



<b>TITLE</b> Financial Assistance Program		<b>IDENTIFICATION NUMBER</b> A07-010	
<b>ORGANIZATION(S)</b> University of Kentucky / UK HealthCare	<b>SITES AFFECTED</b> <input checked="" type="checkbox"/> Enterprise <input type="checkbox"/> Chandler <input type="checkbox"/> Good Samaritan <input type="checkbox"/> KCH <input type="checkbox"/> Ambulatory	<b>CATEGORY</b> <input checked="" type="checkbox"/> Enterprise <input type="checkbox"/> Nursing <input type="checkbox"/> Department <input type="checkbox"/> Guideline <input type="checkbox"/> Protocol	<b>REPLACES:</b>
<b>REVIEW CYCLE</b> <input type="checkbox"/> 1 year <input checked="" type="checkbox"/> 3 years <b>REVIEW DATES:</b> 7/1/2006; 1/22/2007; 4/30/2007; 8/1/2008; 7/2011; 2/20/2017; 04/20/2020; 10/4/2021; 12/18/2023		<b>EFFECTIVE DATE:</b> 12/18/2023	

**POLICY STATEMENT**

Consistent with our overall health care mission, University of Kentucky HealthCare (UKHC) provides quality care to patients regardless of their ability to pay. UKHC offers an uninsured discount as well as a financial assistance program for patients who receive emergency or medically necessary services and meet the eligibility requirements. The policy in effect at the time of the discount, approval or denial will be used to determine eligibility.

**PURPOSE**

The purpose of this policy is to define the use of financial assistance resources available to UKHC to maximize the availability of health care services in a consistent, equitable and effective manner. This policy does not affect or limit UKHC’s dedication and obligation under EMTALA to screen, stabilize, or treat patients with emergency medical conditions.

**SCOPE**

This policy applies to all patient billing and collections activity for the University of Kentucky Hospitals, Kentucky Medical Services Foundation (KMSF), and the UK College of Dentistry (CoD) except where noted otherwise in this policy and excluding UK King’s Daughters Medical Center.

**DEFINITIONS**

*Financially indigent* refers to a patient whose medical expenses, in relation to assets/income/liabilities, create a financial hardship. UKHC classifies applicants as financially indigent based upon the applicant’s annual household income as a percent of the most current Federal Poverty Guidelines published annually by the U.S. Department of Health and Human Services.

*Income* is defined as total cash receipts from all sources before taxes as seen on checking and savings account statements or Medicare-approved method for receiving Federal benefits in absence of direct deposit to a bank account. Verification of income is not required for dependents under age 18. Deceased guarantors with no estate may be deemed to have no income for the purpose of UKHC’s calculation of income.

## **POLICY**

### *Discounts for Uninsured Services*

Persons who have no health insurance coverage, no coverage from any other third party (such as third-party auto liability coverage), or who obtain services not covered by their health insurance will be eligible for a 60% uninsured discount on gross charge amounts, except for services noted in Category 3 of the Financial Assistance Exceptions Table ([Appendix A](#)). This discount will be given regardless of income or Kentucky residency.

The uninsured discount percentage amount will be reviewed by UKHC executives on an as-needed basis to ensure charge parity among all patients, including those with insurance and those without insurance.

Uninsured patients/guarantors who have a visit that ultimately becomes eligible for financial assistance (as set forth below) and have previously received an uninsured discount adjustment will receive a financial assistance adjustment totaling the patient/guarantor balance at the time of the financial assistance approval. The uninsured discount will not be reversed. As a result, the sum of the uninsured discount adjustment(s) and financial assistance adjustment(s) posted to the same account equals the total financial assistance adjustment for financial reporting purposes.

### *Financial Assistance*

Financial Assistance is a benefit where 100% of the self pay balance will be adjusted except for limitations in the Financial Assistance Exceptions Table (Appendix A) and excepting those balances covered by external funding sources. Given the 100% benefit, amounts generally billed (AGB) to determine the benefit do not apply. Financial Assistance is available for patients/guarantors who meet family asset/income/liability criteria. Anyone may apply for Financial Assistance and all applications will be considered without discrimination and without regard to race, color, gender, national origin or religious preference.

Any financial assistance or uninsured discount authorized in accordance with this policy are not intended to influence the applicant's selection of a particular provider, practitioner or supplier. Furthermore, such allowance or discount shall not be offered as part of any advertisement or solicitation to the public. Any payments received on the account balance following such financial assistance or discount will remain on the account and no refund shall be issued. Any financial allowance or discount shall not be done on a routine basis but only after the applicant has been approved for financial assistance under this policy and UKHC has determined in good faith that the individual meets the eligibility criteria.

