



TITLE Financial Assistance Program			IDENTIFICATION NUMBER A07-010
ORGANIZATION(S) University of Kentucky / UK HealthCare	SITES AFFECTED <input checked="" type="checkbox"/> X Enterprise <input type="checkbox"/> Chandler <input type="checkbox"/> Good Samaritan <input type="checkbox"/> KCH <input type="checkbox"/> Ambulatory	CATEGORY <input checked="" type="checkbox"/> X Enterprise <input type="checkbox"/> Nursing <input type="checkbox"/> Department <input type="checkbox"/> Guideline <input type="checkbox"/> Protocol	REPLACES:
REVIEW CYCLE <input type="checkbox"/> 1 year <input checked="" type="checkbox"/> X3 years REVIEW DATES: 7/1/2006; 1/22/2007; 4/30/2007; 8/1/2008; 7/2011; 2/20/2017; 04/20/2020; 10/4/2021	EFFECTIVE DATE: 11/15/2021		

POLICY STATEMENT

Consistent with our overall health care mission, the University of Kentucky provides quality care to patients regardless of their ability to pay. UK HealthCare offers an Uninsured Discount as well as a Financial Assistance Program for patients who receive emergency or medically necessary services and meet the eligibility requirements. Once all payment options (such as insurance coverage, health spending accounts, government assistance programs, etc.) have been exhausted, patients may be eligible for the UK HealthCare Financial Assistance Program.

PURPOSE

To define the eligibility criteria and application process for the UK HealthCare Financial Assistance Program.

SCOPE

This policy applies to the UK HealthCare, Kentucky Medical Services Foundation (KMSF), the College of Dentistry except as where noted in the Exceptions section of the policy.

DEFINITIONS

Bad Debt

An accounting adjustment made to the account for services provided to a patient who is unwilling to pay without relieving the patient from the obligation to pay their financial responsibility. A patient whose account has been adjusted for Bad Debt will reflect any previous adjustment under the Financial Assistance Program.

Financial Assistance

A financial allowance or discount provided to a patient who is unable to pay for services provided thereby relieving or reducing the patient's obligation to pay per pre-determined guidelines.

Financial Assistance Program (FAP)

A program administered by UK HealthCare to assist patients who qualify for financial assistance under pre-determined guidelines.

Other Funding Sources

UK HealthCare may consider offering financial assistance to an applicant only after a thorough investigation of other funding sources for which the patient may qualify. UK HealthCare Financial Counseling (the department that administers the FAP) may assist the applicant in applying for and obtaining coverage from various sources as appropriate.

Insured Patient

If a patient is insured and the patient's insurance does not cover emergency or medically necessary care provided by a UK HealthCare hospital, the patient will be allowed a discount that limits the payment responsibility to the amounts generally billed to individuals who have insurance covering such care. Patients insured under a commercial health plan or Medicare with a minimum medical bill balance of \$35.00 may be considered for financial assistance only if their total yearly income falls within 0-300% of the Federal Poverty Level. Financial assistance will not be applied to copayments or coinsurance for services provided within the College of Medicine.

Income Verification

A verification of income in the form of a proof of employment letter, salary, paycheck stubs, IRS Form W-2, Federal Income Tax Return, or other form that verifies the income or salary earned by an employed individual. Proof of verification may include those forms described in the Income Verification section of this policy.

International/Medical Tourism

Medical Tourism refers to individuals traveling abroad to obtain medical treatment for a pre-existing condition.

Effective Period

The effective period is the time period in which the financial assistance starts and ends.

PROCEDURES

Qualification Requirements

For an individual to be considered for the Financial Assistance Program, the following requirements must be met:

1. The individual shall not be in the custody of a unit of government which is responsible for coverage of the acute care needs of the individual;
2. The individual shall not be in the United States under a student visa or a family member of an individual on a student visa;
3. The individual shall have cooperated with efforts to exhaust all other payment options, including applying for commercial or government health insurance coverage (Medicare or Medicaid) or for other funding sources;
4. The individual shall have completed a program application, and provided supporting documentation to verify income; and
5. The individual shall not be prohibited from participating in Federal or State funded programs.

