ballad Health Board of Directors has governing body authority over the operations of such Hospital.
- L. **Applicable AGB Percentage** means (1) until the first full fiscal year in which Ballad Health has a single charge master list for all Hospitals, (a) for each former WHS Hospital, the lowest Hospital-Specific AGB Percentage computed at any former WHS Hospital, and (b) for each former MSHA Hospital, the lowest

Hospital-Specific AGB Percentage computed for any former MSHA Hospital; and (2) thereafter, the lowest Hospital-Specific AGB Percentage for any Hospital.

1. Refer to attached Exhibit A for an illustration of the application of these amounts.
  2. The Applicable AGB Percentage will be updated on an annual basis.
- M. **Household Income** means family income as determined by using the Census Bureau definition {a group of two (2) or more people who reside together and who are related by birth, marriage, or adoption} in computing income.
- N. **Relevant Period** means each twelve (12) month period ending on June 30<sup>th</sup> and calculated based on claims paid during the same twelve (12) month period.
- O. **Medicaid** means all State and Federal programs which include (but are not limited to) Medicaid and TennCare.
- P. **Medically Indigent** means the total per claim out-of-pocket expense for specialty pharmacy exceeds 25% of a patient's monthly gross income.
- Q. **Medically Necessary** means those services required to identify or treat an illness or injury that is either diagnosed or reasonably suspected to be Medically Necessary taking into account the most appropriate level of care.
1. In order to be Medically Necessary, a service must:
    - a. Be required to treat an illness or injury;
    - b. Be consistent with the diagnosis and treatment of the Patient's conditions;
    - c. Be in accordance with the standards of good medical practice;
    - d. Not be for the convenience of the Patient or the Patient's physician; and
    - e. Be that level of care most appropriate for the Patient as determined by the Patient's medical condition and not the Patient's financial situation.
    - f. Emergent Services are deemed to be Medically Necessary
    - g. CMS also defines all Medically Unnecessary services in 42 CFR §411.15, "Particular services excluded from coverage", which are not included in the definition of Medically Necessary Services.
- R. **Physician Clinic** means any Physician Clinic owned, operated, or managed by BH.
- S. **Insured Patient** mean a patient who has health insurance coverage for the applicable services provided to them.
- T. **Uninsured Patient** means a patient without the benefit of health insurance or government programs that may be billed for Covered Services or physician services provided to them, and who is not otherwise excluded from this policy, set forth in Section V, C, below.
- U. **Underinsured Patient** means any patient enrolled in a health plan that does not meet the "Minimum Essential Coverage" standard as defined under the Affordable Care Act in existence as of July 1, 2017.

1. Non-Covered Services are not included.

V. **Usual and Customary Charges** means the rates for Covered Services set forth in the charge master for the applicable Covered Entity at the time the Covered Services are rendered.

**V. POLICY:**

**A. Overview**

1. Ballad Health has a strong mission to meet the medical needs of the communities it serves.
2. Ballad Health is dedicated to providing quality healthcare to all patients regardless of age, sex, sexual orientation, race, religion, national origin, or ability to pay.
3. FAP-Eligible Individuals having annual Household Income below 225% of the Federal Poverty Guidelines will be eligible for 100% financial assistance, unless their Asset Value exceeds \$25,000.
4. FAP-Eligible Individuals having annual Household Income between 225% and 450% of the Federal Poverty Guidelines (taking into account family size according to the US Census Bureau and the number of dependents per IRS rules) may be eligible for a partial discount, based on a sliding scale of income, on AGB charges.
5. For the purposes of determining eligibility, the patient's equity in the following assets that in the aggregate exceeds \$25,000 ("Asset Value") will be considered:
  - a. Savings and Checking Accounts
  - b. CDs, Stocks and Bonds not contained in a retirement or pension account
  - c. For any owned Real Property that is not the patient's designated primary residence, Total Real Property Value above the median value in patient's city or county of residence
6. The FAP applies to all Emergent Services and Medically Necessary Services.

**B. Other Considerations:**

1. All Patients seeking financial assistance must submit an Application for Financial Assistance (AFA) and present documents in support of the information on the AFA, unless excluded per section V, I, below.
2. Eligibility will be determined based upon review of AFA, required documentation, and asset verification.
3. Applicants will be notified of the determination in writing.
4. Unique financial circumstances may be weighed and appropriately assessed on a case-by-case basis.
5. Financial assistance determinations may be retroactive for all outstanding balances.
6. Any payments made to an account within 240 days after the first billing

statement will be refunded if the patient qualifies for financial assistance during Application Period.

