

Physicians' Billing Office SECTION: GUARANTOR ACCOUNTS RECEIVABLE POLICY TITLE: <u>FINANCIAL ASSISTANCE POLICY</u>		 POLICY NUMBER: G105.1 PAGE: 1 of 6
Approval PBO: 09/01/2018		ISSUED: 09/01/2018
SUPERSEDES: POLICY G105		

PURPOSE:

1. To promote and ensure **compliance** with federal and state laws and regulations regarding financial assistance for emergency or other medically necessary health care items and services to patients or other individuals responsible for payment on patients' behalf who meet established eligibility criteria for such assistance.
2. To improve the **efficiency** and **effectiveness** of PBO billing and collections processes by establishing standard, uniform, criteria across all FPG departments and PBO units for eligibility for financial assistance, the method for applying for financial assistance, the amounts to be charged for patients who are eligible for financial assistance and the actions that may be taken in the event of any non-payment by a patient.
3. To demonstrate FPG's commitment to the provision of emergency and medically necessary healthcare services and items to patients who are uninsured, or who are insured but unable to meet their financial obligations.

APPLICABILITY:

This policy applies only to FPG PBO customers. This means that the policy applies to professional services provided by physicians within the UCLA FPG. A list of FPG Departments covered by the policy is included in Attachment A. UCLA FPG provider entities billing for healthcare services outside PBO are not covered by this policy. This policy does not apply to services provided and billed by UCLA Health hospitals. The UCLA Health Hospital Financial Assistance Policy is available at uclahealth.org/patient-financial-assistance-program.

POLICY:

- A. FPG providers shall provide emergency services to all individuals based solely on the individual's medical need in accordance with the federal Emergency Medical Treatment and Active Labor Act (EMTALA) and California law. There shall be no delay in providing a medical screening and stabilization services in order to inquire about an individual's insurance status or payment method.
- B. These standard eligibility criteria apply to all patients across all FPG departments and PBO units who qualify for financial assistance.
- C. Information about this policy shall be widely publicized, including on UCLA Health's website; uclahealth.org. Displays notifying patients, or other individuals responsible for payment for medical care that FPG providers offer financial assistance shall be conspicuously posted at UCLAHealth.org. A plain language summary of this policy shall be offered to potential eligible patients or other individuals responsible for payment during the registration process and during the billing and collections process. This information shall be provided in English and Spanish and any other language spoken by a significant limited English proficiency (LEP) population and shall be translated for patients or other individuals who speak other languages.

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- D. It is FPG's responsibility to determine whether a patient qualifies for financial assistance for emergency or other medically necessary health care services and items furnished by FPG providers.
- E. FPG shall use a standard financial screening process, which shall take into account the patient's total resources including, but not limited to, an analysis of assets, liabilities, income and expenses. In doing this analysis, FPG shall take into account any extenuating circumstances that could affect the patient's ability to pay.
- F. Self-pay patients applying for financial assistance must first apply for state, county, and other governmental assistance programs and provide proof of income to FPG financial counselors to be eligible for financial assistance.

FPG must determine that no source other than the patient would be legally responsible for the patient's medical bills (e.g., other state or federally subsidized welfare programs, auto-insurance, other third party liability coverage, etc.) for the patient to be eligible for financial assistance.

Financial assistance is automatically denied to patients or their responsible parties who provide false information about financial eligibility or who fail to make every reasonable effort to apply for and receive government-sponsored insurance benefits for which they may be eligible. Patients are required to report promptly any change in their financial information.

- G. Final determination of patient's eligibility for financial assistance must be based on the U.S. Department of Health and Human Services current Federal Poverty Level (FPL) guidelines as updated periodically in the Federal Register, published at <http://aspe.hhs.gov/poverty>. The following criteria shall be followed in determining a patient's eligibility for financial assistance:
 1. Self-pay patients with (i) a total household income at or below 200% of FPL, (ii) with no third party coverage, are eligible for a full (100%) discount (adjustment) of billed charges.
 2. Self-pay patients with (i) a total household income between 201% - 350% of FPL, (ii) with no third party coverage, are eligible for a discounted rate equal to current Medicare non-facility allowable fees for the services provided.
 3. Self-pay patients with a total household income above 350% of FPL, are not eligible for financial assistance and may apply for a discount in accordance with PBO "Self-pay/Prompt Pay Discounts" policy.
 4. Insured patients with (i) a total household income at or below 200% of FPL, (ii) with over 10% of annual family income paid for medical costs in the last twelve months, are eligible for a full (100%) discount (adjustment) of remaining balances after third-party payment.