Time Frame

Financial assistance may be requested up to the point that the account is released to a third party for collection activity. A request for financial assistance must include the provision of all required documentation. If financial assistance eligibility cannot be determined, good stewardship requires

that UK HealthCare attempt to collect fees for services provided; however, internal collection activities shall cease (except in the case of medical liens) when an applicant has been determined to be eligible for financial assistance. Collection efforts against any third party, such as an insurance company, who may be responsible for any portion of an account, shall continue.

Financial Assistance Application

UK HealthCare Financial Counseling or a designated UK HealthCare representative may assist the applicant with completing the Financial Assistance Application. The applicant can access the financial assistance application online at <https://ukhealthcare.uky.edu/patients-visitors/patients/payment-insurance/financial-assistance>. The applicant may be the patient, a representative of the patient or the patient's account guarantor. The Financial Assistance Application shall include information about the supporting documentation necessary to evaluate accurately the applicant's ability to pay for services provided. If a Financial Assistance Application is incomplete, UK HealthCare Patient Financial Advocate or other designated representative shall notify the individual of the information relevant or necessary to completing the application. Application must be completed within 30 days of application submission including all supporting documentation, or the account will be released to a third party for collection activity and is no longer eligible for financial assistance.

Effective Period

Once an applicant has been approved for financial assistance, he or she may receive assistance for a period of up to six (6) months (unless changes in circumstances come to the attention of the UK HealthCare). The applicant is required to provide notice of any change in the information provided on the application at the time the change occurs and to reapply for financial assistance every six (6) months, at which point updated supporting documentation, as well as an application, must be resubmitted.

Income Verification

The applicant shall verify income for each person in the applicant's family unit during the immediately preceding three (3) months through the following means:

1. Documentation Verifying Income: Income may be verified by any of the following:
 - (a) Most recent Federal Income Tax Return, IRS Form W-2, or other tax Form reporting annual income or one of any of the following:
 - (i) Wages and Earnings Statement, Pay Check Remittance, Social Security determination letter, Disability Notification Letter or
 - (ii) Worker's Compensation or Unemployment Compensation Determination Letter, letter from the employer indicating Gross Income
 - (b) If the applicant has not provided this documentation, UK HealthCare shall send the applicant a letter requesting documentation of income.
2. Deceased Patient: Deceased patients with no estate may be deemed to have no income for the purpose of UK HealthCare's calculation of income.
3. Calculation of Income: For adults, the term "Total Yearly Income" on the Financial Assistance Application refers to the sum of yearly gross income of the applicant and the applicant's spouse. If the applicant is a minor, the term "Total Yearly Income" refers to the sum of yearly gross income of the applicant and the applicant's father and mother or other person who is legally responsible for financial obligations of the applicant. In addition to yearly income, UK HealthCare shall also consider the applicant's and the applicant's family's ability to pay. The

applicant shall verify the number of people in the applicant's family unit. All income of a family unit is to be counted and a family unit may include:

- (a) The individual;
- (b) The individual's spouse who lives in the home;
- (c) A parent or parents of a minor child, who live(s) in the home;
- (d) All minor children who live in the home; or
- (e) Related and nonrelated household member(s) who do not fall into one of the groups listed above shall be considered a separate family unit.

Upon verification that income shall increase or decrease, the anticipated income shall be used.

Classification of Financially Indigent

Financially indigent refers to an uninsured or underinsured applicant whose medical expenses, in relation to income, create a devastating financial hardship if required to pay in full. UK HealthCare classifies applicants as financially indigent based upon patient's yearly income as a percentage of current Federal Poverty Guidelines published annually by the U.S. Department of Health and Human Services (FPL). To determine applicant eligibility, UK HealthCare will consider the applicant's family size and the scope and extent of the applicant's medical bills. Applicants classified as financially indigent who meet the qualification requirements for participation in the Financial Assistance Program, shall be eligible for financial assistance in the form of a financial allowance, discount or waiver. The following table shall determine the percentage of the discount available, but does not apply to cases involving patient responsibility dictated by commercial insurance:

