

# Financial Assistance Policy

## VCU Health System Authority and Affiliates Policy

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Owner: Public Benefits Director

Effective Date: 3/5/2022

Revision: 1.0

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This policy applies to Virginia Commonwealth University Health System Authority and all of its wholly owned or controlled affiliates (collectively referred to herein as VCUHS or VCU Health System).

This policy applies to the facilities marked below:

- |  |   |  |
|--|---|--|
| <input checked="" type="checkbox"/> VCU Medical Center                             | <input checked="" type="checkbox"/> Community Memorial Hospital       | <input checked="" type="checkbox"/> VCU Health Children's Services at Brook Road |
| <input checked="" type="checkbox"/> VCU Health Ambulatory Surgery Center L.L.C     | <input type="checkbox"/> Community Memorial Hospital (Hundley Center) | <input checked="" type="checkbox"/> VCU Health Tappahannock Hospital             |
| <input checked="" type="checkbox"/> MCV Associated Physicians d/b/a MCV Physicians | <input checked="" type="checkbox"/> CMH Physician Services, LLC       |  |
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### **General Information**

#### **Background**

VCU Health System (VCUHS) is committed to lowering the financial barriers which impact access to healthcare. Strategies for improving access include: making it easier to enroll in sponsored insurance; discounts for Indigent Care, Charity Care, and Self-Pay; payment plans; and special programs.

These are available for patients to receive emergent or medically necessary care if they are US citizens/lawfully entry in the United States and meet program requirements.

VCUHS provides care for emergency medical conditions without discrimination to individuals, regardless of their eligibility for help under this financial assistance policy.

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#### **Purpose**

To provide guidance to team members on how to implement our financial assistance program.

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***Related Documents***

Billing and Collections policy  
Self-pay discount policy

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## Definitions

<b>Term:</b>	<b>Definition:</b>
Federal Poverty Level	The poverty guidelines as updated by the United States Department of Health and Human Services.
Household	A person's spouse, mother and father (regardless of marital status), and children living in the same home as the patient and are qualifying dependents for tax purposes. Patients who are students over the age of 18 and claimed as a dependent, must include those who reside in the tax household.
Household Income	The income for which any member of the household receives. For example, salary, self-employment income, investments, withdraws from tax deferred accounts for IRAs', real estate, Social Security, alimony and child support, or pensions.
Self-Pay Discounted Care	A discount for those who choose to pay the bill themselves directly or who are uninsured and do not qualify for Indigent Care.
State University Teaching Hospitals Indigent Care	State-sponsored healthcare services given at no charge or lowered charges to patients who lack financial resources or have used up their health insurance benefits. This is based on state-approved criteria and is applied to all who qualify.
VCUHS funded Charity Care	VCUHS-funded discount
Dual Eligible:	Patients eligible for both State University Teaching Hospitals Indigent Care and VCUHS funded Charity Care

## Policy

- A. This policy and the Indigent Care Criteria are updated regularly based on the Federal Poverty Income Guidelines and State University Teaching Hospitals Indigent Care Guidelines.
- B. Financial counselors are available to help patients complete the Financial assistance application during business hours. Applications can be filed for up to 240 days after the first bill is sent to the patient.
- C. The financial help policy is widely publicized.

- D. Patients can get a copy of the Financial Assistance Application, financial help policy, or billing and collection policy by:
- calling the Public Benefits Department at (804) 828-0966 between 9:00 am – 4:00 pm est.
  - visiting [the financial assistance website](#)
  - at time of treatment in any registration area
  - in person by visiting the following areas:
- |  |                        |
|--|------------------------|
| Gateway Building 1 <sup>st</sup> Floor | 7:30 am – 4:30 pm est. |
| Nelson Clinic 5 <sup>th</sup> Floor    | 8:00 am – 4:30 pm est. |
| Children’s Pavilion Level 1            | 7:30 am – 4:00 pm est. |
| Community Memorial Cashier’s Office    | 9:00 am – 3:00 pm est. |
- E. Appendix A below, outlines the Indigent Care and Self-Pay Discounted Care available to qualifying patients. Updates are posted online [here](#).
- F. Patients are advised to seek help as early as possible without reasonable delay.
- G. Collection activity stops upon receipt of the application and during evaluation period ending upon approval or denial of said application. All reasonable efforts are made by the Public Benefits Department to determine eligibility within 30 days. Additional information may be requested as part of the evaluation process.
- G.1. A decision letter is sent at approval or denial of the application. If denied or non-compliant, collection activity re-starts. No extraordinary collection activity happens before a decision is made in writing.
- H. In the event the patient does not pay, VCUHS Customer Service may take extraordinary actions to collect, such as: using an outside collection agency, adverse credit reporting, or legal action.
- H.1. No extraordinary collection activity (ECA) is pursued against an individual within 120 days of issuing the initial bill without making reasonable efforts to determine if the individual is eligible for financial assistance.
- H.2. Measuring the statement cycle:
- 1st – Date of first billing
  - 2nd – 28 Days post
  - 3rd – 56 Days post and notice of submission to Collection Agency if amounts left unpaid or financial assistance application not received
  - 4th – 122 Days Submission to Collection Agency (letter sent from Collections), subject to the provisions of this policy.