7. Financial assistance may be offered in accordance with, but is not limited to, the following:
  - a. Lactation Consultation Services – effective for duration of breastfeeding
  - b. Oncology Treatment Regimens
  - c. Enrollment in Community Programs such as, but not limited to, Appalachian Mountain Project Access, Friends in Need, Rural Health Consortium, Providence Clinic, Healing Hands, Clinch River Health Services
  - d. Grants from the Tennessee Department of Mental Health
  - e. Prescription Drugs filled post-discharge, refer to Infusion and Oral Drugs for Charity – Ballad Health Pharmacy policy
  - f. Uninsured Discounts – will be included in financial assistance adjustments.
8. Ballad Health shall endeavor to take into account all applicable financial assistance factors in this FAP in order for the patient to receive the most charity available.
  - a. In no event shall payments for Covered Services required of an FAP-Eligible Individual exceed the lesser of applicable state law or AGB.

**C. Exclusions/Special Circumstances**

1. This policy does not apply to elective procedures except on a case-by-case basis as may be determined in the sole discretion of Ballad Health.
2. Prior to the procedure, implant cases may be pre-screened for financial assistance.
3. Specialty Pharmacy will follow a separate process. Refer to Section O.

**D. Covered and Non-Covered Providers**

1. A list of providers covered or not covered by this policy is maintained in Ballad Health's Provider Participation List.
  - a. Refer to Exhibit B.
2. The Provider Participation List will be updated quarterly, at a minimum.
3. The Provider Participation List will be provided free of charge.

**E. Reservation of Right to Seek Reimbursement of Charges from Third Parties**

1. In the event an insurance, government, or third-party payor is liable for any portion of the bill, Ballad Health will seek full reimbursement from the payor for all charges incurred by the patient at the Usual and Customary Charges despite any financial assistance granted pursuant to this policy.

**F. Methods for Applying for Financial Assistance Eligibility**

1. Patients may apply for Financial Assistance by:

- a. Advising Patient Financial Services staff at registration
- b. Downloading the AFA from the Ballad Health website and mailing the AFA and supporting documentation to the address on the form
- c. Requesting an application by phone (888) 288-5174
- d. Any method specified in the Credit and Collection policy

**G. Documentation for Application for Financial Assistance**

- 1. In order to apply for financial assistance, the following documents may be required:
  - a. Application for Financial Assistance
  - b. Current and prior two (2) months of Household Income
  - c. Current and previous Federal Income Tax Return
  - d. Most current bank statements (checking, savings, health savings)
  - e. Food stamp certification letter, if applicable
  - f. Medicaid approval or denial letter, if applicable
  - g. Verification of monthly expenses (housing, medical, and any other basic essential needs), if applicable
  - h. Declaration of income/supporter statement, if applicable

**H. Presumptive Eligibility**

- 1. Ballad Health may determine some FAP-Eligible Individuals meet criteria for financial assistance based on previously approved financial assistance or information other than that directly provided by the individuals.
  - a. Such information obtained from a third party, i.e., credit agencies, Social Security Administration, can be used to establish income and family size.
    - i. This information will be compared to eligibility criteria to determine verification.
  - b. If the FAP-Eligible Individual is approved based on the information obtained, the individual will be treated as eligible for financial assistance for all services from the effective date of the determination.

**I. Patients Qualifying for Financial Assistance without Documentation**

- 1. Medicaid Eligible Patients will qualify for 100% financial assistance and not be required to complete the required documentation under section V, G, when the following criteria apply:
  - a. Medicaid eligibility requirements are met after the service is provided
  - b. Non-covered charges occur on a Medicaid eligible encounter
  - c. Benefits have been exhausted
- 2. Deceased patients with no estate will qualify for 100% financial assistance

**J. Refunds**

- 1. If an FAP-Eligible Individual previously paid for services and subsequently

qualifies for financial assistance, any amounts paid in excess of amounts due per the FAP will be refunded to the FAP-Eligible Individual provided the dollar amount meets the minimum dollar requirement for refunds.