Total Yearly Income as a Percent of Federal Poverty Level	Discount Percentage	Office Visits Uninsured or Underinsured (Patient Responsibility)
0- 300%	100%	\$10.00 co-pay
301% to 500%	80%	20% or \$20.00 copay whichever is greater
501% to 700%	60%	40% of all charges

Any financial allowance, discount of medical fees, including, without limitation the percentage of discount set forth in the above table and discounts of coinsurance or deductibles, authorized in accordance with this policy, are not intended to influence the applicant's selection of a particular provider, practitioner or supplier. Furthermore, such allowance or discount shall not be offered as part of any advertisement or solicitation. Any payments received on the account balance will remain on the account and no refund shall be issued. Any financial allowance or discount shall not be done on a routine basis but only after the applicant has been approved for financial assistance under this policy and UK HealthCare has determined in good faith that the individual is in need of financial assistance or reasonable collections efforts have failed.

Discounts for Uninsured Services

Persons who have no health insurance coverage, no coverage from any other third party (such as third-party auto liability coverage), or who obtain services not covered by their health insurance will be eligible for a 20% discount on charges, except for services noted in the Exceptions section. This discount will be given regardless of income or Kentucky residency.

Uninsured patients who have visits that ultimately become eligible for financial assistance and have previously received an uninsured discount adjustment will receive a charity care adjustment totaling

the patient balance at the time of the financial assistance approval. The uninsured discount will not be reversed. As a result, the sum of the uninsured discount adjustment(s) and financial assistance adjustment(s) posted to the same account equals the total financial assistance adjustment for financial reporting purposes.

International/Medical Tourism

UK HealthCare shall evaluate international patients referred to UK HealthCare as for Medical Tourism or other health care providers representing a patient of Medical Tourism individually for eligibility under this policy.

Transplant Services

Transplant services, including bone marrow transplant and solid organ, shall follow the process stated for uninsured/underinsured transplant candidates in existing enterprise policy [A07-070, Blood and Marrow Transplant \(BMT\) Payment Policy](#) and according to policy and procedures regarding solid organ transplants.

Organ Donation Financial Issues

UK HealthCare's policy is to encourage organ donations and transplantations in accordance with the Center for Medicare & Medicaid Services (CMS) requirements. UK HealthCare recognizes that a financial burden is created for the responsible party of an organ donation candidate as a result of the additional cost of medical services furnished after treatment is judged to be futile but before brain death is declared and Kentucky Organ Donor Affiliates (KODA) assumes responsibility.

Health care team members shall notify the director of Patient Financial Services at 859-685-4237, of cases where care is required between the time treatment is judged to be futile and brain death is declared. The director of Patient Financial Services shall ensure that charges for services related to prolonging care for the purposes of organ donation not covered by federal, state, or third-party programs shall be adjusted from of the individual patient account into a financial allowance account. The responsible party shall not be held liable for these services.

Patient Status Categories

The Financial Assistance Program attempts to collect appropriate patient responsibility (co-payments, co-insurance, deductibles, etc.) for professional services and deposits for the non-discounted portion of fees for both facility and professional services before or at the time of service. Such patient responsibilities shall be determined as follows:

- (a) Total Yearly Income Over 300% of the FPL: Financial Assistance Program discounts applicable with appropriate Financial Assistance Program application and proof of income for UK HealthCare patients.
- (b) At or under 300% of the FPL: Financial Assistance Program discounts applicable with appropriate Financial Assistance Program application and proof of income for UK Hospital. Professional fees for College of Medicine uninsured patients shall require co-payments in the amount of \$10* for Office Visits (established).

*Different co-pay amounts may be collected in conjunction with separate contracts that have been approved by the Office of Legal Counsel.

Sometimes a patient's condition requires treatment before Financial Counseling may have an opportunity to complete the application process and collect appropriate co-payments and deposits. As a result, patients are assigned patient status categories, which are determined by the attending physician, to allow patient care to be provided in a timely manner. Assignment of patient status

categories may vary by context and by the judgment of individual practitioners. The UK HealthCare chief medical officer shall resolve any disputes arising from determination of category.

