

# Inova Specialty Hospital

## Financial Assistance Policy

Approved by:	Date Last Approved:	Date of Issue:	Version: 2022-1
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**Regulatory Requirement/References:**  
This Policy is in compliance with Internal Revenue Code Section 501(r) and related Treasury Regulations.

### Financial Assistance Policy

Inova Specialty Hospital policy is to provide Medically Necessary Care to patients without regard to race, creed, or ability to pay. Patients who do not have the means to pay for services provided at Inova Specialty Hospital may request financial assistance, which will be awarded subject to the terms and conditions set forth below.

#### I. Background

- A. Inova Specialty Hospital is a long term acute care hospital that is operated and managed in a manner that furthers the charitable and community-based healthcare purposes, mission and values of Inova Health Care Services and is consistent with the requirements of Inova Health System under section 501(c)(3) of the Internal Revenue Code and charitable institutions under state law.
- B. Inova Specialty Hospital is committed to providing Medically Necessary Care. "Medically Necessary Care" is provided to patients without regard to race, creed, color, national origin, sex, sexual orientation, disability, age, payor source or ability to pay.
- C. The principal beneficiaries of the Financial Assistance Policy are intended to be uninsured or underinsured patients who reside within the Commonwealth of Virginia for a minimum of 90 days and whose Annual Family Income does not exceed 400% of the Federal Poverty Income Guidelines (the FPG) published from time to time by the U.S. Department of Health and Human Services and in effect at the date of service for awards of financial assistance under this Policy. Patients experiencing financial or personal hardship or special medical circumstances also may qualify for assistance. Under no circumstances will a patient eligible for financial assistance under this Policy be charged more than amounts generally billed for such care.

- D. Patients are expected to cooperate with Inova Specialty Hospital's procedures for obtaining Financial Assistance or other forms of payment, and to contribute to the costs of their care based on their individual ability to pay.

## II. Definitions

"Annual Family Income" is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
- Excludes noncash benefits (such as food stamps and housing subsidies).
- Income is determined on a before-tax basis.
- Following IRS guidelines, if a family member has claimed that patient on their income tax return, they are considered family members and such family members' income should be included (this does not apply if the patient is not claimed as a dependent).

"Application" means the process of applying under this Policy, including either (a) by completing the Inova Specialty Hospital financial assistance application in person, online, or over the phone with a representative, or (b) by mailing or delivering a completed paper copy of the Application to Inova Specialty Hospital.

"CBO" means Central Billing and Collections Office.

"Family" According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they are considered family members for purposes of the provision of Financial Assistance. Inova Specialty Hospital follows the same guidance for its determination. Income verifications will be requested for significant others if they are listed on the application as support.

"FPG" shall mean the Federal Poverty Income Guidelines that are published from time to time by the U.S. Department of Health and Human Services and in effect at the date of service.

"Insured Patients" are individuals who are not Uninsured Patients or Underinsured Patients.

"Medically Necessary Care" shall mean those services, as defined by Medicare, that are reasonable and necessary to diagnose and provide preventive, palliative, curative or restorative treatment for physical or mental conditions in accordance with professionally recognized standards of health care generally accepted at the time services are provided. Medically necessary care does not include outpatient prescription medications.

"Policy" shall mean this Financial Assistance Policy as currently in effect.

"Underinsured Patients" are individuals who have some level of insurance or third-party assistance but still have out-of-pocket expenses that exceed his/her ability to pay.

"Uninsured Patients" are Underinsured Patients, individuals who do not have governmental or private health insurance, and individuals whose insurance benefits have been exhausted.

### **III. Relationship to Other Policies**

- A. Policy Relating to Emergency Medical Services - Emergency services are not provided at Inova Specialty Hospital.
- B. Prescription Drug Coverage - Patients in need of assistance with the costs of their prescription medications may qualify for one of the patient assistance programs offered by pharmaceutical companies.

### **IV. Eligibility Criteria for Financial Assistance**

Patients seeking care at Inova Specialty Hospital who meet the qualifications below are eligible for the assistance described in Section VII under this Policy.

- A. Income Based Financial Assistance -
  - 1. Patients who are Uninsured Patients and whose Annual Family Income does not exceed 400% of the FPG,
  - 2. Who are seeking Medically Necessary Care for inpatient hospital services, and live within the Commonwealth of Virginia for a minimum of 90 days
- B. Additional Ways to Qualify for Assistance - A patient who does not otherwise qualify for financial assistance under this Policy but is unable to pay for the cost of Medically Necessary Care may seek assistance in the following circumstances:
  - 1. Exceptional Circumstances – Catastrophic Financial Assistance is available for patients who do not qualify for free care based on the criteria above, who, due

to the nature and extent of services provided, have significant care-related financial obligations in relation to household income and other potentially available resources. In such circumstances, the patient responsibility will be limited to the lesser of 15% of Annual Family Income or the Amounts Generally Billed.

