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Subject: Self-Pay Collections

POLICY: Financial Assistance Program

Approved By: Jeff Hebert, Chief Financial Officer

Subsidiaries: Copley Hospital Copley Woodlands Copley Terrace Health Center Building

Department(s): Patient Financial Services

PURPOSE:

To ensure Copley Hospital provides quality health care to everyone in need, regardless of their ability to pay.

POLICY STATEMENT:

Copley Hospital is committed to providing quality health care to everyone in need, regardless of their ability to pay. Copley Hospital may grant financial assistance for medically necessary health care services provided to patients and guarantors who identify themselves as unable to pay all or part of their Copley Hospital bill(s) due to financial hardship. Eligibility for the Financial Assistance Program will be determined based upon the Federal Poverty Levels and the applicant's confidential disclosure of financial information related to household income and liquid assets and supporting documentation.

NON-DISCRIMINATION STATEMENT:

Copley Hospital does not discriminate based on race, color, sex, sexual orientation, gender identity, marital status, religion, ancestry, national origin, citizenship, immigration status, primary language, disability, medical condition, or genetic information in the provision of patient financial assistance or in the implementation of this financial assistance policy.

DEFINITIONS (As used in this policy):

Amount generally billed – means the amount a hospital generally bills to individuals for emergency or other medically necessary health care services, determined using the “look-back method” set forth in 26 C.F.R. § 1.501(r)-5(b)(3).

Credit reporting agency – means a person who, for fees, dues, or on a cooperative basis, regularly engages in whole or in part in the practice of assembling or evaluating information concerning a consumer's credit or other information for the purpose of furnishing a credit report to another person.

Health care provider – means a person, partnership, corporation, facility, or institution licensed, certified, or otherwise authorized by law to provide professional health care services in this State to an individual during that individual’s medical care, treatment, or confinement.

Health care services – means services for the diagnosis prevention, treatment, cure, or relief of a physical, dental, behavioral, or mental health condition, or substance use disorder, including procedures, products, devices, and medications.

Hospital – means a hospital licensed pursuant to Vermont Statutes Annotated (VSA) chapter 43 of title 18 or an outpatient clinic or facility affiliated with or operating under the license of a hospital licensed pursuant to VSA chapter 43 of title 18.

Household income – means income calculated in accordance with the financial methodologies for determining financial eligibility for advance premium tax credits under 26 C.F.R. § 1.36B-1 & 2 including the method used to calculate household size, with the following modifications:

- Domestic partners and any individual who is considered a dependent of either partner for federal income tax purposes shall be treated as members of the same household;
- Married individuals who file federal income tax returns separately but could file jointly and any individual who is considered a dependent of one or both spouses for federal income tax purposes shall be treated as members of the same household;
- Married individuals who are living separately while their divorce is pending shall not be treated as members of the same household regardless of whether they are filing federal income tax returns jointly or separately; and
- Household income for individuals who are not required to file a federal income tax return, and for undocumented immigrants who have not filed a federal income tax return, shall be calculated as if they had filed a federal income tax return.

Liquid asset – means an asset that is cash or can be easily converted to cash such as cash, checking and savings accounts, money markets, stocks, bonds, and certificates of deposit. For the purposes of determining financial assistance eligibility, liquid assets do not include the household’s primary residence, non-recreational vehicles, any 401(k) or individual retirement accounts, any pension plans, cash surrender value of life insurance policies, and burial funds.

Medical creditor – means the hospital to whom a consumer owes money for health care services.

Medical debt – means a debt arising from the receipt of health care services.

Medical debt collector – means an individual or entity that regularly collects or attempts to collect, directly or indirectly, medical debts originally owed or due, or asserted to be owed or due, to another individual or entity.

Medically necessary health care services – means the health care services including diagnostic testing, preventive services, and after care, which are appropriate to the patient’s diagnosis or condition in terms of type, amount, frequency, level, setting, and duration. Medically necessary care must:

- be informed by generally accepted medical or scientific evidence and be consistent with generally accepted practice parameters as recognized by health care professions in the same specialties which typically treats that medical condition;
- be informed by the unique needs of each individual patient and each presenting situation; and
- meet one or more of the following criteria:
 - help restore or maintain the patient’s health;
 - prevent deterioration of or palliate the patient’s condition; or
 - prevent the likely onset of a health problem or detect an incipient problem.

Patient – means the individual who receives or received health care services and shall include a parent if the patient is a minor or a legal guardian if the patient is a minor or adult under guardianship.

