



Financial Hardship Policy

ChiroHealthUSA
The Network That Works for Chiropractic!

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ESTABLISHING A COMPLIANT HARDSHIP POLICY FOR YOUR PRACTICE

Why do I need a financial hardship policy?

It is important for practices to establish policies to distinguish who is able to pay for healthcare services. As charitable as physicians want to be, the law does not allow routine write-offs of co-pays and deductibles without risk to the physician for violating payer contracts or federal and state laws. If patients have insurance, the practice must document that financial hardship actually exists and should record any fees that are waived. Also, hardship should be assessed regularly, as a patient's financial condition may change.

Establishing Guidelines

In order to provide fair and legal payment options for all patients, it is strongly recommended that providers use national poverty level guidelines published by HHS as a guide. Hardship adjustments should be based on these guidelines and the supporting documentation provided with the patient's application.

2018 Federal Poverty Guidelines

Family Size	Gross Annual Income	Gross Monthly Income	Approximate Hourly Wage
1	\$12,140	\$1,012	\$5.84
2	\$16,460	\$1,372	\$7.91
3	\$20,780	\$1,732	\$9.99
4	\$25,100	\$2,092	\$12.07
5	\$29,420	\$2,452	\$14.14
6	\$33,740	\$2,812	\$16.22
7	\$38,060	\$3,172	\$18.30
8	\$42,380	\$3,532	\$20.38
Over 8 add per person:	\$4,320	\$360	\$2.08

Source: Federal Register vol. 83, no. 12, January 18, 2018. pp. 2642-2644. Monthly and hourly income calculated by OCPP and rounded to the nearest dollar and cent, respectively. The hourly rate is based on 40 hours of work per week for a full year (2,080 hours). These guidelines are for the 48 contiguous states and the District of Columbia.

Documenting Hardship

It is the responsibility of the practice to verify eligibility and just assume that a patient qualifies for financial hardship in your office. Verification will typically include tax returns and current pay stubs. In addition to annualized income verification, eligibility may be based on current participation in certain federal/state public assistance programs, such as Social Security Income (Disability); Temporary Assistance for Needy Families; Free or Reduced School Lunch Program; or other public assistance programs. These items should be submitted with the patient's application for financial hardship.

Application for Financial Hardship

The last step in this process is to have a certification form and application for the patient to sign. This is important as it will document the patient's need and show where they fall in your sliding scale. This will allow them to attest to the fact that they need the assistance with paying for the care, while keeping your office compliant.

Length of Time

Financial hardship should be assessed regularly, as a patient's financial condition may change. Many consultants recommend extending financial hardship to patients who qualify for 30, 60, or 90 days.

Our patients present to us with legitimate financial hardship. Don't sully the waters of your compliant fee schedule program with a non-compliant hardship agreement. If your office is armed with your prevailing fee schedule, insurance contracted fee schedules you've agreed to, your legally discounted fee schedule using a DMPO like ChiroHealthUSA, and a hardship or sliding fee schedule, you're ready to take on any patient who comes in the door!

SAMPLE APPLICATION FOR FINANCIAL HARDSHIP

This application has been prepared to assist BJ Palmer Chiropractic Clinic in determining reasonable options for payment of chiropractic services. It will be reviewed by the Business Office Manager and the Practice Administrator to establish eligibility. The information contained herein, will be held to BJ Palmer Chiropractic Clinic's strict confidentiality policy and will be used to determine payment options and hardship adjustments.

The guarantor must complete the application in its entirety and attach appropriate documentation in order to be processed. Without this documentation, this application will not be considered complete, your application will be denied, and collections policies will be followed.

You must attach the following information in order to be considered.

- Copy of your last year's tax return. If you did not file taxes, you must provide a letter from the IRS stating that you did not file a return. IRS #1-800-829-1040
- Three current pay stubs, including spouse if applicable.

Please complete the information herein and return to BJ Palmer Chiropractic Clinic within 14 days. A determination will be made within 14 days of receipt.

If you do not receive a response within 14 days, or require assistance in completing this application, please call BJ Palmer Chiropractic Clinic Business Office at #123-456-7890.

In order for BJ Palmer Chiropractic Clinic to provide fair and legal payment options for all patients, we use the national poverty level guidelines published by HHS as a guide. We offer hardship adjustments on a sliding scale based on these guidelines and the supporting documentation that you provide with your application.

Guarantor Information:

Name: _____ Phone Number: _____

Address: _____ City: _____ St. ____ Zip: _____

Years at Current Address: _____ Social Security Number: _____

Employer: _____

Employer's Address and Phone: _____

Years at Current Job: _____ Supervisor's Name and Phone No.: _____

Average Number of Hours per week: ____ Wages per hour: _____

Spouse Information:

Name: _____ Phone Number: _____

Address: _____ City: _____ St. ____ Zip: _____

Years at Current Address: _____ Social Security Number: _____

Employer: _____

Employer's Address and Phone: _____

Years at Current Job: _____ Supervisor's Name and Phone No.: _____

Average Number of Hours per week: _____ Wages per hour: _____

Dependent Information:

Using legal names, please list everyone (including yourself) living at your address. Please do not use nicknames.

Name	Relationship to You	Age
1.		
2.		
3.		
4.		
5.		
6.		

Income Information:

Salary (Gross): _____ Spouse's Salary (Gross): _____

Salary (Net): _____ Spouse's Salary (Net): _____

Child Support, Alimony, Social Security: _____ Rental Income: _____

Military Allotment/Veterans Benefits: _____ Family/Rental Support: _____

Unemployment/Public Assistance/Workers Comp: _____ Other: _____

Interest and Investment Income: _____ Retirement/Pension: _____

Expenses (Monthly Averages):

Do you ☐ Rent - Amount: _____ ☐ Own - Mortgage Amount: _____

Name of Landlord or Mortgage Company: _____

Food: _____ Phone: _____ Water/Sewer: _____ Utilities: _____

Auto Maintenance: _____ Insurance: _____ Other Insurance: _____

Day/Child Care: _____ Number of Children in Day/Child Care: _____

Name of Day/Child Care: _____

Other Payment Obligations:

Creditor Name and Description	Current Balance	Payment Amount

In the next 3 months, what medical expenses are you anticipating, either from BJ Palmer Chiropractic Clinic or any other Healthcare provider?

Other expenses you would like us to consider? _____

Conclusion/Patient Statement

Comments you feel are important: _____

Length of time requested to pay of chiropractic services: _____

This information listed herein is true and complete to the best of my knowledge. I give permission to BJ Palmer Chiropractic Clinic's Business Office to verify any or all of the information listed above.

Signature

Date