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5. Insured patients with (i) a total household income at or below 200% of FPL, (ii) with less than 10% of annual family income paid for medical costs in the last twelve months, are eligible for a 50% discount on remaining balances after third-party payment.

6. Insured patients with (i) a total household income between 201% - 350% of FPL, (ii) with over 10% of annual family income paid for medical costs in the last twelve months, are eligible for a discounted rate. Patients' remaining balances may be adjusted to zero if third party payments are at or above Medicare non-facility allowable fees for the services. If the third party payments are below Medicare allowable fees the difference between third-party payment and Medicare non-facility allowable fee must be collected from the patient.

7. Insured patients with (i) a total household income between 201% - 350% of FPL, (ii) with less than 10% of annual family income paid for medical costs in the last twelve months, are not eligible for financial assistance.

H. In all cases, the amount charged to patients eligible for financial assistance shall be limited to the amounts generally billed to individuals who have insurance covering such care, as determined by the FPG by using Medicare non-facility allowable fees for services rendered (including both the amount that would be reimbursed by Medicare and the amount that the beneficiary would be personally responsible for paying in the form of co-payments, co-insurance or deductibles).

I. The patient's file must contain documentation of the method by which eligibility for financial assistance under this policy was determined in addition to all backup information to substantiate the determination.

J. In case of a denial of a financial assistance application, Guarantor balances shall be pursued in accordance with PBO "Guarantor Balances" policy.

Patients may appeal such denials to FPG PBO Director, aloman@mednet.ucla.edu. In rare and non-routine circumstances, special administrative adjustments for patients who are not otherwise eligible for financial assistance under this policy may be considered in accordance with the PBO "Special Administrative Adjustments" policy.

K. Guarantor balances of patients who expire while their financial assistance application is in review are eligible for a financial assistance adjustment even if the financial screening process has not been completed.

L. Guarantor balances at or below \$25.00 are not considered for financial assistance.

M. This policy is not intended to waive or alter any contractual provisions or rates negotiated between FPG and third party payors, nor is the policy intended to provide discounts to a non-contracted third party payor or other entities that are legally responsible to make payments on behalf of covered persons.

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COMMUNICATIONS:

1. ...This policy, the financial assistance application, and plain language summary shall be widely publicized and may be obtained, upon request and without charge, from UCLA Health Physicians' Billing Office Customer Service at (310) 301 8860 , on the FPG website at UCLAHealth.org, by mailing a request to Physicians' Billing Office – Customer Service, 5767 W. Century Blvd. #400, Los Angeles, CA 90045. The policy, application, and plain language summary shall be available in English, Spanish and any other language spoken by a significant LEP population.
2. For purposes of this policy, a significant LEP population means the lesser of 1,000 people or 5 percent of the community served by FPG providers or the population likely to be affected or encountered by FPG providers and which have limited English proficiency, as determined by FPG using any reasonable method.
3. Patients will be provided a conspicuous written notice with their FPG physician services bill that contains information regarding this policy, including information about eligibility, as well as the telephone number of an FPG office from which the patient may obtain further information about this policy and the direct Web site address (or URL) where copies of the policy, application form, and plain language summary may be obtained.
4. UCLA Health's PBO Customer Service shall publish policies and train staff regarding the availability of procedures related to patient financial assistance.