- I. If a patient does not agree with the decision, they may appeal. This is done by calling a Public Benefits team member at (804) 828-0966 to discuss.
- J. Dual Eligible (including State University Teaching Hospitals Indigent Care and additional VCUHS funded Charity Care)
  - J.1. State University Teaching Hospitals Indigent Care--Patients with a household income at or below 200% of the Federal Poverty Level (FPL) and not disqualified by the Asset Test (defined below).
  - J.2. VCUHS-funded Charity Care-- Patients with household Income at or below 300% of the FPL with no more than \$5,000 in liquid assets per household member.
  - J.3. Patients must follow VCUHS' Financial assistance application instructions and make every reasonable effort to provide the requested paperwork and health coverage information timely.
- K. To be eligible for Indigent Care, patients must work with financial counselors and apply for all relevant sources of reimbursement, including working with their payers for commercial and third-party liability insurance, Medicare, Medicaid, and any other third-party payers.
  - K.1. Patients refusing to participate and provide requested paperwork may be unable to receive a discount.
- M. Indigent Care is offered after third-party health insurance coverage has been used up.
- N. Patients with Indigent Care remain eligible for twelve (12) months from the date the application was filed.
  - N.1. On approval, the discount is applied retroactively to self-pay accounts not yet sent to an outside collection agency. Patients may reapply after 12 months.
- O. Patients must immediately report any change in Household Income, financial status, and/or insured coverage; a new financial assistance application is to be completed and a new decision for eligibility will be made.
- P. State University Teaching Hospitals Indigent Care Program Recipients must meet an asset test. Patients with assets above the following amounts may be unable to receive this benefit, regardless of Household Income:
  - \$2,000 for Households with one (1) person,
  - \$3,000 for Households with two (2) people.
  - \$3,100 for Households with three (3) people with \$100 added for each additional person.

P.1. For the Asset Test, financial assets are broadly defined. This includes, without limitation: cash on hand, in the bank, or in a safe deposit box; cash value of stocks, bonds, securities, trust funds, personal injury claims, and life insurance policies; unpaid balances on deeds or mortgages held by the patient; cash value of motor vehicles in excess of one motor vehicle for the Household (unless required for self-employment); and assessed value of real estate other than a primary residence and up to 3.99 contiguous acres of land.

P.2. Financial counselors assist with applying the Asset Test and deciding if you qualify for the State University Teaching Hospitals Indigent Care Program.

#### Q. Catastrophic Situations

Q.1. Financial help under this policy may be available to patients who have a catastrophic medical event, where the patient does not qualify for Indigent care and their related medical bills are more than at least 25% of the patient's Household Income and the patient is unable to pay the bill.

Q.2. Financial help for catastrophic events is considered on a case-by-case basis and is subject to budget restrictions.

#### R. VCUHS Charity

R.1. Patients may be presumed eligible for VCUHS Charity based on individual life circumstances, including but not limited to:

- Patient's income is at or below 200% Federal Poverty Guidelines and considered self-pay
- Patient has died with no known estate and below 200% Federal Poverty Guidelines
- Patient is sent to a Skilled Nursing Facility ("SNF")
- Qualifies for State-funded medication programs
- Homeless or received care from a homeless clinic
- Eligible for government help programs such as SNAP; school lunch programs; low income/subsidized housing; and Women, Infants and Children programs (WIC)
  
- Eligible for other state or local help programs that are not funded (e.g., Medicaid spend-down)
- Referral from Ledwith-Lewis Free Clinic
- Medicaid-eligible when the following criteria apply:
  - Medicaid eligibility is met after the service is provided;
  - Non-covered medically necessary charges occur on a Medicaid eligible encounter; and the provider is not credentialed or contracted.
  
