A. Definition

Charity care/financial aid is the provision of free or reduced price medical services that are medically necessary to persons who are determined to be unable to pay for their care in whole or in part, based on their financial situation. Therefore, Nyack Hospital has established a Self-Pay Rate for uninsured patients based on one of our payer payment rates, which is a blend of per-diem rates and percentage of charges for outpatient services. For inpatient care the current Self Pay Rate is based on the Medicaid rate (See Self Pay Rate schedule). The Self Pay Rate is immediately applied to all outgoing bills for our uninsured patients. The Hospital provides additional discounts for patients that are determined to be unable to pay the entire Self Pay Rate based on their financial situation.

B. Qualifications-General

1. Applicability
   
   a. This Policy applies to inpatient and/or outpatient services rendered to an uninsured patient eligible for charity care/financial aid under this Policy by Nyack Hospital (hereafter Hospital) and its employees.

   b. Patients who face extraordinary medical costs, including copayments, coinsurance or deductibles, and have exhausted their health insurance benefits (including, but not limited to, health savings accounts) for a particular service also may be eligible for charity care/financial aid.

   c. This policy does not apply to services provided by any other provider, e.g., physicians or other service providers (who bill independently for their services). Any requests for charity care or financial aid regarding such services should be directed to those other providers.

   d. This Policy applies only to medically necessary services. Any services deemed to be not medically necessary, including, but not limited to, some cosmetic services, will not be considered for charity care/financial aid. (For eligibility criteria, see Applicability, Procedure, C. below.)

2. Prior to submitting an application for charity care/financial aid, patients will have been screened for eligibility for Medicaid or other insurance programs, when reasonable or appropriate.
3. Hospital will offer charity care/financial aid:
   
a. For emergency services to any qualified New York State resident, and

b. For non-emergency scheduled services that are medically necessary to any qualified resident of the Hospital’s primary service area (Rockland, Westchester, Orange and Putnam Counties). For a description of the Hospital’s primary service see Exhibit B (attached hereto).

c. Notwithstanding a patient’s eligibility for charity care/financial aid, Hospital will provide services in accordance with applicable laws and regulations, including EMTALA.

4. Disputes concerning medical necessity will be settled by the Hospital Utilization Review Department in accordance with applicable Hospital policies and procedures.

5. Eligibility for charity care/financial aid beyond our Self Pay Rate will be based upon submission of a completed application by required documentation. In addition, for patients who are either uninsured or have exhausted their health insurance benefits, have not submitted a complete application for charity care and whose account balances for Hospital services rendered exceed $250.00 and remain outstanding for at least forty-five (45) days past submission of the initial bill, Hospital may obtain reports from credit or specialty consumer reporting agencies to assist in determining eligibility for Charity Care.

6. Eligibility for charity care/financial aid will continue to be evaluated throughout Hospital’s billing and collection efforts.

7. This Policy is intended to comply with, and shall be construed, in accordance with New York State Public Health Law Section 2807-k 9-a and regulations or guidelines promulgated pursuant thereto. To the extent required by applicable law, this Policy may be subject to the review and approval of the New York State Department of Health.

C. Collection Practices

1. Hospital has developed the standards and scope of practices to be used to collect outstanding patient debt, including the establishment of written
policies regarding referral of patient debt for collection or legal action. Hospital requires collection agencies acting on the Hospital’s behalf to sign written agreements obligating them to follow these standards and practices.

2. With regard to collection practices, Hospital:

   a. Will not force the sale or foreclosure of a patient’s primary residence to pay for an outstanding debt.

   b. Will not send a bill to a collection agency while a completed charity care/financial aid application (including any required supporting documentation) submitted to Hospital is pending determination.

   c. Will not permit collections from a patient who is determined to have been eligible for Medicaid at the time services were rendered and for which Medicaid payment is available, provided patient has submitted a completed application for Medicaid in connection with such services.

   d. Will provide written notification (including notification on a patient bill) to a patient at least 30 days before an account is sent to collection.

   e. Requires the collection agency to have the Hospital’s written consent prior to starting a legal action for collection.

   f. Requires collection agencies to provide information to patients regarding how to apply for charity care/financial aid, where appropriate.

D. Education/Public Awareness

1. Hospital Staff will be educated about the availability of charity care/financial aid and how to direct patients to obtain further information about the application process. In particular, Hospital will provide training regarding this Policy to all Hospital staff who interact with patients or have responsibility for billing and collection. For appropriate personnel, such training will emphasize, among other things, the importance of determining the eligibility of patients for charity care/financial aid at the intake, billing and collection process, the conditions under which patient financial information will be sought from third parties, and the need to treat patient information in confidential and professional manner.

2. Notification to patients regarding this Policy shall be made during the intake and registration process, through conspicuous posting of language
appropriate information in Emergency Rooms and Admitting Departments of the Hospital and inclusion of information on bills and statements sent to patients explaining that financial aid may be available to qualified patients and how to obtain further information.

3. Notification to patients regarding Hospital’s potential collection of reports from credit or specialty consumer reporting agencies shall be made prior to the Hospital’s request for a report.