2. Special Medical Circumstances - Patients who are seeking treatment that can only be provided by Inova Specialty Hospital medical staff or who would benefit from continued medical services from Inova Specialty Hospital for continuity of care.

Requests for assistance due to Exceptional Circumstances or Special Medical Circumstances will be evaluated on a case-by-case basis with a determination made by the CBO Manager.

- C. Medicaid Screening - Uninsured Patients seeking care at Inova Specialty Hospital may be contacted by a representative to determine whether they may qualify for Medicaid. Uninsured Patients must cooperate with the Medicaid eligibility process to be eligible for financial assistance under this Policy.

## V. Method of Applying

### A. Income Based Financial Assistance

1. Any patient seeking income-based financial assistance at any time in the scheduling or billing process may complete the financial assistance application and will be asked to provide information on Annual Family Income for the three-month and twelve-month period immediately preceding the date of eligibility review. Third party income verification services may be used as evidence of Annual Family Income. The financial assistance application may be found in our Admissions areas of our facility at 2501 Parkers Lane, 4th Floor, Alexandria, Virginia 22306; online at <https://www.selectspecialtyhospitals.com/locations-and-tours/va/alexandria/inova/>; or by calling our admissions department at 571-547-3600. Assistance in completing the financial assistance application may also be obtained by contacting our Central Business Office at 888.868.1103.

You may obtain a copy of our Financial Assistance Policy, Plain Language Summary, and Application Form free of charge. Copies of our Financial Assistance Policy, Application Form and Plain Language Summary are available in English, Amharic, Arabic, Chinese/Mandarin, Dari, Farsi, Korean, Spanish, Urdu, and Vietnamese.

2. If there is a discrepancy between two sources of information, an Inova Specialty Hospital representative may request additional information to support Annual Family Income. Items that may be required to process the financial application include:
  - i. Bank statements
  - ii. Income tax returns
  - iii. Check stubs
  - iv. Other forms of information to determine financial assistance liability
3. If the individual subsequently submits a complete financial assistance application and/or is determined to be eligible for financial assistance, a refund will be provided if the individual has paid for the care that exceeds the amount he or she is determined to be personally responsible for paying.

#### B. Exceptional Circumstances

Inova Specialty Hospital personnel will initiate an Application for any patient identified as having incurred or being at risk to incur a high balance or as reporting an extreme personal or financial hardship. Inova Specialty Hospital personnel will gather information on financial circumstances and personal hardships from the patient. Determinations are made by the CBO Manager under the direction of the CFO or designee. The patient will be notified of the final determination.

#### C. Special Medical Circumstances

Inova Specialty Hospital personnel will initiate an Application for any patient identified during the scheduling or admission process as having potential special medical circumstances and a representative will solicit a recommendation from the physician who is or would be providing the treatment or care as to whether the patient needs treatment that can only be provided by Inova Specialty Hospital medical staff, or would benefit from continued medical services from Inova Specialty Hospital for continuity of care. Determinations on special medical circumstances are made by the treating physician. The patient will be notified in writing if they do not qualify for financial assistance as due to special medical circumstances.

#### D. Incomplete or Missing Applications

Patients will be notified of information missing from the Application and given a reasonable opportunity to supply it.

### **VI. Eligibility Determination Process**

#### A. Applications Received

Any Application, whether completed in person, online, delivered or mailed in, will be forwarded to an Inova Specialty Hospital representative for evaluation and processing.

#### B. Determination of Eligibility

An Inova Specialty Hospital representative will evaluate and process all Financial Assistance Applications. The patient will be notified promptly by letter of the eligibility determination or if missing information is needed to finalize the application and make a determination. Patients who qualify for less than 100% financial assistance will receive an estimate of the amount due and will be requested to set up payment arrangements.

### **VII. Basis for Calculating Amounts Charged to Patients, Scope, and Duration of Financial Assistance**

Patients eligible for awards of income-based financial assistance under the Policy will receive assistance according to the following income criteria:

- If you are uninsured and your annual family income is up to 400% of the FPG, you will receive free care or 100% write-off of patient liability after insurance has paid.
- A 100% Financial Assistance discount (free care) is also available for insured individuals with Family Incomes at or below 400% of the current FPG who have partial coverage (e.g., Underinsured Patients who after receiving treatment are left with liabilities they are unable to pay), who otherwise meet eligibility criteria described in this policy.

