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Financial Assistance, 10226

Policy/Procedure

PURPOSE:

To outline Seattle Children's Hospital's requirements and practices with respect to the provision of financial assistance (charity care).

POLICY:

Seattle Children's provides health care appropriate for the special needs of Pediatric Patients (as defined below) who are residents of Washington, Alaska, Montana, or Idaho, regardless of their ability to pay. Financial Assistance (charity care) is provided to these patients based upon family need and hospital resources. Seattle Children's has established criteria for providing Financial Assistance in accordance with applicable law, including the requirements of Chapter 246-453 Washington Administrative Code (WAC), RCW 70.170.060, and § 501(r) of the Internal Revenue Code and its implementing regulations. Eligibility decisions for Financial Assistance are made without regard to race, color, religion (creed), sex, gender identity or expression, sexual orientation, national origin (ancestry), disability, age, genetic information, marital status, citizenship, pregnancy or maternity, protected veteran status, or any other status protected by applicable national, federal, state, or local law.

Seattle Children's complies with Emergency Medical Treatment and Active Labor Act and its implementing regulations (EMTALA), providing appropriate medical screening examination and stabilizing treatment, regardless of an individual's ability to pay.

DEFINITIONS:

Appropriate Hospital-Based Medical Services: Those services that are reasonably calculated to diagnosis, correct, cure, alleviate, or prevent the worsening of conditions that endanger life, or cause suffering or pain, or result in illness or infirmity, or threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, and there is no equally effective more conservative or substantially less costly course of treatment available or suitable for the person requesting the service.

Financial Assistance (Charity Care): Medically necessary hospital health care rendered to indigent persons when third-party coverage, if any, has been exhausted, to the extent that the persons are unable to pay for the care or to pay deductibles or co-insurance amounts required by a third-party payer.

Pediatric Patient: A patient up to age 21 who is receiving care at Seattle Children's, or a patient who is 21 years or older who has received Clinical Coverage Approval for a specific course of care best treated at Seattle Children's through the process outlined in the **Patients 21 Years or Older** policy.

Resident: An individual who (a) is living in Washington, Alaska, Montana or Idaho (WAMI) for the majority of a calendar year; and (b) intends to continue to live in the WAMI region subsequent to treatment being complete.

Sliding Fee Schedule: A Seattle Children's-determined, publicly available schedule of discounts to charges for patients/families deemed eligible for Financial Assistance.

Third-Party Coverage: An obligation on the part of an insurance company, health care service contractor, health maintenance organization, group health plan, government program, tribal health benefits, or health care sharing ministry as defined in 26 U.S.C. Sec. 5000A to pay for the care of covered patients and services, and may include settlements, judgments, or awards actually received related to the negligent acts of others which have resulted in the medical condition for which the patient has received hospital health care service.

PROCEDURE:

I. Access to Emergency Services:

- A. Access to a medical screening examination and appropriate stabilizing treatment will not be delayed or denied based on an individual's ability to pay for services or determination of an individual's insurance coverage or financial assistance eligibility.

II. Scope of Financial Assistance:

- A. **Operations:** For purposes of this policy, Financial Assistance entails granting a full or partial write-off of any patient balance from Seattle Children's Hospital remaining after applicable third party processing for an eligible patient/family. Financial Counselors can also provide estimates upon request, assistance with Medicaid and Qualified Health Plan (QHP) applications, and creation of interest free payment plans. Financial Counselors can be reached at (206) 987-3333.

- B. **What charges Financial Assistance covers:** Financial assistance will be applied to Appropriate Hospital-Based Medical Services. .

1. Charges for services that are cosmetic or elective are not eligible for Financial Assistance. (See examples in APPENDIX I)
2. Financial Assistance is not a program to fund services that (a) can be provided by an alternate provider within a patient's insurance network; and (b) have not been approved by that insurance to be provided in network at Seattle Children's.

C. Which providers Financial Assistance covers:

1. Seattle Children's Inpatient Providers:
 - a. Seattle Children's facility charges;
 - b. Professional charges from providers employed by or under contract with Seattle Children's or Children's University Medical Group (CUMG) when CUMG bills for inpatient services provided at Seattle Children's *or* at a community hospital; and
 - c. Professional charges from providers employed by or under contract with Seattle Children's when Seattle Children's bills for inpatient services at Seattle Children's *or* at a community hospital.
2. Seattle Children's Outpatient Providers:

- a. Facility charges from Seattle Children's hospital or clinics;
- b. Professional charges from providers employed by or under contract with CUMG when CUMG bills for outpatient services at a Seattle Children's clinic, outpatient department, or community site;
- c. Professional charges from providers employed by or under contract with Seattle Children's, when Seattle Children's bills for outpatient services at a Seattle Children's clinic, outpatient department, or community site; and
- d. All eligible services provided by Seattle Children's providers at Garfield High School Teen Clinic (based on the presumed income of minors consenting to their own care).