- Other significant barriers

- R.2. Patients who qualify for presumptive VCUHS Charity are provided 100% VCUHS Charity.
- R.3. Patients having presumptive VCUHS Charity eligibility do not need to meet income or asset eligibility criteria or fill out a financial assistance application.
- R.4. VCUHS may use available resources (e.g. technology solutions, service organizations, etc.) to obtain information. This is to help with deciding if a patient is presumed eligible for financial assistance such as a credit score.

#### S. Non-emergent Care referrals from CMH VCUHS' Collaborating Patient Help Programs and/or MCVP Physicians

- S.1. Financial help under this policy is available for some patients who require non-emergent, medically necessary healthcare services that are too expensive for the patient. This is based on Household Income and lack of an income source.
- S.2. To ask for financial help for non-emergent care, the patient must use one of VCUHS' collaborating patient help programs. They must be screened and referred for financial help and/or referred by an MCVP physician.
- S.3. Patients referred by one of VCUHS' collaborating patient help programs must have an MCVP physician advocate. This advocate has evaluated the case and can speak to the plan for treatment and follow-up care.
- S.4. Patients may also be referred outside of a collaborating patient help program by an MCVP physician. This physician has evaluated the patient and can advocate for the requested non-emergent care. Patients referred by a MCVP physician:
  - complete the financial assistance application,
  - do not qualify for Indigent Care, and
  - complete and send to their VCUHS financial counselor the Financial Help Request for Non-Emergent Care – Patient Questionnaire form.
- S.5. Financial help requests for non-emergent care are reviewed and approved on a case-by-case basis by VCUHS administration and are subject to budget restrictions

#### T. IRS Code Section 501(r)

Establishes that patients of Community Memorial Hospital, VCU Health Ambulatory Surgery Center, LLC, and VCU Health Tappahannock Hospital determined eligible for financial assistance as defined by this policy, will not be charged more than the amount generally billed (AGB). Community Memorial Hospital and VCU Health Tappahannock Hospital use the look-back method to calculate AGB. This is based on allowable charges and payments received for patients with Medicare Fee-for-service (original Medicare).

A paper copy of the calculation is provided for free by calling the Fiscal Services Department at (434) 447-3151. It is also available on the web at <https://www.vcuhealth.org/locations/vcu-medical-center/billing-and-insurance/financial-assistance>.

## APPENDIX A

### VCU Health System Guidelines for Financial Assistance

	Tier1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6
<b>FPL Percentage</b>	0-100%	101-110%	111-133%	134%-166%	167-200%	201-300%
<b>Step #1: State University Teaching Hospitals Indigent Care Discount:</b>	100%	95%	80%	55%	30%	0%
<b>Step #2: VCUHS Charity Care Discount:</b>	0%	5%	20%	45%	70%	82%
<b>Outcome: Total Discount</b>	100%	100%	100%	100%	100%	82%



## APPENDIX B

### Covered Entities and Exclusions

VCU Health System Authority a/k/a VCU Medical Center  
 Virginia Treatment Center for Children  
 Virginia Commonwealth University Medical Center-Pediatric Outpatient Surgery  
 VCU Health Ambulatory Surgery Center, LLC  
 VCU Health Tappahannock Hospital  
 Community Memorial Hospital

**While not covered under this policy, VCUHS retail pharmacy may offer discounts to patients who qualify if presented with an approval letter for indigent care.**

Except for the physician services acting as a department of the hospital identified above, this Financial Assistance Policy does not apply to services provided by independent physicians or those who act as independent contractors. Additionally, certain services are excluded from this policy if not provided by an MVCP provider, to include:

Anesthesiology	Nutrition Services
Behavioral Health	Obstetrics & Gynecology
Business Health	Oncology
Cardiology	Ophthalmology
Cardiovascular and Thoracic	Orthopedics and Sports Medicine
Diabetes	Otolaryngology
Emergency	Pain Management
Endocrinology	Pathology
Gastroenterology	Plastic and Reconstructive Surgery
General Surgery	Podiatry
Hematology	Pulmonary Radiology
Home Care	Radiation Oncology
Hospice	Renal Care
Hospitalist	Surgery
Internal Medicine	Urology
MD Express	Vascular
Neurology	Wound Care
Neurosurgery	