Vermont resident – means an individual, regardless of citizenship and including undocumented immigrants, who resides in Vermont, is employed by a Vermont employer to deliver services for the employer in this State in the normal course of the employee’s employment, or attends school in Vermont, or combination of these. The term includes an individual who is living in Vermont at the time that services are received but who lacks stable permanent housing.

PROVIDERS NOT COVERED

This policy only covers services for medical professionals who are billed by Copley Hospital. A list of providers and whether or not they are covered by this policy can be found at the following website: <https://www.copleyvt.org/wp-content/uploads/2024/09/FAP-Provider-List.pdf>

PROVISION OF POLICY DOCUMENTS TO PATIENTS

Communication:

Copley Hospital will pursue every opportunity to inform its patients of the existence of the Financial Assistance Program and encourage patients and guarantors to apply for assistance if paying a Copley Hospital bill may create an undue financial hardship. This includes advising patients of the Financial Assistance Program in the following ways:

- **In person:** Signage as well as free paper copies of this policy, a plain language summary and the Financial Assistance application are available in the reception, registration and patient financial services areas.

- **By phone:** Patients can call 802-888-8338 to request a free paper copy of this policy, a plain language summary and the Financial Assistance application.
- **Online:** Copley Hospital's website has a page related to the Financial Assistance Program which includes electronic copies of this policy, a plain language summary and the Financial Assistance application.
- **By mail:** Free copies of this policy, a plain language summary and the financial assistance application are available, upon request, via mail. Individuals may request paper copies by writing to the following address:
*Copley Hospital
Attn: Patient Financial Services
528 Washington Highway
Morrisville, VT 05661-8973*
- All patients will be informed of the Financial Assistance Program and provided with a copy of the application form during the registration.
- Each billing statement sent to the patient and guarantor will advise the recipient of the Financial Assistance Program, contact information for financial counseling, and contain a short form that can be submitted to initiate the application process.
- Patient Account Representatives will advise patients and guarantors of the Financial Assistance Program during normal collections activities.
- Translations: An individual may request an oral or written translation of this policy, a plain language summary and the Financial Assistance application.

WHAT WE WILL DO BEFORE SEEKING PAYMENT FOR MEDICALLY NECESSARY SERVICES

Before we seek any type of payment from a patient for medically necessary services, we will do at least the following:

- Determine whether the patient has insurance to cover the provided medically necessary services including, but not limited to, health insurance, automobile insurance, worker's compensation, or some other type of policy;
- Offer to provide the patient with information about how to apply for health insurance and where they can get assistance with the application process;
- If available, we may use information in the hospital's possession to determine eligibility for patient financial assistance;
- Offer the patient a copy of this policy, a plain language summary and the Financial Assistance application at no cost; and
- Offer to provide the patient with assistance in completing and submitting the financial assistance application at no cost.

ELIGIBILITY

Copley Hospital offers two types of Financial Assistance: general financial assistance and

catastrophic financial assistance.

- **General Financial Assistance:** A patient must meet three tests to be eligible for general financial assistance:
 - the residency test;
 - the general income test; and
 - the liquid asset resource test.

- **Catastrophic Financial Assistance:** A patient must meet two tests to be eligible for catastrophic financial assistance:
 - the residency test; and
 - the catastrophic income test.

Residency Test:

Any individual, regardless of citizenship and including undocumented immigrants, who resides in Vermont, is employed by a Vermont employer to deliver services for the employer in this State in the normal course of the employee's employment, or attends school in Vermont, or combination of these. This includes an individual who is living in Vermont at the time that services are received but who lacks stable permanent housing.

There is no durational requirement for Vermont residency. It is irrelevant how long the patient has been a Vermont resident and Copley Hospital explicitly recognizes that persons with unstable housing can be Vermont residents.

General Income Test:

To be eligible for general financial assistance, a patient's household income must be equal to or less than 400% of the Federal Poverty Level (FPL). To determine the applicant's FPL, Copley Hospital shall use the Household Income as defined by this policy which also contains guidance on determining household size. See also the "Application Processing" section of this policy below for further guidance. The applicable FPL standard shall be for the year in which services were rendered.

Liquid Asset Resource Test:

Household liquid asset resources must be below 400% of the FPL, as adjusted for household size. Certain liquid assets or resources are excluded from consideration, such as the household's primary residence, non-recreational vehicles, any 401(k) or individual retirement accounts, any pension plans, cash surrender value of life insurance policies, and burial funds.

Catastrophic Income Test:

To be eligible for catastrophic financial assistance, a patient's household income must be equal

to or less than 600% FPL. To determine the applicant's FPL, Copley Hospital shall use the Household Income as defined by this policy which also contains guidance on determining household size. See also the "Application Processing" section of this policy below for further guidance. The applicable FPL standard shall be for the year in which services were rendered.

