NEOSHO MEMORIAL REGIONAL MEDICAL CENTER

SUBJECT:	**FINANCIAL ASSISTANCE PROGRAM**
DEPARTMENT:	PATIENT FINANCIAL SERVICES
DATE NEW:	AUGUST 2, 2001
DATE REVISED:	OCTOBER. 2001; JANUARY, 2002; MAY, 2006; JANUARY, 2009; APRIL, 2010; NOVEMBER, 2011; NOVEMBER, 2013; MAY 2014: OCT 2014: MARCH 2015
DATE REVIEWED:	
POLICY NUMBER:	500.03.003
APPROVAL:	BOARD OF TRUSTEES

1. **PURPOSE AND NON-DISCRIMINATION**

Neosho Memorial Regional Medical Center, it's employed physicians, owned clinics, and ancillary services (hereinafter referred to as NMRMC), are committed to providing Financial Assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government programs, or otherwise unable to pay for medically necessary care based on their individual financial situation.

Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, NMRMC strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care. NMRMC will provide without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance. If any individual presents with an emergency medical condition, NMRMC will provide further medical examination and treatment as required to stabilize the medical condition and/or transfer of the individual to another medical facility without regard to ability to pay within the meaning of the Emergency Medical Treatment and Labor Act (EMTALA), section 1867 of the Social Security Act (42 U.S.C. 1395dd).

This written policy includes:
-Eligibility criteria for financial assistance free and discounted (partial) financial assistance
-A description of the basis for calculating amounts charged to patients eligible for financial assistance under this policy
-A description of the method by which patients may apply for financial assistance
-A description of how NMRMC will widely publicize the policy within the community served by the hospital
-A limit on the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured or Medicare patients.

Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with NMRMC procedures for obtaining financial assistance or other forms of payment and to contribute to the cost of their care based on their individual ability to pay.

Patients who appear to qualify for State, Federal or other benefits that would cover all or part of their care must cooperate with the application process to be considered for financial assistance. Individuals with financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets. Applicants who refuse to purchase federally-mandated health insurance when they are eligible to do so will not be awarded financial assistance

In order to manage its resources responsibly and to allow NMRMC to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Trustees established and approved the following guidelines for the provision of the Financial Assistance Program.

2. **FAP DEFINITIONS**

2.1 Financial Assistance
A method to provide healthcare services free or at a discount (sliding scale attached) to individuals or families who meet the established criteria.
2.2 Household
The definition of Household is one or more people who reside together. If the patient claims someone as a dependent on their income tax return, they may be considered a dependent (or part of the household) for purposes of the provision of financial assistance.
2.3 Gross Household Income
Gross Household Income is income before taxes, etc are deducted and is determined by Federal poverty guidelines and includes the following: earnings, unemployment compensation, worker's compensation, Social Security, Supplemental Security Income, public assistance, veteran's benefits/payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, annuities, bank account income, commissions, bonus', income from estates, trusts, educational assistance, alimony, child support, personal allowance, household expenses (rent, utilities, etc) in exchange for any type of services, self-employment records, and other miscellaneous sources.
2.4 Uninsured
The patient has no level of insurance or third party assistance to assist with meeting payment obligations.
2.5 Underinsured
The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed financial abilities.
2.6 Gross Charges
The total charges at the organization's full established rates for the provision of patient care services before deductions from revenue are applied.
2.7 Emergency medical conditions
Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).
2.8 Medically Necessary
The definition of Medically Necessary is services or items reasonable and necessary for the diagnosis or treatment of illness or injury.

3. **POLICY FOR ELIGIBILITY**

3.1 Healthcare Services Eligible for Financial Assistance Services
Emergency medical services provided in an emergency room setting; services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual; non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and Medically necessary services.

3.2 Healthcare Services Ineligible for Financial Assistance Services
Elective procedures such as cosmetic surgery, fertility treatment, infertility treatment (tubal ligation, vasectomy) are considered ineligible for financial assistance.

