



## PURPOSE

As a non-profit organization, Vail Health, including Vail Health Clinics, provides financial assistance to patients who may not have sufficient financial resources to pay for services. Financial assistance is available for patients with established need to receive emergency medical care and medically necessary healthcare services.

This policy is intended to comply with Colorado House Bill 21-1198 by the way of the Hospital Discounted Care (HDC).

## SCOPE

This policy applies to all medically necessary services provided by Vail Health, including the hospital and associated clinics. Services offered by providers representing the following groups are not covered under the Vail Health Financial Assistance Policy:

- The Steadman Clinic
- Vail-Summit Orthopedics & Neurosurgery
- Anesthesia Partners Colorado (APC)
- Cardinal Pathology
- Critical Care & Pulmonary Consultants
- Obstetrics/Pediatrics (Neonatal Nurse) - only services performed at Vail Health Hospital, excluding CMM providers
- Services provided at the Vail Valley Surgery Center, Dillon Surgery Center and Steadman Philippon Surgery Center

## FINANCIAL ASSISTANCE POLICY AVAILABILITY

This financial assistance policy, plain language summary and application are available in the following ways:

1. At all patient registration/admission interactions and in all oral communications regarding the amount due that occur during the notification period (defined below), Vail Health shall advise the patient of the availability of Vail Health's financial assistance program, where to obtain additional information about eligibility, and how to apply.
2. All public areas of the hospital, including check-in/registration areas for the hospital and physician practices, patient waiting areas, as well as emergency department locations, shall have written paper materials regarding the financial assistance program, and such information shall be offered to every patient.
3. On Vail Health websites with the ability to download and print the financial assistance application without any special hardware or software.
4. Vail Health shall translate financial assistance program documents, including the full financial assistance policy and applications, into Spanish.
5. Conspicuous notice of financial assistance availability shall be noted on every patient billing statement sent out from Vail Health, which shall include notice about and how to get a copy of the financial assistance policy.

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## NOTIFICATION AND APPLICATION PERIOD

1. Vail Health will notify patients of its financial assistance policy beginning the first date that an episode of care is provided and ending the 180th day from the patient's discharge date or date of service.
2. Uninsured patients will not receive statements until 46 days from discharge or date of service, per HDC requirements.
3. Vail Health will continue to contact patients for 6 months from discharge or date of service to encourage applying for Hospital Discounted Care or financial assistance.
4. Vail Health must accept and process a financial assistance application for a period up to 240 days after Vail Health provides the first billing statement to the patient (defined as the Application Period), per 501(r)(6) requirements.
5. Vail Health statements shall include a description of any extraordinary collection actions that Vail Health intends to initiate. Notification efforts are deemed reasonable if Vail Health notifies the patient about its financial assistance program as described above and follows the requirements for incomplete and complete financial assistance applications described in the Review and Approval section below. Extraordinary collection action will not be made until 182 days after the date of service or date of discharge.

If a financial assistance application is received during the application period and deemed incomplete, a written notice to the patient/guarantor will be sent within 15 days of receipt of the incomplete application requesting the missing information to be returned within 30 days of the date of the notice. Such notice shall include contact information for the facility or department that can provide assistance with the financial assistance process. Any extraordinary collection actions in progress at the time a complete application is received must be suspended. Such collections may be initiated or resumed if deemed not eligible.

## ELIGIBILITY REQUIREMENTS

Eligibility for Vail Health's financial assistance program is based on residency requirements and household income. Vail Health provides financial assistance on a sliding scale to individuals with an annual household income up to 550% of the annually published Federal Poverty Guidelines (FPG).

Our financial counselors are available to assist patients going through the financial assistance application process and can be reached Monday through Friday, from 8:00 AM - 5:00 PM at (970) 477-3116. The financial counselors can also be reached in the following ways:

- **MAIL:** PO Box 40,000, Vail, CO 81658 | Attn: Financial Assistance Department
- **EMAIL:** FinancialAssistance@VailHealth.org
- **PHONE:** (970) 477-3116
- **IN PERSON:** Call to set up an appointment (970) 477-3116

**Vail Health Hospital - Admissions Department** 180 South Frontage Rd. W, Vail, CO 81657  
**Edwards Pavilion** 320 Beard Creek Rd., Edwards, CO 81632

Financial assistance qualification is considered based on one of the following types of eligibility:

### 1. Presumptive Eligibility

There are instances when a patient may qualify for financial assistance; however, a full application is not required. Certain circumstances provide sufficient information to qualify the patient for financial assistance and are deemed presumptively eligible. Presumptive eligibility may be determined based on one or more of the following:

- Homelessness: Self-attestation required
- Medicaid eligibility: Not active for a date of service prior to the Medicaid effective date

- Mental incapacitation: No one to act on patient's behalf. Documentation required\*
- Enrollment in assistance programs for low income individuals: Proof of eligibility is required.