BILLING AND COLLECTIONS:

1. Patients who have not provided proof of coverage by a third party at or before care is provided will receive a statement of billed FPG physician charges for services rendered. Included in that statement will be a request to provide the PBO with health insurance or third party coverage information. An additional statement will be provided on the bill that informs the patient that if they do not have health insurance coverage, the patient may be eligible for assistance programs. Statements shall include the telephone number of the contact person or office at the FPG/PBO that can help answer questions regarding this policy and the direct website where copies of the policy, the application, and the plain language summary of the policy may be obtained.
2. A patient's request for financial assistance can be communicated verbally or in writing and a patient financial assistance application will be mailed to the patient/guarantor address. Written correspondence to the patient shall be in the patient's primary language, if the patient's primary language is English, Spanish or another language spoken by a significant LEP population, and the patient shall be notified that interpreter services are available free of charge in other languages.
3. If a patient is attempting to qualify for financial assistance under this policy or is attempting in good faith to settle the outstanding bill, the PBO shall not send the unpaid bill to any collection agency or other assignee. If a patient who has been referred to a collection agency request financial assistance, PBO will pull the account back from the agency and apply this policy.
4. Prior to commencing any collection activities against a patient, the FPG/PBO and its agents shall provide a notice containing a statement that non-profit credit counseling may be available, and containing a summary of the patient's rights.

5. Bills that are not paid within 90 days after the first billing statement may be placed with a collection agency, subject to limited exceptions. The patient or another individual responsible for payment may apply for financial assistance any time after the first billing statement or any time during the collection process.

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6. It is the policy of UCLA Health and the FPG to not engage in Extraordinary Collection Actions (ECA), as defined by the IRS and Treasury. If in the future UCLA Health were to change its policy, the FPG will comply with the guidelines under IRC Section 501(r) and shall make reasonable efforts to determine whether an individual is eligible for financial assistance under this policy, as defined in Department of Treasury regulations Section 1.501(r)-6(c), as may be amended, prior to initiating an ECA, and this policy will be revised to reflect FPG's policy and procedures that apply before and after any ECAs commence, consistent with applicable regulations.
7. The FPG or its contracted collection agencies will undertake reasonable collection efforts rather than Extraordinary Collection Actions, to collect amounts due from patients. These efforts will include assistance with application for possible government program coverage, evaluation for financial assistance, offers of reasonable payment plans, and offers of discounts for prompt payment. Neither the FPG nor its contracted collection agencies will impose any Extraordinary Collection Actions. This requirement does not preclude FPG from pursuing reimbursement from third party liability settlements or other legally responsible parties.
8. Agencies that assist the FPG and may send a statement to the patient must sign a written agreement that it will adhere to the FPG's policies, standards and scope of practices.
- A. The agency must also agree to:
- Not report adverse information to a consumer credit reporting agency or commence civil action against the patient for nonpayment.
 - Not use wage garnishments.
 - Not place liens on primary residences
 - Adhere to all requirements as identified in California Health & Safety Code Section 127450 et seq.
 - Comply with the definition and application of a reasonable payment plan.

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EXCLUSIONS:

This policy does not apply to:

1. International Health Program patients
2. Patients receiving services under previously agreed upon discounted self-pay cash rates.
3. Services and items which are not medically necessary

MONITORING / ACCOUNTABILITY:

Managers in all functional areas affected by this policy must conduct frequent, regularly scheduled quality reviews to ensure adherence to this policy. Immediate corrective actions must be taken as necessary. These may include:

- a) Training and re-training of staff;
- b) Disciplinary actions;
- c) Escalating non-compliance to PBO director

COGNIZANT OFFICE:

For interpretations of this policy, resolution of problems and special situations, contact:

A. Loman

Director of Physician Billing Office

Attachments:

Attachment A – Physician List uclahealth.org/workfiles/patientbilling/ucla-health-fap-attachment-a-provider.pdf

REFERENCES:

- US Department of Health and Human Services, Federal Poverty Guidelines 2018
- UCLA EMTALA policy
- Internal Revenue Code Section 501(r)
- US Department of Treasury Regulations 1.501(r)-0 to (r)-7
- Hospital Fair Pricing Policies, California Health & Safety Code Sections 127400 *et seq.*
- Emergency Physician Fair Pricing Policies, California Health & Safety Code Sections 127450 *et seq.*