#### 1. Availability of Financial Assistance

- a) Applications will be made available on the UKHC website, by request, and/or in conjunction with identification of need based on a financial assistance screening. Applications may be submitted in advance of an initial visit to UKHC.
- b) UKHC will post notices as required by law of availability of financial assistance. Patients requesting financial assistance or thought to require such assistance shall be referred to a Financial Counselor.
- c) Financial assistance will only be provided after all other financial resources are exhausted. Other financial resources include, but are not limited to, private health insurance, agency funding, Medicare and/or Medicaid.
- d) Financial assistance covers only services deemed "medically necessary" by Medicare, Medicaid, or industry standards. All medically necessary services will be considered

Category 1 unless approved as Category 2 or 3 in the Financial Assistance Exceptions Table (Appendix A).

## 2. Eligibility for Financial Assistance

- a) A determination of eligibility for Financial Assistance will be effective for 12 months prospectively from the date of the approval and retroactively for patient balances incurred prior to the approval but not to exceed six (6) months, including active and bad debt referred to and/or residing with collection agencies.
- b) During the pendency of a Financial Assistance application the account will remain in active accounts receivable, but not be referred for bad debt collections until the application is approved, denied, or 30 days from the last supporting document received if application remains incomplete, whichever occurs first. If the application is subsequently denied for not meeting the minimum requirements or for non-compliance with providing supporting documentation, the statement level will be reset to statement level one (1) and active collections processes will resume.

## 3. Rights and Responsibilities

- a) Applicants whose household assets/income/liabilities is less than or equal to 300% of the current Federal Poverty Guidelines for the family size may be eligible for financial assistance.
- b) Applications must be complete, including signature and supporting documentation being provided, within 30 days of the original application, or the application may be denied.
- c) Applicants shall cooperate with any and all efforts to establish other payment options, including, but not limited to applying for government health insurance coverage (Medicare and/or Medicaid) or for other funding sources and shall not have been prohibited from participating in Federal- or State-funded programs. A lack of cooperation may result in denial of a pending application and/or revocation of current approvals on file at which time the patient will be responsible for any balances.
- d) Only patient balances will be considered for financial assistance adjustment. This includes motor vehicle accident status with exhausted personal injury protection only coverage. Patient balance is the amount for which there is no third-party coverage or other funding available, or balances after insurance. Accounts in a liability status such as third-party liability or workers' compensation are not eligible for financial assistance adjustments.
- e) Once a final determination has been made on a financial assistance application, the applicant will be notified in writing. If additional information is required to reach a determination, a request for additional information will be sent to the patient's address on file.
- f) An applicant has the right to appeal a denied application by contacting Financial Counseling to provide reasons and additional facts and materials supporting the appeal. The appeal, after review by Financial Counseling Management, will be brought to the attention of the Associate Chief Revenue Officer for Patient Financial Experience who will further research and determine next steps. The applicant will be contacted with the determination.
- g) If an applicant's assets/income/liabilities or family size changes, a new application may be submitted with supporting documentation for re-evaluation of financial assistance status.

- h) Any payments made up to the point of financial assistance status will be counted toward outstanding balances and will not be refunded.
- i) A patient with primary insurance coverage who has been approved for financial assistance shall not be eligible for the benefit unless s/he has complied with the terms and requirements of his/her primary insurance coverage to maximize available insurance reimbursements. For example, if the patient's primary insurance covers services only at designated in-network facilities or with in-network providers, UKHC will not provide financial assistance for those services if the patient chooses to use a facility or provider that is not in-network. In those circumstances, the patient will be required to pay in advance for non-emergent/urgent care if the patient chooses to use a non-network option.
- j) Patients approved for financial assistance will be asked to pay a copayment for each visit according to [Appendix B](#) if financial assistance is the sole source of coverage for the visit.

#### 4. Extraordinary Circumstances

- a) Homeless persons - A homeless person is an unhoused individual who does not have a dwelling place, place of residence, or permanent shelter and depends on charity or public assistance for day-to-day living. Such individuals will be eligible, even if they are unable to provide all of the documentation required for the application. The application needs to indicate in the address field that the patient is homeless, and the application must be signed and dated by the patient.
- b) Deceased - The charges incurred by a patient who expires in a UKHC facility may still be considered eligible for financial assistance, but only after an estate search is complete and valid documentation of no estate found is received. If the decedent was not eligible for financial assistance prior to dying, on the financial assistance application, a decedent will count as a family member of the applicant's household, but the decedent's income will be zero. Accounts in an estate status are not eligible for financial assistance.
- c) Inmates - Charges incurred by a patient who has subsequently become incarcerated may still be considered eligible for financial assistance. His/her income will be deemed as zero for the purposes of the application from the date of entry into the correctional facility until the date of release from the correctional facility, if it is known. Written proof from the correctional facility that the patient is an inmate, including date of entry and proposed date of release, shall suffice as supporting documentation for the application. Note: All charges incurred during the incarceration are the responsibility of the correctional facility.
- d) Transplant Services - All transplants, solid organ, blood, and bone marrow, as well as transplant-related services are excluded from this policy and addressed in a separate policy [A07-070 Blood and Marrow Transplant \(BMT\) Payment](#).
- e) Pharmacy and Medication Services - Addressed in policy [A07-135 Medication Assistance Program](#).
- f) International/Medical Tourism - Non-U.S. Citizen Persons entering or inside the United States on a Visa (either valid or expired) are not eligible for financial assistance. An estimate for care may be requested in conjunction with a UKHC provider's referral.
- g) Organ Donation - UKHC's policy is to encourage organ donation in accordance with the Center for Medicare & Medicaid Services (CMS) requirements. UKHC recognizes that a financial burden may be created for an organ donation candidate as a result of the additional cost of medical services furnished after treatment is judged to be futile but before brain death is declared and Kentucky Organ Donor Affiliates (KODA) assumes financial responsibility. With a complete, signed financial assistance application, these