**K. Credit and Collection Policy**

1. Patients not eligible for financial assistance are required to pay their portion of the bill in accordance with Ballad Health's Credit and Collection Policy.
2. Ballad Health reserves the right to pursue generally acceptable collection efforts to recover payment.
3. Accounts for services for patients who are able, but unwilling, to pay are considered uncollectible bad debts.
  - a. These accounts will be referred to collection agencies for payment in accordance with the Credit and Collection Policy.
4. The unpaid discounted balances of patients qualifying for financial assistance are considered uncollectible bad debts and will be referred to collection agencies for payment in accordance with the Credit and Collection Policy.
5. Ballad Health gives patients the opportunity to apply for financial assistance prior to taking any extraordinary collection actions requiring legal or judicial process, selling the patient's debt to another party, or reporting lack of payment to credit agencies.
  - a. Ballad Health will comply with informational requirements notifying the patient at least thirty (30) days prior to taking any extraordinary collection action.
6. Refer to Ballad Health's Credit and Collection Policy for comprehensive information regarding billing and collections procedures.
7. Ballad Health's Credit and Collection Policy may be found on the Ballad Health website or obtained free of charge by contacting Patient Financial Services (888) 288-5174.

**L. Monitoring of Programs**

1. The Public Benefits department is responsible for monitoring and ensuring reasonable efforts are made to determine if patients are eligible for financial assistance.

**M. Publication of the Policy and Other Required Documentation**

1. "Plain Language Summary" notifying patients of available financial assistance will be maintained and updated based upon any modifications to the information contained therein.
  - a. The Plain Language Summary is attached.
  - b. The Plain Language Summary will provide the required information per IRS 501(r) in language that is clear, concise, and easy to understand.
2. Electronic copies of the Financial Assistance Policy and forms contained in the below links and Exhibits are available upon request.
  - a. This information is subject to periodic updates based on modifications to the information contained therein.

**N. Dissemination of Information, Advertising, and Posters:**

1. The various educational and application documents related to obtaining financial assistance are widely available at each Covered Entity facility.
2. All documents are available on the Ballad Health website and printed copies are made available free of charge.
3. The Financial Assistance Policy and documents are available in Ballad Health's Emergency Departments and admitting areas to attract attention to and inform patients of their financial assistance options.
4. The following documents are available on request, in person, by mail, or by the website link offered below.
  - a. <https://www.balladhealth.org/patients-visitors/financial-assistance>
  - b. Financial Assistance Policy (FAP) (Spanish)
  - c. Plain Language Summary (English)
  - d. Plain Language Summary (Spanish)
  - e. Application for Financial Assistance (English)
  - f. Application for Financial Assistance (Spanish)
  - g. Infusion and Oral Drugs for Charity – Ambulatory Post Acute Pharmacy- Ballad Health (English)
  - h. Infusion and Oral Drugs for Charity – Ambulatory Post Acute Pharmacy- Ballad Health (Spanish)
  - i. Federal Poverty Guidelines
  - j. Credit and Collection Policy - Patient Accounts – Ballad Health

**O. Specialty Pharmacy Financial Assistance**

1. Applies to Specialty Pharmacy medications only. Does not apply to medications filled at other Ballad Health pharmacies.
2. Patients may apply for financial assistance through a Specialty Pharmacy Technician if they do not qualify for any other assistance or by calling 1-888-952-3773.
3. Qualifications for 100% financial assistance are based solely on the following criteria:
  - a. Household income up to 300% of Federal Poverty Guidelines or Medically Indigent status
    - i. Documentation required: current tax return and three (3) month's bank statements.
  - b. All other avenues of funding must be exhausted.
4. Approvals to be completed by Specialty Pharmacy leadership.
5. Approval status is applicable for six months from the date of approval.
6. The Specialty Pharmacy department is responsible for monitoring and ensuring reasonable efforts are made to determine if patients are eligible for



financial assistance.

7. All documentation is scanned and maintained in the Specialty Pharmacy Patient Management Software.

**LINKS:**

Credit and Collection Policy - Patient Accounts – Ballad Health ADM-400-018-BH

Infusion and Oral Drugs for Charity – Ambulatory Post Acute Pharmacy- Ballad Health,  
PS-APA-400-001-BH

Uninsured Discount Policy – Ballad Health, CBO-400-005-BH

Exhibit A – Limitation of Charges / Calculation of Amounts Generally Billed (AGB)- Ballad Health

Exhibit B – Provider Participation List – Ballad Health

Plain Language Summary (Financial Assistance)

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President and Chief Executive Officer, Ballad Health

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Date