3. Non-covered providers:

- a. Community providers with admitting privileges at Seattle Children's who bill their own professional charges and who choose whether to grant financial assistance for their own bills commensurate with Seattle Children's financial assistance policy. See Appendix II for a list of those community providers with admitting privileges at Seattle Children's by name and practice who do not follow Seattle Children's financial assistance determinations.

D. **Duration** – Financial assistance is generally granted in six month increments, **provided**, however, that Financial Assistance granted for an emergency course of care will be approved only for the dates of that course of care; and administrative and presumptive approvals made will be for the period of time determined by the approver. Patients or responsible parties can reapply at any time.

III. **Eligibility Criteria for Financial Assistance:**

Patients must meet **all** the following criteria in order to be eligible for Financial Assistance:

A. **Residency** –Patient must be a Resident of Washington, Alaska, Montana, or Idaho (as defined above).

1. **Exceptions:**

- a. Seattle Children's may grant limited-duration Financial Assistance to patients who reside outside of these states when such patients have an unanticipated, emergency onset of illness.
- b. Solid organ transplant patients who reside in Oregon or Hawaii may qualify for Financial Assistance due to these states being part of Seattle Children's Hospital UNOS transplant region.
- c. The Chief Financial Officer or delegate may exercise discretion to waive the residency requirement on a case by case basis for situations where care is only available at Seattle Children's. It is expected that such waivers will be granted infrequently.

B. **Age** – The patient must be a Pediatric Patient (as defined above).

1. **Exceptions:**

- a. Adults who are being tested or treated at Seattle Children's to further the care of a Seattle Children's Pediatric Patient (for example, testing for the presence of tuberculosis or genetic testing) may qualify for Financial Assistance. This includes adults who receive care for a prenatal condition.

2. Patients 21 years and older may qualify for Financial Assistance when (a) they have received Clinical Coverage Approval for a specific course of care best treated at Seattle Children's as

outlined in the **Patients 21 Years or Older** policy; or (b) they receive a medical screening examination and/or stabilizing care in the Emergency Department (ED).

- C. **Alternate Funding** – Seattle Children's Financial Assistance is a secondary funding source after all other Third Party Coverage and funding options, including but not limited to group or individual health insurance, eligible government programs including Medicaid, third party liability or workers' compensation programs, designated grant or trust funds, or any other persons or entities with a responsibility to pay for medical services.

Patients with no other source of funding, including those who (a) are uninsured; (b) do not have insurance coverage for the services provided or to be provided; or (c) have insurance coverage with significantly limited benefits based on the assessment by Seattle Children's, will be required to apply for Medicaid before Financial Assistance is granted. Patients who have enrolled in a health care sharing ministry for health care expenses are considered to be uninsured. A patient may choose to purchase a Qualified Health Plan (QHP), if applicable, in lieu of enrolling in Medicaid. Seattle Children's financial counselors are available to assist families with the Medicaid application process or with a QHP application. Financial counselors may waive the Medicaid application requirement if, for example, they determine during their screening process that a patient would not be eligible for Medicaid. Seattle Children's reserves the right to require written confirmation that a patient is ineligible for alternate funding sources.

If a patient/family has a philosophical, religious, or other personal objection to applying for Medicaid, and is between 134% and 599% FPL, the maximum financial assistance that will be granted is 50% Sliding Fee Schedule. Families with scheduled services whose income is above 200% FPL may be required to provide an advance deposit.

- D. **Income** - Patients may be eligible for full Financial Assistance if the patient or responsible party meets the application requirements and has a gross family income at or below 400% of the Federal Poverty Guidelines, as adjusted for family size. If self-employed, the net (take home) income information is used. Seattle Children's will deduct from its calculation of gross family income the amounts that a family personally pays toward medical insurance premiums for coverage of their beneficiaries who are under the age 21. Income documentation to verify information indicated on the application form may be requested, including pay stubs and/or income tax returns.

Responsible parties whose income is between 400% and 599% of Federal Poverty Guidelines may be eligible for Sliding Fee Schedule Financial Assistance whereby they would be responsible for a percentage of the amount owed. In this case they are responsible for the applicable portion of the outstanding amount owed, and Seattle Children's Financial Assistance covers the remaining account balance.

Income documented at the time clinical services were provided will be used for making Financial Assistance determinations. **Exception:** If income documented at the time of application would result in the family being approved rather than denied financial assistance, that lower income will be used.

