

TITLE:	FINANCIAL HARDSHIPS-CHARITY DISCOUNTS	POLICY NUMBER:	3019
SECTION:	AMBULATORY SURGERY CENTER	EFFECTIVE DATE:	06/13/2022
SUBSECTION:	FINANCIAL POLICIES	REVISED DATE:	
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POLICY: Patients may request a Financial Hardship-Charity Discount for medically necessary services provided by Wilmington Health Ambulatory Surgery Center (the “Facility”); provided, however, financial need and any discount must be verified and documented.

PURPOSE: The purpose of this policy is to establish governance and protocols for financial hardship - charity discount processing to ensure consistency when waiving total or partial fees for medically necessary services rendered by Wilmington Health Ambulatory Surgery Center.

APPLICABILITY: All Wilmington Health Ambulatory Surgery Center team members.

PROCEDURES for IMPLEMENTATION:

1. Financial Hardship Guidelines and Eligibility Criteria.
 - A. Patients requesting financial assistance must complete and submit Wilmington Health Ambulatory Surgery Center’s Financial Assistance Application to determine eligibility. The Facility may deem Medicare beneficiaries indigent or medically indigent when such individuals have also been determined eligible for Medicaid as either categorically or medically needy individuals. If the Facility wishes to offer a financial hardship or charity discount to a patient with Medicare benefits and the patient also qualifies for Medicaid, additional effort to determine financial hardship is not necessary with proof of Medicaid eligibility. The documented proof of Medicaid eligibility must be retained in the patient's medical record as a permanent document.
 - B. Approval of the financial discount is at the Facility’s discretion and should be made on a case-by-case basis, utilizing the Federal Poverty Guidelines published by the Department of Health and Human Services (the “HHS Poverty Guidelines” or “FPG”). Below is an example of the 2022 HHS Poverty Guidelines; actual amounts are subject to change annually (typically published each February) and can be found at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>.

Persons in family/household	Poverty Guideline ¹
1	\$13,590
2	\$18,310
3	\$23,030
4	\$27,750

¹ Add \$4,720 for each additional person, which amount is subject to adjustment annually.

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C. The Facility's policy for financial hardship-charity discounts is as follows:

- i. Patients below 125% of the FPG will not be billed for services rendered.
- ii. Patients who meet 150% of FPG will be responsible for 5% of billed charges plus the cost of the implant, if applicable.
- iii. Patients who meet 175% of FPG will be responsible for 10% of billed charges plus the cost of the implant, if applicable.
- iv. Patients who meet 185% of FPG will be responsible for 15% of billed charges plus the cost of the implant, if applicable.
- v. Patients who meet 200% of FPG will be responsible for 20% of billed charges plus the cost of the implant, if applicable.
- vi. Patients who meet 235% of FPG will be responsible for 25% of billed charges plus the cost of the implant, if applicable.
- vii. Patients who meet 250% of FPG will be responsible for 30% of billed charges plus the cost of the implant, if applicable.

D. If the patient is eligible for financial assistance, the Facility should document the approval, including the amount, in the patient's record. The discount should be applied before the claim is generated so that the third party payor (if any) and patient equally benefit from the discount.

2. Self-Pay Patients that Do Not Qualify for Financial Hardship.

- A. Self-pay patients that do not qualify for financial hardship should be requested to pay in full at the time of service. However, the Facility may adopt a uniform payment plan agreement to offer to patients who are unable to remit payment in full on the date of service if the plan reverts to full charges (in the event such agreement is violated).
- B. These patients may be offered a same day discount (if applicable) or a uniform uninsured discount (which must be made available to all uninsured patients in a non-discriminatory manner); however, these discounts should not be classified as bad debt or charity care.

3. Enforcement. Any Wilmington Health Ambulatory Surgery Center team member found to have violated this policy may be subject to disciplinary action, up to and including termination of employment.