Eligibility and Health Insurance Sign-up Requirements:

If a patient is an undocumented immigrant, the patient's refusal to apply for public health insurance shall not be used as a reason to deny them financial assistance. For all patients, regardless of immigration status, the patient's refusal to apply for private health insurance shall not be used as a reason to deny them financial assistance.

APPLICATION PERIOD

Patients and guarantors can apply for financial assistance by submitting a complete application with all requested documentation to the Patient Financial Services department in person or via mail or email.

An application for Financial Assistance can be submitted any time from the date that care is provided through the 240th day after the patient or guarantor receives the first post-discharge billing statement, this is known as the application period. To determine eligibility for financial assistance, patients and guarantors must submit a complete application. An application is complete if all questions are answered completely, the application is signed and dated by the applicant(s), and all the supporting documentation is attached. Assistance will be provided by a financial counselor upon request for any applicants that would like assistance for any reason.

Regardless of what type of income documentation the applicant submits, Copley Hospital shall calculate household income using the financial methodologies for determining financial eligibility for advance premium tax credits under 26 C.F.R. § 1.36B-1 & 2e.

Upon receipt of an application during the application period, defined above, patient accounts related to all members of the household with outstanding balances in good standing (less than 120 days outstanding) will be placed on hold during the application review process. Accounts placed on hold will not receive statements or collection phone calls. If the application is found to be incomplete, the applicant will be notified by telephone, in addition to a written notice in the mail, to communicate what required elements are missing. The applicant must submit the required information within 10 business days, or the account hold will be released, and the collections cycle will continue (see Billings & Collection Policy).

DOCUMENTATION

Residency: Copley Hospital will not ask an applicant to provide proof of residency. A signed financial assistance application will be considered sufficient attestation that the applicant meets the definition of Vermont residency included in this policy.

Household income: A patient is requested to provide their most recent federal or state income tax return as proof of income along with their financial assistance application. Alternatively, a patient may provide the following documentation:

- Most recent paycheck stubs from all places of employment
- Documentation of public assistance
- Other documentation of household income that the Department of Vermont Health Access identifies as valid

Household income includes:

- Wages from all places of employment
- Business and rental income
- Unemployment income
- Social security income
- Disability income, if taxable
- Alimony from settlements executed prior to 2019
- Military family allotments, if taxable
- Any other regular support from someone not living in the household, if taxable
- Private pensions, government pensions, and regular insurance or annuity income
- Dividends, interest, royalties, and taxable income from estates or trusts
- Net gambling or lottery winnings

Household income does not include:

- Public assistance payments including fuel, food stamps and general assistance
- Capital gains
- Withdrawals from a bank or proceeds from the sale of property
- Tax refunds
- Gifts, loans, and lump-sum inheritances
- One-time insurance payment or other one-time compensation for injury

NOTE: Patients who are undocumented immigrants have the option to submit other documentation of household income, such as a profit and loss statement, in lieu of a state or federal income tax return.

Copley Hospital may rely on other evidence of eligibility and documentation that are not listed in this policy.

Copley Hospital may presumptively deem a patient eligible for financial assistance based on information in the hospital's possession. We will not use information in our possession to presumptively deny an application.

APPLICATION PROCESSING

Determining household income

Regardless of what type of income documentation the applicant submits, Copley Hospital shall calculate household income using the financial methodologies for determining financial eligibility for advance premium tax credits under 26 C.F.R 1.36B-1 & 2e.

Determining household size

Copley Hospital shall calculate the household size in accordance with the guidance contained in the definition of Household Income as defined by this policy.

Upon receipt of a complete application, a determination of eligibility for or denial of financial assistance will be communicated to the applicant in writing within 30 days of receipt of the complete application.

If an application is received during the application period, defined above, related to a patient account in bad debt status, and the patient is determined to be eligible for Copley’s Financial Assistance Program, Copley will take all reasonably available measures to reverse any extraordinary collection actions such as lift any liens or remove adverse information on credit reports.

FINANCIAL ASSISTANCE AMOUNT

Patients eligible for general or catastrophic financial assistance shall receive the discounts detailed below based on the Federal Poverty Level (FPL) of the applicant’s household.