In cases where a responsible party would otherwise qualify for either an uninsured discount or an employee discount and also qualifies for Sliding Fee Schedule Financial Assistance, the responsible party will receive only the Sliding Fee Schedule Financial Assistance, which is the most generous discount. Multiple discounts are not applied to the same account.

- E. **Application** –The patient or their responsible party must submit an application form by:
- i. completing the online form on www.seattlechildrens.org;
 - ii. printing a paper form from this same website and mailing or faxing it as instructed on such form; or
 - iii. completing a paper application, which can be picked up from any Seattle Children's registration desk or obtained by mail from a financial counselor, and mailing or faxing it as instructed in such application packet.

Applications can be submitted prior to the provision of services, during the course of care, or after services have been provided.

- F. **Presumptive Eligibility** - In cases where a patient can be reasonably presumed to qualify for Financial Assistance, and the standard application processes are not likely to be completed due to socioeconomic or other factors, Seattle Children's Medical Director, Chief Financial Officer, or Senior Director of Revenue Cycle, or their designee, may administratively designate a patient as qualifying for Financial Assistance in the absence of receiving all required information. Additionally, when a family includes additional information about their financial situation with their application, these same individuals can administratively make a Financial Assistance determination using this information. Seattle Children's may review relevant and publicly available information about a family's financial situation, other than their credit report, in cases when the family is unresponsive to a bill for an outstanding balance, and may grant presumptive Financial Assistance for that outstanding balance eligibility based on this information. All presumptively granted Financial Assistance will only apply to balances already owed.

IV. **Financial Assistance Determination Process:**

- A. **Documentation** – All information relating to the application will be kept confidential. Determination of eligibility will be made by Seattle Children's within fourteen (14) days of receipt of all required information. Seattle Children's will not initiate extraordinary collection efforts while in the process of reviewing the application.
1. **Approvals** – A letter communicating an approval of Financial Assistance and the applicable eligibility period will be sent to the applicant.
 2. **Pending** – In the event incomplete information is received on the application, or a patient/family has not completed the Medicaid eligibility process when required, the application will be pended and a letter communicating why the application has been pended will be sent to the applicant. If responsive information is not received within 14 days of such notice, the application may be denied.
 3. **Denials** – In the event Seattle Children's determines a patient is not eligible for Financial Assistance, a written denial will be provided to the applicant and will include the reason(s) for denial, the date of the decision, and the instructions for appeal or reconsideration.
 4. **Appeals** - The applicant may appeal a denial of eligibility for financial assistance by providing additional information about the family's income, size, other financial liabilities, or other pertinent factors to the Senior Director of Revenue Cycle or Director of Revenue Cycle Operations. The Senior Director of Revenue Cycle or Director of Revenue Cycle Operations will review all appeals for final determination. If this final determination affirms the previous denial of financial assistance, written notification will be sent to the applicant and the Department of Health in accordance with state law.

In the event that a patient/family or other responsible party makes a payment toward Appropriate Hospital Based Medical Services and the patient/family is subsequently found to have met Financial Assistance criteria, patient payments applied to facility services in the 90 days preceding the eligibility determination will first be applied to other outstanding balances, and any remaining funds will then be refunded within thirty (30) days. Payments applied to professional services will only be refunded upon request. In the event a patient/family is denied eligibility for Financial Assistance and has no third party funding source or discount, a 25% discount will be automatically applied to the patient's facility and professional charges. The patient or responsible party is not billed full charges. This discount level is equal to or greater than the average discount negotiated with all major non-Medicaid payers.

B. Sliding Fee Schedule Financial Assistance :

When a responsible party qualifies for Sliding Fee Schedule Financial Assistance , Seattle Children's will not charge the patient more than the average amount paid by all payers (Medicare, Medicaid and commercial payers) during the last complete hospital fiscal year. This is also called the "amounts generally billed" or AGB.

See Appendix III for the current maximum amount of financial responsibility under Sliding Fee Schedule Financial Assistance.

V. Staff Training

- A. Appropriate staff in roles most likely to engage in discussions with families about financial assistance, including all those in registration, admission or revenue cycle roles, must participate in an annual training module regarding financial assistance, including how to access language resources to be able to assist families with limited English proficiency or who are Deaf or Hard of Hearing.