4. Hospital will communicate the availability of charity care/financial aid to all patients, the public in general, and local community health and human service agencies and other local organizations that help people in need. A summary of the charity care policy, including specific information as to income levels used to determine eligibility for assistance, a description of the primary service area of Hospital and how to apply for assistance, shall be made available to patients upon request.

5. A mechanism to measure Hospital’s compliance with this policy shall be developed and implemented.
PURPOSE:

A. Objective

Hospital recognizes its responsibility to provide charity care/financial aid for those in need. Hospital is committed to the comprehensive assessment of individual patient need and to providing charity care/financial aid when warranted, regardless of age, gender, race, national origin, socio-economic or immigrant status, sexual orientation or religious affiliation.

B. Cooperation and Responsibility

1. The process for determining patient eligibility for charity care/financial aid and collecting patient debt will reflect Hospital’s commitment to treating all patients fairly and with dignity and respect.

2. As part of the charitable mission of Hospital, charity care/financial aid will be provided to persons who submit completed applications and meet the qualifications described in this Policy. Attempts to determine eligibility for charity care/financial aid will occur throughout the billing and collection process.

3. Charity care/financial aid is not intended to be a substitute for existing government entitlement or other assistance programs. Based on the individual circumstances of each patient, every reasonable effort will be made to explore appropriate alternative sources of payment and coverage from third parties, and other public and private programs, to allow Hospital to provide care to persons in need who lack other payment alternatives.

4. The availability of charity care/financial aid does not eliminate personal responsibility. Eligible patients are required, whenever possible, to access public or private insurance options, and are expected to cooperate with Hospital and to contribute to the cost of their care based on their individual ability to pay. Hospital reserves the right to deny financial aid for patients who are eligible for but refuse to apply for available insurance programs including but not limited to Medicare and Medicaid.

5. Hospital will consider an individual’s need for charity care/financial aid based on that individual’s documented demonstration that the bill for services provided cannot be covered by another payment source and that (s)he is unable to pay for those services. This policy shall be applied consistently to all eligible patients, without limitations based on applicant’s medical condition, provided the
procedure or treatment sought is medically necessary and has clinical or therapeutic benefit.

**APPLICABILITY:** All Hospital Staff

**PROCEDURE:**

**A. Application -Timing/Location**

1. If appropriate, and when possible, the benefits of Medicaid and other public and private programs will be explained to the patient at the time of intake and registration and potentially eligible patients will be invited to apply. Eligibility for charity care/financial aid will be determined after eligibility for Medicaid and other public and private programs has been determined. Hospital will attempt to determine eligibility for charity care/financial aid throughout the billing and collection process.

2. Written materials, including the application, shall be available to patients during the intake and registration process prior to the provision of health care. Also, application forms for charity care/financial aid may be requested from designated locations at the Hospital and will be available in the Hospital’s primary languages.

3. Application materials shall make clear through a notice to patients that if they submit a completed application inclusive of any information or documentation necessary to determine eligibility under this Policy that patient may disregard any Hospital bills until Hospital has decided on the application.

4. Patients may apply for assistance by requesting an application form. Determinations regarding such applications shall be made in writing to the applicant as soon as practicable after the completed application has been submitted, but in any case within thirty (30) days of receipt of such application by Hospital. If additional information from applicant is necessary to determine eligibility, Hospital shall request same within that thirty (30) day period. Written instructions describing how to appeal a denial or other adverse determination shall be included with the adverse determination or denial regarding an application.

5. Hospital clinic patients will be evaluated upon initial registration. Applications for Hospital clinic patients will be completed and determinations made as part of the registration process unless additional information is needed.
B. Application-Documentation and Standards

1. Applicants will be asked to provide information/documentation including but not limited to the following:
   a. Household income for the most recent three months;
   b. Household income for a recent twelve-month period;
   c. Number of people in household and relationship to applicant;
   d. Form 1040 (U.S. Individual Income Tax Return) for all applicable household members or any other documentation that can be used to substantiate household income, in the absence of Form 1040.

2. Applicants may be asked for net assets\(^1\) (e.g., value of personal and real property, insurance policies, bank accounts, other investment accounts).

3. The information supplied on a completed application and from other sources will be used in the evaluation of the patient’s financial situation and in making a decision regarding the patient’s ability to pay for services provided, and eligibility for charity care/financial aid.

4. It is expected that the patient will cooperate and supply all necessary information required to make a determination for charity care/financial aid eligibility. A designated Hospital official may waive such conditions in situations where the patient is not capable of meeting these requirements.

5. Appeals Process
   a. If a patient is dissatisfied with the decision regarding his or her application for charity care, he or she may appeal that decision by submitting his or her reasons and any supporting documentation to the Administrator of Patient Financial Services (Administrator), or his or her designee, within twenty (20) days of the decision.

   b. The Administrator shall have fifteen (15) business days to review the appeal and respond to the patient in writing.