General Financial Assistance Amount:

Insured and uninsured patients shall have a discount applied to the total amount owed for medically necessary services rendered up to 400% of the FPL and based on the chart below:

Catastrophic Financial Assistance Amount:

For insured and uninsured patients, if the total amount owed for medically necessary services rendered exceeds 20% of the household income, then the amount owed shall be reduced so that it is equal to 20% of the patient’s household’s income up to 600% of the FPL and based on the chart below:

FPL	Up to 300%	301%-350%	351%-400%	401% - 600%
Discount	100%	75%	50%	Excess of 20% of household income

In no case shall a patient who is eligible for catastrophic or general financial assistance be charged:

- monthly payments of more than 5% of their household's gross monthly income for the services rendered, or
- interest on the amount owed for services or be charged any prepayment or early payment penalty or fee on the medical debt owed.

DECISION TIMELINE AND CONTENT

Copley Hospital will issue a decision to the applicant no later than 30 days after receiving the financial assistance application.

Additionally, the written decision will contain the following:

- if the patient's application is incomplete, Copley Hospital will notify the applicant of this fact and specify what information is needed to complete the application, or
- if the patient's application is approved, Copley Hospital will include the amount of assistance provided, the basis for the calculation of the amount owed, and a revised bill will be sent to the patient. If the patient continues to owe a balance after financial assistance has been applied, Copley Hospital or a medical debt collector seeking payment for that medical debt, shall offer a payment plan that does not exceed five percent of the patient's gross monthly household income.

REVIEW AND APPROVAL OF FINANCIAL ASSISTANCE APPLICATIONS

All financial assistance applications, supporting documentation, and summary of eligibility determination prepared by the Financial Counselor will be reviewed and approved by the Billing Manager. Applications for eligible recipients whose awarded assistance will be greater than \$5,000 will also be reviewed and approved by the Chief Financial Officer.

Account balances to be adjusted for award of financial assistance require the following review and approval based on the dollar amount of the adjustment:

- Up to \$500 – approved by the Financial Counselor
- Up to \$5,000 – approved by the Billing Manager
- Over \$5,000 – approved by the Chief Financial Officer

TERM OF FINANCIAL ASSISTANCE

Each eligibility determination for financial assistance, whether approved or denied, is effective for one year following the date of the determination letter, referred to as the expiration date.

The awarded level of financial assistance for first-time recipients will be applied to eligible medical services, as defined above, that were billed to the recipient during the 8 months preceding the date of receipt of a complete application and will be automatically applied to any eligible medical services received up through the expiration date communicated in the determination letter sent to the recipient.

After the expiration of the initial determination for financial assistance, a recipient may re-apply for assistance if they continue to claim financial hardship by submitting a complete application with updated information and supporting documentation. If approved, the awarded level of financial assistance will be applied to eligible services received since the expiration of the last award, up to a maximum of 8 months preceding the date of receipt of the re-application.

LANGUAGE ACCESS RIGHTS

Copley Hospital is committed to ensuring that patients whose primary language is not English can effectively communicate with us. We provide free language services to persons whose primary language is not English. This includes qualified interpreters and written information in non-English languages.

APPEAL RIGHTS

A patient has 60 days following the receipt of a written financial assistance decision to appeal the decision. Copley Hospital shall inform the patient no later than 60 days after receipt of the appeal as to whether the appeal was approved or denied.

COMPLAINTS

If we are unable to resolve your complaint, you may contact the Vermont Office of the Attorney General which is named as the enforcement entity under Vermont Act 119 of 2022.

PUBLICITY

Copley Hospital is committed to making information about our policy widely available. In addition to making free written copies available (see "Provision of Policy Documents to Patients" section above), we take the following steps to widely publicize this information:

- We conspicuously post notices of and information regarding the financial assistance policy in the facility's offices, including patient reception and admission areas, as well as locations where patient financial assistance and billing services are provided.
- We notify and inform members of the community served by the facility about the financial assistance policy in a manner reasonably calculated to reach the members of the community who are most likely to need financial assistance, including members who

are non-native English speakers.

PATIENT BILLING OR COLLECTION STATEMENTS

All billing statements, whether sent by this hospital or a medical debt collector, shall include a conspicuous written statement that some patients may be eligible for financial assistance. This statement shall include the telephone number a patient can call to obtain more information about our policy and the application process. It shall also include the web address where this policy, the financial assistance application, and the plain language summary are posted.

All oral or written communication attempts by a medical creditor or a medical debt collector, including the Copley Hospital, to collect a medical debt arising from health care services delivered at this facility shall include information about our financial assistance policy.

POLICY REVIEW

This financial assistance policy shall be reviewed and approved by the hospital's governing body at least once every three years.

MEDICAL BILL COLLECTIONS

Our full medical billing and collections policies are detailed in our Billing & Collections Policy available at copleyvt.org

REFERENCES:

- Billings & Collection Policy
- Payment Arrangements Policy
- Financial Assistance Application Form