charges for such gap period specifically will be eligible for financial assistance adjustment.

5. Falsification of Information

- a) Falsification of assets/income/liabilities information may result in denial of an application. If, after an applicant is granted financial assistance, UKHC determines that material portions of information provided in the Financial Assistance Application are untrue, financial assistance shall be revoked and the full amount shall become patient responsibility. Applicable accounts will receive the uninsured discount.

6. Document Retention

- a) UKHC shall maintain financial assistance applications and supporting documentation used to identify and/or approve/deny an applicant for financial assistance in accordance with the applicable record retention policy.

**APPROVAL**

<b>NAME AND CREDENTIALS:</b> Paula White <b>TITLE:</b> Chief Revenue Officer	<b>NAME AND CREDENTIALS:</b> Jeness Campbell <b>TITLE:</b> Associate Chief Revenue Officer
<b>SIGNATURE</b>	<b>DATE</b>
<b>SIGNATURE</b>	<b>DATE</b>

Appendix A

Financial Assistance Exceptions Table

Category	Definition	Program Eligibility		Service Definitions
		Uninsured Discount	Financial Assistance	
<b>Category 1</b>	Medically Necessary	Y	Y	Most Services
<b>Category 2</b>	High Cost Treatment; Other Alternatives Usually Available	Y	N	<ul style="list-style-type: none"> <li>• Voluntary non-use of health or applicable insurance</li> <li>• Cochlear implant</li> <li>• Elective infant circumcision</li> <li>• LDL apheresis</li> <li>• Transplants (see respective BMT/SOT transplant policy)</li> <li>• Bariatric surgery</li> <li>• Deep brain stimulation</li> <li>• Penile or testicular implant</li> <li>• Vasectomy reversal</li> <li>• Left Ventricular Assist Device (see transplant policy)</li> <li>• Preservation reproductive opportunities after cancer treatment (IVF for PROACT)</li> <li>• Services provided to Veterans Administration recipients who refuse transfer to a VA facility</li> <li>• Any other procedure which does not meet medical necessity</li> </ul>

Category	Definition	Program Eligibility		Service Definitions
		Uninsured Discount	Financial Assistance	
<b>Category 3</b>	Excluded Services including all pre-testing, follow-up and care due to complications of elective procedures	N	N	<ul style="list-style-type: none"> <li>• Cosmetic/aesthetic surgery/procedures including Transform Health and lasix</li> <li>• Infertility evaluation and treatment</li> <li>• Contraceptive measures or medication</li> <li>• College of Dentistry except in the instances of trauma and/or oncology-related services</li> <li>• Integrative Medicine elective services, ie, acupuncture, massage, etc.</li> <li>• All FQHC North Fork Valley locations and services</li> <li>• Retail and stand-alone outpatient specialty pharmacy products and services</li> <li>• Alcohol or drug detoxification</li> <li>• Non-medically necessary obstetric ultrasound, virtual colonoscopy, full-body MRI</li> <li>• Allergy testing and medications</li> <li>• Hearing and vision devices</li> </ul>

Appendix B

Financial Assistance Copayments

SERVICE	AMOUNT
<b>Copayments traditionally associated with physician services:</b>	
Primary Care Clinic Visit (per appointment even if on same day)	\$5
Specialty Care Clinic Visit (per appointment even if on same day)	\$15
Urgent Care (per visit even if on same day)	\$10
<b>Copayments traditionally associated with hospital services:</b>	
Emergency Department (ED)	\$50
Inpatient Admission or Observation Visit	\$100
Ambulatory Surgery (includes day op, cardiac cath and EP, cystoscopy, GI manometry, GI procedures, and VIR)	\$50
Radiology, Lab, Cardiology Testing (per appointment even if on same day)	\$5
Physical/Speech Therapy (PT/OT/ST) (per appointment if stand-alone; per recurring series visit otherwise)	\$5
Cardiac/Pulmonary Therapy	\$5
Radiation Therapy	\$5