\* An application is required for these programs to establish eligibility with documentation of the above which supports eligibility.

## 2. Uninsured Eligibility

Eligibility for all uninsured patients will be based on meeting residency and income requirements.

Financial Assistance is available to patients with insurance coverage who are at or below 250% of Federal Poverty Level (FPL).

## INCOME AND ASSETS ANALYSIS

If the patient does not qualify for Hospital Discounted Care, they will be considered for Vail health financial assistance. Financial assistance applications will be considered for individual or household unit income up to 550% of the federal poverty level.

### 1. Income Analysis

Income will be based on supporting documentation for all jobs held throughout the current year. Employment status shall be considered when determining income levels. If at the time of the application, the applicant has been unemployed for a continuous period of more than 90 days and is receiving or eligible to receive unemployment benefits, prior income will not be considered in the income analysis.

Employment income from all working non-student adults ages 18 and older:

- Self-Employment income from all working non-student adults ages 18 and older
- Except as specified below, unearned income for all household members to include:
  - Social Security Income (SSI)
  - Social Security Disability Insurance (SSDI)
  - Tips, Bonuses, and Commissions
  - Short Term Disability
  - Pension payments
  - Payments from retirement accounts
  - Lottery winnings disbursements
  - Monthly payments from trust funds
  - Unemployment income

SSI and SSDI payments are not allowed to be counted for minors or adults with disabilities who are still under the care of their parents or guardians.

## RESIDENCY REQUIREMENTS

Financial assistance is available for emergent or medically necessary care to all individuals who reside in the State of Colorado and have received care from Vail Health.

## DETERMINING ELIGIBILITY

Guidelines for determining eligibility for financial assistance shall be applied consistently. Vail Health shall not discriminate against patients applying for financial assistance based on race, color, national origin, sex, age or disability. In determining a patient's eligibility for Colorado's Hospital Discounted Care or financial assistance,

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the Vail Health financial counselors will assist the patient in determining if he/she is eligible for government-sponsored programs (including referral to outside resources), and to direct patients about where to find information about insurance coverages offered through the Colorado health insurance exchange.

All requests for financial assistance must be signed by either the patient or authorized patient representative attesting that the information provided on the application is true and accurate. When possible, Vail Health shall screen each uninsured patient for eligibility for Colorado's Hospital Discounted Care or financial assistance.

## REVIEW AND APPROVAL

Vail Health's financial counselor will approve financial assistance for initial amounts up to \$9,999. The Director of Patient Access must review and approve applications with initial amounts of \$10,000 - \$49,999. Applications with initial amounts of \$50,000 or greater will be approved by Vail Health's Chief Financial Officer.

Upon approval or denial of financial assistance, a letter shall be sent to the patient or responsible party as notification of the decision made. The letter will be sent no later than sixty (60) days of receipt of the completed financial assistance application. Patients eligible for Colorado's Hospital Discounted Care program will receive letters within 14 days of the receipt of the completed application.

Upon approval of a financial assistance request, Vail Health shall do the following:

- Provide the patient a card that will be presented at all registrations during the eligibility period to identify the level of financial assistance eligibility.
- Adjust all patient due amounts covered by the financial assistance eligibility period.
- Refund any payments made by the patient within sixty (60) days of the application in excess of amounts approved for financial assistance in accordance with the separate patient refund policy.
- Take reasonable measures to vacate or reverse any extraordinary collection actions, such as lifting a lien and removing adverse information on credit reports.

## APPEALS

Denials of Colorado's Hospital Discounted Care or financial assistance may be appealed. Appeals must include an appeal letter from the patient or party with financial responsibility requesting reevaluation. The appeal must also include any supporting documents that may prove inability to pay that were not part of the initial consideration.

Appeals will be referred to and reviewed by the financial counselors within 15 calendar days of being received.

If it is found that the information relied on was in error subsequent to review and determination of financial assistance, the following shall occur:

- If the corrected information in a prior denial of financial assistance now qualifies the patient for financial assistance, the patient will be notified that they are now eligible for financial assistance and the account(s) will be processed as described above.
- If the corrected information in a prior granting of financial assistance now disqualifies the patient for financial assistance, the patient will be notified that they are not eligible for financial assistance and payment is expected on their account(s).

Vail Health may initiate or resume extraordinary collection actions, i.e., transfer account to a collection agency, against an individual who has submitted an incomplete financial assistance application and who has not provided

the missing information necessary to complete the application any earlier than the later of:

- Thirty (30) days after Vail Health provides written notice that the additional information is required, or
- The last day of the application period.