3.3 Determination of Eligibility
Eligibility for financial assistance will be considered for those individuals who are
a) Unable to pay for their care based upon a determination of financial need in accordance with this policy
b) Uninsured
c) Underinsured
d) Ineligible for any of the payment sources determined in the screening process to include but not limited to: Medicaid, Crime Victims Compensation, COBRA Insurance, Early Detection program, auto insurance, worker's compensation insurance, SOBRA Insurance, Kansas TB Insurance coverage, Kansas High Risk Pool coverage, Medicare/Disability, and Affordable Care Act Market Insurance.
e) Medicaid verified and eligible patients will presumptively qualify for FAP. Medicaid insured patients will qualify automatically for 100% eligibility for FAP.

Patients are required to cooperate with NMRMC and its Vendor in applying for or providing information necessary to apply for any assistance which would provide payment to NMRMC. Before Financial Assistance is offered to the patient(s), they are screened and counseled for all possible payment sources as noted in 3.3 d) above. Applicants who refuse to purchase federally-mandated health insurance when they are eligible to do so will not be awarded financial assistance

The determination of Financial Assistance should be made before providing services when possible. When pre-qualifying for financial assistance, a statement from the physician is required indicating medical necessity. If complete information on the patient's insurance or financial situation is unavailable at the time of service, or if the patient's financial condition changes, the designation of Financial Assistance may be made after rendering services. All efforts will be made to establish whether the patient is eligible for Financial Assistance before leaving NMRMC.

3.4 Confidentiality.
The need for Financial Assistance may be a sensitive and deeply personal issue for recipients. Confidentiality of information and preservation of individual dignity shall be maintained for all who seek charitable services.

4. APPLICATION PROCESS

4.1 Application.
The attached application will be used by patients to apply for Financial Assistance from NMRMC. Patients must fully complete and submit the application for financial assistance along with all required personal information, financial information, and any other information and documentation required and/or requested to make a determination of financial need. The need for financial assistance shall be re-evaluated at each subsequent time of service and application updated. Additionally, patients are screened and counseled again for all possible payment sources as noted in 3.3 d) above. If the patient does not submit relevant information that could affect eligibility status within the 6 month eligibility period, this may result in denial of financial services depending on the nature of the information.

Requests for Financial Assistance must be submitted within 30 days from the receipt of the application and shall be processed promptly by NMRMC. NMRMC will notify the patient or applicant in writing of the approval or denial.

Patients who do not have insurance may qualify for Financial Assistance based on their gross monthly or annual income and their family size. Patients having insurance may also be eligible based on their gross monthly or annual household income and their family size for the portion of their bill that is not covered by insurance, including deductibles, coinsurance, and non-covered services.

4.2 Application Assistance
NMRMC staff will provide upon request, application assistance and/or translation services per Case Management Policy # 709.032 titled INTERPRETERS.

4.3 Application Availability
NMRMC shall provide anyone who requests information regarding the Financial Assistance Program a plain language summary, application form, (and copy of the FAP policy if requested). Additionally, the application and policy can be obtained in any of the following manners: NMRMC website (www.NMRMC.com), mail request, in person at Registration and/or ER Registration. See section 8.1 for additional methods of obtaining financial assistance information.

4.4 Notification Period
The notification period starts with the date care is provided and ends 120 days after the date of the first statement. NMRMC will not engage in Extraordinary Collection Activities (ECA) until the end of the notification period, which is 120 days after the date of the first statement and UNLESS FAP eligibility has been determined. During the notification period, NMRMC will send three statements detailing FAP availability and a “final notice” which provides at least 30 days for the patient to respond and apply for financial assistance. Extraordinary Collection Activity (ECA) will start at the 121st day IF FAP application is not received. ECA is defined as anything that requires a legal or judicial process (including wage garnishment, liens, lawsuits, etc); reporting adverse information to credit bureaus; and selling a debt. NMRMC will cease ECA if the patient chooses to apply within 240 days from date of the first statement for accounts where the patient has not applied yet for financial assistance.