VI. Communications to the Public:

Information about Seattle Children's Financial Assistance policy is made publicly available as follows:

- A. Public Notice/Interpretation – A notice is displayed in key public areas of the hospital, including primary public registration locations and the Emergency Department, in languages spoken by more than 10% of the population of the hospital service area: English, Spanish, Vietnamese, Russian and Somali. Additionally, Seattle Children's Financial Assistance policy, a plain language summary of the Financial Assistance policy, and the Financial Assistance application form in these same languages is on Seattle Children's website at www.seattlechildrens.org. An additional option is available on the website to translate any or all of these documents into any other language spoken in the community within 7-10 days.
- B. Individual Notification – Seattle Children's will make reasonable effort to both determine the existence of any third party responsible to cover the charges for Appropriate Hospital Based Medical Services in full or part, and to assess whether families checking in at Seattle Children's sites of care would like information about or screening for Financial Assistance. Paper application forms in English, Spanish, Vietnamese, Russian or Somali are available for pick up at registration desks at all Seattle Children's clinics.
- C. Financial Counselors – Financial Counselors, who have access to interpreter services for languages other than English, are available in person and by telephone (206-987-3333) to assist with completion of the application.
- D. Patient bills will include a statement on the first page of the bill in both English and Spanish, or in Somali, Vietnamese, or Russian if that is the family's registered primary language, that

communicates the availability of financial assistance, whether or not insurance coverage is present, and the email or phone number to contact for further assistance.

Approved by Washington State Department of Health: Oct 9, 2018

APPENDIX I:

Services that Seattle Children's has determined are elective or cosmetic and therefore are not eligible for Financial Assistance include, but are not limited to:

1. Orthodontia services for malocclusion in the absence of an underlying medical condition
2. Adults seeking genetic testing for purposes of determining whether a genetic condition could be transmitted to future children OR genetic testing of a patient when such testing will not provide information that contributes to the patient's care plan
3. Earwell cosmetic ear reshaping procedure
4. Laser surgery performed for cosmetic purposes only
5. Otoplasty for cosmetic purposes
6. Replacement of lost dental retainers
7. Elective mental health programs/classes

APPENDIX II:

Community providers with admitting privileges who bill professional charges for services provided at Seattle Children's from their own office, and who do not grant financial assistance commensurate with Seattle Children's determinations to their own bills, are listed below.

A provider with an asterisk is one who works for or is contracted with Children's and who also refers patients from their community practice to have services at Children's. Financial Assistance is granted only when the provider is seeing patients as an employee or contractor for Children's.

This list is subject to change quarterly, and is updated on www.seattlechildrens.org.

Practice or Provider Name
Allegro Pediatrics
Dr. Senait Abraham Sea Mar Medical Clinic
Dr. David Atherton Dentistry for Children & Adolescents
Dr. Molly Capron Neighborcare - Columbia City
Dr. Felix Chu The Polyclinic - First Hill
Dr. Daniel Downey Downey Plastic Surgery
Dr. Mary Farrington Virginia Mason Medical Center
Dr. Julie Francis Eastside Dermatology Inc.
Dr. Heather Henne Neighborcare - Columbia City
Dr. Robin Hornung Everett Clinic
Dr. Shayan Irani Virginia Mason Medical Center
Dr. David Jeong Virginia Mason Medical Center*
Dr. Neil Kaneshiro Woodinville Pediatrics

Dr. Richard Kozarek Virginia Mason Medical Center
Dr. Thomas Lenart Children's Eye Doctors
Dr. John Liu Eastside Pediatric Dental Group
Dr. Sally Sue Lombardi Eastside Pediatric Dental Group
Dr. Kimberly McDermott Neighborcare - Columbia City
Dr. Craig Murakami Virginia Mason Medical Center
Dr. Michael Nuara Virginia Mason Medical Center
Dr. Hee-Jung Park Virginia Mason Medical Center
Dr. Mary Pew Neighborcare - Meridian*
Dr. Donna Quinby Eastside Pediatric Dental Group
Dr. Seth Schwartz Virginia Mason Medical Center
Dr. Peter Shelley Federal Way Eye & Laser Center
Dr. Jessica Tarantino ABCD, Inc.
Dr. Cornelius Van Niel Sea Mar Comm Health Center
Dr. Michael Whelan Sound Surgery*
Dr. Bryan Williams Seattle Special Care Dentistry*
Dr. Dali Wu Sea Mar Comm Health Center

APPENDIX III

Based on the completion of fiscal year 2017, the maximum amount a patient with Sliding Fee Schedule financial assistance will be charged is 50%. The average generally billed or AGB for fiscal year 2017 for all payers was 50%.

Attachments:

No Attachments

Approval Signatures

Step Description	Approver	Date
Release for Publication	& Procedures Policies: Policies & Procedures	10/9/2018
	Russell Williams: Sr. Vice President & COO	10/9/2018
	Suzanne Vanderwerff: Senior Director, Revenue Cycle [P]	10/8/2018

Applicability

Seattle Children's Hospital