Specific to Hospital Discounted Care: The patient has 30 calendar days from the date on the determination letter to appeal the Vail Health eligibility determination. Vail Health must confirm receipt of the appeal letter within three business days and has 15 calendar days from the date of the patient’s appeal to complete a redetermination of eligibility and respond to the patient and the Department. If Vail Health upholds its initial eligibility determination, the patient can proceed to the next step of the appeals process. If Vail Health finds that the initial eligibility determination was inaccurate, it must correct the application and issue the patient a determination notice following the requirements outlined in Section 6.01.

## ACCOUNTING FOR AND TRACKING FINANCIAL ASSISTANCE DATA

Reports will be maintained to show the following data on a monthly basis:

- Number of applications for financial assistance received
- Number of individuals granted financial assistance
- Number of appeals received
- Percentage of appeals reviewed with a reversed decision
- Total monthly write offs for financial assistance.

Finance shall calculate the cost associated with the services approved for financial assistance for disclosure in the annual financial statements and tax return.

The completed financial assistance application and all related supporting documentation will be stored on a secure Vail Health drive for the required retention timeframe.

- Signed financial assistance application
- Signed financial assistance program worksheet
- Patient approval / denial letter

## CHARGE LIMITATION

Patients eligible for financial assistance with an FPL less than 250% of will not be charged more than the amount collected from Vail Health’s lowest commercial contracted payer. Discounts will be applied against total charge amounts as listed below:

FPL	Discount
</= 250%	100%
251% - 350%	80%
351% - 450%	60%
451% - 550%	50%

Average generally billed (AGB) amounts shall be calculated 120 days past fiscal year end based on Medicare fee-for-service and all private health insurer claim data. The billing statement to a patient will state the standard gross charge but must show a financial assistance write-off. [www.irs.gov/charities-non-profits/limitation-on-charges-section-501r5](http://www.irs.gov/charities-non-profits/limitation-on-charges-section-501r5)

This policy is not required to be approved by the Vail Health Board of Directors each year for updates to the AGB.

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## DEFINITIONS

**Extraordinary Collection Actions:** Actions taken by Vail Health against an individual related to obtaining payment of a bill for care covered under the Vail Health financial assistance policy that require a legal or judicial process, involve selling an individual's debt to another party, or involve reporting adverse information about an individual to consumer reporting credit agencies or credit bureaus. Filing a claim in a bankruptcy proceeding is not deemed to be an extraordinary collection action.

**Gross Charge:** An established price, listed on Vail Health's charge master, for a service or item that is charged consistently and uniformly to all patients before applying any contractual allowances, discounts or deductions.

**Household Unit:** One or more persons who reside together and are related by birth, marriage or adoption (i.e., parents and children who are filed as dependents on their tax return), or reside together and share joint assets, such as credit cards, bank accounts or real estate. Patients over the age of 18, such as adult children living with their parents, siblings or friends are not considered part of the household unit unless such persons are legally obligated for the debts of the patient.

**Income:** Income includes salary and wages, interest income, dividend income, social security, workers compensation, disability payments, unemployment compensation, business income, pensions and annuities, farm income, rentals and royalties, inheritance, strike benefits and alimony payments. Income is also defined as payments from the state for legal guardianship or custody.

**Plain Language Summary:** A statement written in clear, concise and easy to understand language notifying individuals that Vail Health offers a financial assistance program and describing the program.

**Uninsured:** A patient who does not have third-party coverage from a health insurance plan, Medicare or state funded Medicaid, or whose injury is not a compensated injury for purposes of workers compensation, automobile insurance or other insurances as determined and documented by Vail Health.

**Medically Necessary:** Healthcare services provided to a patient for the purpose of preventing, diagnosing, or testing an illness, injury, disease or its symptoms.

**Established Care:** The applicant has received care at one of Vail Health's service locations prior to applying for financial assistance.

**Hospital Discounted Care:** Hospital Discounted Care means Health Care Billing for Indigent Patients as defined in Title 25.5, 26 Article 3, Part 5, C.R.S.

## REFERENCES

Health Care Financial Management Association Principles and Practices Board Statement 15, "Valuation and Financial Statement Presentation of Charity Care and Bad Debts."

American Hospital Association Hospital Billing and Collection Practices Statement of Principles and Guidelines, May 5, 2012

Patient Protection and Affordable Care Act

IRS Notice 2014-2 issued on December 30, 2013

IRS CFR Parts 1,53, and 602 (issued December 29, 2014)

Colorado SB14-50, Hospital Financial Assistance CRS 25-3-112

Affordable Care Act Section 1557