



TITLE: FINANCIAL AID POLICY

POLICY:

The Internal Revenue Code (Section 501(r)) requires hospitals to provide free or reduced-price services for emergency or other medically necessary care to patients who are determined to be unable to pay for their care in whole or in part, based on their financial status.

Gracie Square Hospital (hereafter Hospital) recognizes its responsibility to provide Financial Aid (hereafter Financial Aid) for those who may be uninsured or underinsured, and have received emergency or other medically necessary services at Hospital. Hospital is committed to the comprehensive assessment of individual patient need and to providing Financial Aid when warranted, regardless of age, gender, race, national origin, socio-economic or immigrant status, sexual orientation or religious affiliation.

If an individual is determined by Hospital to be eligible for Financial Aid, Hospital shall not engage in any ECAs including civil actions against such individual.

APPLICABILITY: (Check all that are appropriate)

Population: Adult

Care Setting: Inpatient Psychiatry

Staff:

Clinical Staff

Non-Clinical Staff

Other - specify:

Policy Dates:

New: 3/3/2020

Reviewed: 3/2020, 2/2022, 8/2022

Revised: 3/2020, 2/2022, 8/2022

Date Effective: 3/2020, 2/2022, 8/2022



APPLICABILITY:

1. This Policy applies to all emergency or other medically necessary care rendered to an individual who qualifies for assistance under this Policy by Hospital and its employees.
2. This Policy applies to all emergency services rendered to residents of New York State and non-emergency, medically necessary services provided to qualified residents of the Hospital's primary service area, consisting of the five boroughs (counties) of New York City. Medically necessary services are defined as those services covered under the New York State Medicaid program.
3. All Physician Services provided by the Hospital are covered by this Financial Aid Policy.
4. In addition to covering the uninsured who may qualify, this Policy covers those individuals who qualify and face extraordinary medical costs, including copayments, deductibles, or coinsurance, and/or who have exhausted their health insurance benefits (including, but not limited to, health savings accounts).
5. Financial Aid will be considered upon submission of a completed application form accompanied by required documentation. In certain limited circumstances specified herein, Financial Aid may be provided to patients based on presumptive calculated income scores from credit or specialty reporting agencies.
6. Financial Aid will be provided after patient has been screened for eligibility for Medicaid or other insurance programs, when reasonable or appropriate.
7. Exceptions to this Policy can be made by approval of a designated Hospital official. Disputes concerning whether care is medically necessary will be settled by Hospital's Care Management Department accordance with applicable Hospital policies and procedures.

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PROCEDURE:

A. Application: timing/location/documentation

1. Written materials, including the application, full Policy, and plain language summary (Summary), shall be available to patients in the Hospital's primary languages, upon request and without charge, from the Admitting Department at the Hospital during the intake and registration process, at discharge and/or by mail. Additionally, those materials shall be available on the Hospital's website (www.nygsh.org). Also, notification to patients regarding this Policy shall be made through conspicuous posting of language-appropriate information in the Admitting Department 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.
2. Application materials shall make clear, through a notice to patients, that if they submit a completed application inclusive of information or documentation necessary to determine eligibility under this Policy, that patient may not pay any Hospital bills until Hospital has decided on the application.
3. Patients may apply for assistance by requesting an application form and submitting a complete application at any time during the billing and collection process. 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 and contact information for the New York State Department of Health shall be included with an adverse determination or denial regarding an application.
4. Applicants must provide information/documentation in support of their applications including but not limited to documentation for information entered on their application forms. Examples of documentation might include, among other things pay stub, letter from employer, if applicable, and Internal Revenue Service form 1040 to substantiate income.
5. Assets may not be taken into account.

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6. Hospital may make inquiries to and obtain reports from third parties such as credit agencies, on certain patients to determine whether they may be presumptively eligible (presumptive eligibility) for Financial Aid under the following limited conditions:
 - a. The patient has been discharged from the hospital,
 - b. The patient lacks insurance coverage or the coverage has been exhausted,
 - c. A balance in excess of \$300.00 remains outstanding on the patient's account,
 - d. The patient has received at least one bill and the time period for paying that bill has expired, and
 - e. The patient has not applied or completed an application for Financial Aid,
 - f. The patient has been notified by a statement in a bill that the Hospital may obtain a credit report before one is obtained,
 - g. Credit reports shall not be used to deny applications for Financial Aid. Hospital will not report patient's account status to such third parties.

7. Hospital will not defer or deny (or require payment before providing) emergency or other medically necessary care because of an eligible individual's nonpayment of one or more prior bills for services covered under this Policy.

B. Appeals Process

1. If a patient is dissatisfied with the decision regarding his or her application for Financial Aid, he or she may appeal that decision by submitting his or her reasons and any supporting documentation to the Assistant Director of Patient Accounts within twenty (20) days of the decision.

2. The Assistant Director shall have fifteen (15) business days to review the appeal and respond to the patient in writing.

3. If the patient remains dissatisfied with the Assistant Director's decision, the patient may appeal the Assistant Director's decision in writing, including reasons therefor, and any supporting documentation to the Director of Patient Accounts.

4. The Director shall reach a decision in writing within fifteen (15) days of receipt of the appeal. The Director's decision shall be final.