1. **Category 1:** Financial Counseling shall attempt to process the application and collect any applicable patient responsibilities, but appropriate health care services shall be provided without delay. Patients in this category include:
 - (a) Patients with urgent or emergent conditions presenting in the Emergency Department or other parts of the hospital that shall be addressed immediately.
 - (b) Patients whose condition without the service is likely to worsen and lead to more serious medical problems.
 - (c) Patients whose condition requires the ongoing monitoring of the treatment plan.
2. **Category 2:** A category 2 determination is appropriate when the patient's condition does not require urgent or emergent treatment and is unlikely to progress quickly to a more serious problem if the service is postponed. Patients in Category 2 are required to submit an application with documentation of income and pay any patient responsibilities before receipt of health care services.
3. **Exempt:** Patients who require services not covered by the UK HealthCare Financial Assistance Program, as defined in the Exclusions section of this policy, are not eligible for financial assistance and are considered exempt. Payment for excluded services shall be collected in advance. If the services have a defined case rate, no additional discounts apply. If the services do not have a defined case rate, the maximum discount without administrative approval for both UK Hospital and the College of Medicine shall be 20%.

Deposit Requirements

Patients who do not have medical insurance and schedule an appointment in a UK HealthCare ambulatory practice shall be advised that they will be considered full pay and a deposit is required in the amount of \$100. Uninsured patients shall be directed to call the Financial Assistance call center to be screened for potential programs prior to treatment and will be required to supply any supporting documentation prior to their appointment. Those patients who do not complete the financial assistance process prior to their appointment shall be expected to pay the full deposit and will remain full pay. Any payments received on the account balance will remain on the account and no refund shall be issued, except those who are at or below 100% of the Federal Poverty Level.

Approval Procedures

Once the Financial Assistance Application form is completed and the information and supporting documentation is verified, a designated Patient Financial Advocate shall decide whether the patient qualifies for financial assistance. When a patient does not qualify for financial assistance, a collection specialist shall send the applicant the appropriate notification letter.

If the financial assistance application is denied, an applicant may request review by the Patient Financial Services Manager. If the Patient Financial Services Manager denies the application, the applicant may request review by the Accounts Receivable Review Committee who shall review the application in accordance with the Committee procedures and guidelines. A decision by the Accounts Receivable Review Committee shall be final and binding on the applicant.

Falsification of Information

Falsification of income information may result in denial of the Financial Assistance Application. If, after an applicant is granted financial assistance, UK HealthCare determines that material portion of information provided for the Financial Assistance Application is untrue, the financial assistance shall

be withdrawn and the full amount that had been due before the adjustment shall become due. The applicant shall receive the standard full pay 20% discount.

Exclusions

The Financial Assistance Program may not be applied to charges for certain medical services and procedures. Excluded services and procedures include, but are not limited to:

1. Cosmetic/Aesthetic procedures;
2. Transform Health Episode of Care except services offered by Transform Health Primary Care Lasik procedures;
3. Infertility services;
4. Non-emergent eye exams/optical services, medical contacts or lenses with pre-approval by the Medical Director, limited to one pair per year;
5. Non-emergent auditory exams;
6. Hearing aids;
7. Elective Services performed by College of Dentistry providers;
8. Outpatient Pharmacy services including specialty pharmacy services;
9. Detoxification related to drugs or alcohol;
10. Integrative Medical Services;
11. Contraceptive measures or medication or reversal of a contraceptive measure;
12. Sleep studies;
13. Transplant Solid Organ and Blood Marrow Transplant;
14. Allergy testing, shots, and vials;
15. Retail Pharmacy;
16. Self-Pay Restricted (voluntary renunciation of available insurance);
17. Elective procedures;
18. All pre-testing, follow-up care, and complications of excluded services.

Document Retention Procedures

UK HealthCare shall maintain all documentation, including, documentation of patient interviews and questionnaires, used to identify and approve or deny an applicant for financial assistance in accordance with the applicable record retention policy.

APPROVAL

NAME AND CREDENTIALS: PAULA WHITE TITLE: CHIEF REVENUE OFFICER	NAME AND CREDENTIALS: TITLE:
SIGNATURE	DATE [MM/DD/YYYY]
SIGNATURE	DATE [MM/DD/YYYY]