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\(^1\) Net assets exclude primary residence, tax-deferred or comparable retirement savings accounts, college savings accounts, cars used by patient or immediate family (hereafter Excluded Assets). Significant assets (other than Excluded Assets) may be taken into account on a case by case basis subject to applicable state law and New York State Department of Health guidelines.
c. If the patient remains dissatisfied with the Administrator’s decision, the patient may appeal the Administrator’s decision in writing, including reasons therefor, and any supporting documentation to the Chief Financial Officer.

d. The Chief Financial Officer shall reach a decision in writing within fifteen (15) days of receipt of the appeal. The Chief Financial Officer’s decision shall be final.

e. No collection activity shall be pursued during the pendency of any appeal.

C. Payment Process

1. Criteria for free or reduced price care

   a. Subject to the requirements of this Policy, Hospital will provide free or reduced price care to uninsured applicants or applicants who have exhausted their health insurance benefits for a particular service including, but not limited to health savings accounts, with incomes below 400% of the federal poverty level as listed in the Federal Poverty Guidelines for Non-Farm Income which are published annually (income guidelines in effect at the time of receipt of the completed application, and not at the time of service, will be used in determining eligibility) in accordance with current year "Sliding Scale Charity Care Policy for Hospital";

      i) On a case by case basis, net assets may be taken into account if patient has significant assets, excluding certain assets: applicant's primary residence, assets held in a tax deferred or comparable retirement savings account, college savings accounts or cars used regularly by the patient or immediate family members (Excluded Assets).

      ii) When considering assets for patients with annual income at or below 150% of the federal poverty level, assets other than Excluded Assets will only be considered if they exceed the asset levels specified annually by the Department of Health for the current year asset levels. See Exhibit A (attached hereto) for current year asset levels.

   b. Subject to the requirements of this Policy, Hospital will provide free or reduced price care to any applicant who has exhausted his/her insurance or health care benefit applicable to the particular health care services in question including, but not limited to health savings
accounts, and is responsible for payments to the Hospital which exceed thirty percent (30%) of his/her combined income and net assets (excluding Excluded Assets), calculated on a calendar year basis, even if a patient does not qualify for Charity Care/Financial Aid based on Applicability, Procedure, C1a. above. (Patient’s responsibility shall be for that amount remaining after deducting payments made by his/her insurance companies or health plans, as well as payments from any entitlement programs or any other assistance of any kind.)

c. Evidence of extraordinary hardship may be taken into account when evaluating whether the criteria for charity care have been met in particular circumstances.

d. The maximum amount that may be collected from a patient eligible for Charity care/financial aid pursuant to this Policy, including net assets, shall not exceed the greater of the amount that would have been paid for the same services by the highest volume payor, Medicare or Medicaid, as applicable.

2. When a patient applies for charity care/financial aid, compliance with prior financial obligations to Hospital may be considered.

3. When appropriate, the need for charity care/financial aid shall be re-evaluated. Circumstances which may justify such reevaluation include:

   a. Change in income;
   b. Change in household size;
   c. Reopening of a closed account; or
   d. Completion of a financial evaluation more than a year previously.
   e. Any other change subsequent to rendering of services which may affect ability to pay.

4. Installment Plans. If a patient cannot pay the balance on an account, Hospital will attempt to negotiate an installment payment plan with the patient. When negotiating an installment payment plan with the patient, Hospital may take into account the balance due and will consider the patient’s ability to pay.

   a. Installment plans shall permit payment of the balance due within six (6) months.
b. The payment period may be extended beyond six (6) months if, in
the discretion of Hospital, patient’s financial circumstances justify an
extension.

c. The monthly payment shall not exceed ten percent (10%) of the
patient’s gross monthly income; provided when patient’s assets are
considered under Applicability, Procedure, C.1. above, patient assets
which are not Excluded Assets may be considered in addition to the
limit on monthly payments.

d. If patient fails to make a payment when due and further fails to pay
within thirty (30) days thereafter then the entire balance shall be
due.

e. If interest is charged to the patient, the rate of interest on any
unpaid balance shall not exceed the rate for a ninety-day security
issued by the US Department of Treasury plus one half of one
percent (.5%). No installment plan shall include an acceleration or
similar clause triggering a higher rate of interest on a missed
payment.

5. Deposits. A patient seeking medically necessary, non-emergent care who
applies for charity care/financial aid may be required to make a deposit
consistent with the terms of this Policy. No deposit shall exceed ten percent
(10%) of the patient’s gross monthly income; provided when patient’s assets
are considered under Applicability, Procedure, C1 above, patient’s assets,
which are not Excluded Assets, may be considered in addition to the limit on
monthly payments; and provided further, for patients with annual income at
or below 150% of the federal poverty level, assets other than Excluded
Assets will only be considered if they exceed the asset levels specified by the
Department of Health in accordance with Applicability, Procedure, C1aii
above. In any event, any deposit which may have been made by a patient
prior to the time he/she applies for charity care, shall be included as part of
any charity care/financial aid consideration.

6. Hospital will maintain an accounting of the dollar amount charged as charity
care in accordance with applicable New York State law.

**RESPONSIBILITY:** Patient Financial Services