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

C. Payment Process

1. Subject to the requirements of this Policy, Hospital will provide free or reduced price care to uninsured applicants or applicants, both individuals and families, who have exhausted their health insurance benefits for a particular service including, but not limited to health savings accounts, with incomes below 600% 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 the appropriate sliding fee scale for the current year: "Sliding Fee Scale - Inpatient(attached here to as Exhibit A).
2. Hospital will limit its charges to individuals eligible for its Financial Aid program to amounts generally billed (AGB) for emergency or other medically necessary care to individuals who have insurance. Hospital calculates the AGB using the prospective method and bases that rate on current New York State fee-for-service Medicaid rates (the "applicable rate"), promulgated by the New York State Department of Health. Following a determination of Financial Aid eligibility, an eligible individual may not be charged more than amounts generally billed (AGB) for emergency or medically necessary care. To determine amounts charged to individuals eligible for Financial Aid, Hospital will apply a sliding scale discounting methodology to the AGB in accordance with Exhibit A, based upon such individual's family size and income. Hypothetically, as an example only, a patient who has been determined to be eligible for Financial Aid, and who has a family size of 3 and an income of \$35,000 would be charged 10% of the prevailing Medicaid rate (**AGB**) applicable to such patient's hospitalization, as calculated pursuant to Exhibit A.
3. **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

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- 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.
 - d. If the patient fails to make two payments 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.
4. **Deposits.** A patient seeking medically necessary care who applies for Financial Aid shall not be required to make a deposit. Any deposit which may have been made by patient prior to the time he or she applies for Financial Aid shall be included as part of any Financial Aid consideration. If such patient is determined to be eligible for free care, the entire deposit shall be refunded. If patient is determined to be eligible for a discount, any balance of the deposit above what patient is determined to owe to the Hospital shall be refunded.
5. Hospital will maintain an accounting of the dollar amount charged as Financial Aid in the Hospital's financial accounting systems, in accordance with applicable New York State law.
6. A mechanism to measure Hospital's compliance with this policy shall be developed and implemented.

D. Education/Public Awareness

1. Hospital Staff will be educated about the availability of Financial Aid and how to direct patients or their representatives 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.
2. Notification to patients regarding this Policy shall be made consistent with Procedure A.1.
3. The Summary, including specific information as to income levels

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used to determine eligibility for assistance, a description of the primary service area of Hospital and how to apply for assistance, as well as the Policy and application form made available to patients shall be posted on the Hospital's website (www.nyqsh.org).

4. Hospital will communicate the availability of Financial Aid to the public in general, and local community health and human service agencies and other local organizations that help people in need. Measures taken to inform local not-for-profits and public agencies include:
 - a. Making the Policy, Summary and application forms available to local leaders at community advisory boards and leadership councils, selected schools and faith-based organizations in the vicinity of the Hospital campus;
 - b. Meeting with local community boards, faith-based organizations, human service organizations, and elected officials and their staff to educate them about the Policy;
 - c. Provide copies of the Policies, Summary and application form at street fairs and other community events sponsored by Hospital within its service area.

E. Collection Practices and Procedures

1. Hospital has implemented collection practices and procedures in order to promote patient access to quality health care while minimizing bad debt at Gracie Square Hospital. These practices and procedures are designed to promote debt collection activities undertaken by collection agencies and attorneys on behalf of Hospital consistent with the core missions, values, and principles of Hospital including but not limited to Hospital's Financial Aid Policy
2. Hospital's collection practices and procedures are outlined in a separate Collection Policy consistent with the requirements of Internal Revenue Code (26 U.S.C. section 501(r)) and regulations. The Collection Policy is available at Hospital's Admitting Offices or on Hospital's website at www.nyqsh.org, in English and other languages.

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RESPONSIBILITY:

Finance Department

APPROVAL METHOD:

Committee(s) (<i>As Applicable</i>)	Date Approved
Policy and Procedure Committee	8/2022

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EXHIBIT A

EXHIBIT A: SLIDING FEE SCALE - INPATIENT
 BASED UPON HHS POVERTY GUIDELINES FOR NON-FARM INCOME - UP TO 600%

PATIENT PAYS	Inpatient	10% of applicable rate		20% of applicable rate		55% of applicable rate		90% of applicable rate		100% of applicable rate		NO DISCOUNT - HOSPITAL CHARGES
		101% - 200%		201% - 300%		301% - 400%		401% - 500%		501% - 600%		
FED POV GUIDELINE %	100%	101% - 200%		201% - 300%		301% - 400%		401% - 500%		501% - 600%		> 600%
FAMILY SIZE	< THAN OR =	> THAN	< THAN OR =	> THAN	< THAN OR =	> THAN	< THAN OR =	> THAN	< THAN OR =	> THAN	< THAN OR =	> THAN
1	\$13,590	\$13,590	\$27,180	\$27,180	\$40,770	\$40,770	\$54,360	\$54,360	\$67,950	\$67,950	\$81,540	\$81,540
2	18,310	18,310	36,620	36,620	54,930	54,930	73,240	73,240	91,550	91,550	\$109,860	\$109,860
3	23,030	23,030	46,060	46,060	69,090	69,090	92,120	92,120	115,150	115,150	\$138,180	\$138,180
4	27,750	27,750	55,500	55,500	83,250	83,250	111,000	111,000	138,750	138,750	\$166,500	\$166,500
5	32,470	32,470	64,940	64,940	97,410	97,410	129,880	129,880	162,350	162,350	\$194,820	\$194,820
6	37,190	37,190	74,380	74,380	111,570	111,570	148,760	148,760	185,950	185,950	\$223,140	\$223,140
7	41,910	41,910	83,820	83,820	125,730	125,730	167,640	167,640	209,550	209,550	\$251,460	\$251,460
8	46,630	46,630	93,260	93,260	139,890	139,890	186,520	186,520	233,150	233,150	\$279,780	\$279,780
For ea. addtl. person add:	4,720											\$28,320

Source: Federal Register notice for the 2022 Poverty Guidelines, published January 21, 2022

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