Failure to comply with Inova Specialty Hospital's Medicaid Coverage and Financial Assistance screening process will exclude patients from Financial Assistance eligibility.

Modifications to previously awarded discounts shall be made if subsequent information indicates the information provided to Inova Specialty Hospital was inaccurate.

As used herein, the "amounts generally billed" has the meaning set forth in IRC §501(r)(5) and any regulations or other guidance issued by the United States Department of Treasury or the Internal Revenue Service defining that term. See Appendix A for a detailed explanation of how the "amounts generally billed" is calculated. Appendix A is updated annually and is also available online at <https://www.selectspecialtyhospitals.com/locations-and-tours/va/alexandria/inova/>, in our admissions areas, and upon request by asking an Inova Specialty Hospital representative.

Once Inova Specialty Hospital has determined that a patient is eligible for income-based financial assistance, that determination is valid for ninety (90) days from the date of eligibility review. After ninety (90) days, the patient may complete a new Application to seek additional financial assistance.

## **VIII. Determination of Eligibility for Financial Assistance Prior to Action for Non-Payment**

### **A. Billing and Reasonable Efforts to Determine Eligibility of Financial Assistance**

Inova Specialty Hospital seeks to determine whether a patient is eligible for assistance under this Policy prior to or at the time of admission or service. If a patient has not been determined eligible for financial assistance prior to discharge or service, Inova Specialty Hospital will bill for care. If the patient is insured, Inova Specialty Hospital will bill the patient's insurer on record for the charges incurred. Upon adjudication from the patient's insurer, any remaining patient liability will be billed directly to the patient. If the patient is uninsured, Inova Specialty Hospital will bill the patient directly for the charges incurred. Patients will receive a series of up to four billing statements over a 120 day period beginning after the patient has been discharged delivered to the address on record for the patient. Only patients with an unpaid balance will receive a billing statement. Billing statements include a plain language summary of this Policy and how to apply for financial assistance.

### **B. Collection Actions for Unpaid Balances**

Subject to paragraph C below, if a patient has an outstanding balance after up to four billing statements have been sent during a 120 day period, the patient's balance will be referred to a collection agency representing Inova Specialty Hospital which will pursue payment. Collection agencies representing Inova Specialty Hospital have the ability to pursue collection for up to 18 months from the point when the balance

was sent to the collection agency. A patient may apply for financial assistance under this Policy even after the patient's unpaid balance has been referred to a collection agency. After at least 120 days have passed from the first post-discharge billing statement showing charges that remain unpaid, and on a case-by-case basis, Inova Specialty Hospital may pursue collection through a lawsuit when a patient has an unpaid balance and will not cooperate with requests for information or payment from Inova Specialty Hospital or a collection agency working on its behalf.

In no case will Medically Necessary Care be delayed or denied to a patient before reasonable efforts have been made to determine whether the patient may qualify for financial assistance.

#### C. Review and Approval

Neither Inova Specialty Hospital nor any third-party collections agent will impose extraordinary collections actions (ECAs) such as legal actions or adverse credit reporting against any patient, without first making reasonable efforts to determine whether that patient is eligible for Financial Assistance under this policy. These reasonable efforts will include:

- Assuring that no ECAs are imposed for at least 120 days from the date of the first billing statement.
- Providing a 30-day written notice that includes information about Inova's Financial Assistance Policy and about any intended ECAs to be imposed in the event of nonpayment.
- Providing written notification of any intended ECAs to be imposed in the event of nonpayment.
- If a patient is determined to be eligible for Financial Assistance after payment is received or after an ECA has been imposed, the account will be adjusted and the collections action will be reversed.
- The CEO or his/her designee is responsible for determining whether Inova Specialty Hospital has made reasonable efforts to determine whether an individual is FAP-eligible and whether one or more ECAs may be imposed.

#### **IX. Physicians not covered under the Inova Specialty Hospital Financial Assistance Policy**

Certain services are performed by physicians who are not covered by the Inova Specialty Hospital financial assistance policy. These services may be covered by the Inova Health System financial assistance policy available online at <https://www.inova.org/patient-and-visitor-information/financial-assistance>.



Physicians working at Inova Specialty Hospital who are not covered under this Policy are identified in the **Appendix B, Provider List**. The list is updated yearly and is also available online at <https://www.selectspecialtyhospitals.com/locations-and-tours/va/alexandria/inova/>, in our admissions areas, and upon request by asking an Inova Specialty Hospital representative.