Hospital Financial Aid Law Compliance “Checklist”

Hospitals should reference the following list as a guide in conducting internal reviews for FAL compliance:

- Hospitals are required to establish policies and procedures for assisting patients with financial aid:
  - Policies and procedures must be clear and concise.
  - Patients must be made aware of the policies and procedures during intake, and provided a written summary of such on request.
  - Hospitals must follow the nominal payment guidelines developed by the Commissioner and industry representatives.
  - Information explaining how patients who qualify can access financial assistance through the hospital must be included on bills and statements.
  - Collection policies must follow the standards set forth in the FAL and subsequent guidance transmittals from the Department of Health (DOH), if the patient is eligible for financial aid.
  - Establish policy which allows for consideration on a case by case basis any significant assets owned by a patient when determining a sliding scale fee, pursuant to the FAL and DOH guidance.

- A written summary of the hospitals policies and procedures must:
  - Identify the geographic service area within which the facility’s financial aid policies will apply for emergency and non-emergency services.
  - State if the hospital extends its financial aid policies to the entire State or to an extended geographic area.
  - Set income limits for determining eligibility for financial aid.
  - Identify a contact number at each facility.
  - Be made publicly available, in hard copy, where medical care is provided and at public access points, including the registration and billing offices.
  - Per the Indigent Care Reform Workgroup, the hospital website must have clear linkage to its application and a summary of its FAL policies and procedures.
- Hospital staff that interacts with patients must be trained regarding the policies and procedures or be able to direct patients to the appropriate individuals.

- Hospitals with 24 hour Emergency Departments must conspicuously post language-appropriate policy and procedure information in public areas such as waiting rooms, clinics, billing and Medicaid offices.

- Hospitals that have a reasonable basis for believing that a patient applying for financial aid may be eligible for Medicaid or other government sponsored health coverage may require the applicant apply for such coverage as a condition of receiving financial aid.

- Hospitals may require applicants to apply for, but may not require denial of benefits from Medicaid or any other public insurance plans prior to accepting and processing an application for financial aid.

- Application forms for financial aid should be available at any site where medical care is being provided, e.g. clinics and outpatient areas.

- When a patient is denied financial aid, a hospital is required to issue the denial in writing with information on how to appeal the denial. The hospital’s financial aid policies and procedures must outline the appeals process under which it will evaluate the denial of an application.

- Information about collection practices must be included in a hospital’s financial aid policies and procedures:
  - Hospitals must require any contracted collections agencies to comply with the hospital’s financial assistance policy;
  - Contracted collection agencies must provide information to patients on how to apply for financial assistance;
  - Hospitals may not force the sale or foreclosure of a patient’s primary residence to collect on an outstanding bill;
  - Hospitals may not send an account to collection if a completed application for financial assistance is pending;
  - A patient bill with a collection notification must be sent to the patient at least 30 days prior to referral to collection;
  - Contracted collections agencies must obtain the hospital’s written consent before commencing a legal action; and
  - Collections are prohibited against any patient who is eligible for Medicaid.