5. APPLICATION REVIEW PROCESS

5.1 Financial Assistance Review.
Once the completed application and documentation are received, NMRMC will:

a) Initiate a screening for 3rd party and/or any possible payment coverage based on information within the application completed by patient(s). Patient will be contacted if another possible type of payment coverage is determined and will be required to apply for it. Applicants who refuse to purchase federally-mandated health insurance when they are eligible to do so will not be awarded financial assistance
b) If patient is not eligible for 3rd party or other payment coverage, the application and required documentation will be analyzed (per procedure) to make a determination of financial assistance eligibility. Eligibility Criteria for NMRMC is based on Household size and Gross Total Household Income. Services eligible under this policy will be made available to the patient at a rate up to 100% and decreasing on a sliding fee scale, in accordance with financial need.
c) If documentation or information is missing that is required to make the FAP eligibility determination, an Appeal form and letter of explanation is mailed to the applicant(s) with a deadline for remittance.
d) If the applicant(s) does not meet the remittance deadline, then the applicant becomes ineligible for the accounts being considered for FAP and is sent a letter of notification.
e) The applicant is not prohibited from applying for financial assistance for future dates of service.
f) Upon approval of financial assistance, it will be determined if the patient has made payments and if so, amounts paid will be refunded.

5.3 Financial Information.
The Medical Center retains the right to offer financial assistance only if the patient completes a financial assistance application and supplies other information requested and required by the Medical Center. A variety of information may be requested by the Medical Center to substantiate financial circumstances, such as paycheck stubs, W-2 forms, income tax returns, unemployment, child support documentation, disability statements, employment verification from the patient's employer, etc. If those items are unavailable, a letter of support from individuals providing for the patient's basic living needs might be accepted.

5.4 Asset Exemption.
The residence where a patient and/or the patient's family resides, automobiles needed to transport all working parties to and from work, savings accounts with less than two months income and retirement accounts with less than $50,000 are always exempted from consideration as assets in considering whether the patient meets the Financial Assistance financial criteria.

5.5 Timing
Processing for the application time is 240 days starting with the day patient bill is submitted to the individual or responsible party. If the patient is not mailed a bill due to Medical Center administrative reasons, the 240 day processing will start immediately after insurance pays or if the patient doesn't have insurance, it will start the date of the patient's discharge. The Medical Center will continue processing the application throughout this time period until it is complete.

6. Approval.

6.1 Approval and authorization of individual Financial Assistance write-off will require two signatures and the Medical Center's decision will be made by the following individuals:

Amount to be approved and written off in Financial Assistance Category <$1,500.00 = Patient Financial Services Director

Amount to be written off in Financial Assistance Category >$1,500.00 = CFO/CEO

6.2 Approval Notification.
The patient shall be notified in writing within ten (10) working days after receipt of the Financial Assistance application and any supporting materials as to whether the patient qualifies for the Financial Assistance Program. When the patient is notified that s/he is eligible for Financial Assistance, the patient shall receive a letter that states Financial Assistance has been approved.

6.3 Expired Patients.
Patients who have died and have no estate or no other financial assets are deemed to have no income for the purpose of determining Financial Assistance eligibility.

6.4 Denial.
If a patient is denied Financial Assistance, the patient will be informed in writing within a reasonable amount of time of the denial. All reason(s) for denial shall be provided at that time and the patient shall be informed of the appeal process.

6.5 Appeal.
Each patient denied Financial Assistance may petition the Medical Center within thirty (30) days for reconsideration based on extenuating circumstances. The patient will be notified of the appeal process in the correspondence informing the patient of the Financial Assistance denial.

6.5 If a Medicaid application is pending and the patient qualifies for Financial Assistance through the Medical Center, the accounts will be written off. When final determination of Medicaid is known and NMRMC receives reimbursement from Medicaid, appropriate action to account balances will be taken by Patient Account Representative.

6.6 Uninsured patients will be required to meet with the NMRMC Navigator to determine eligibility for Marketplace Insurance (provided through the Affordable Care Act) after approval or denial prior of FAP, *prior* to applying for financial assistance through NMRMC for <u>subsequent</u> dates of service. Applicants who refuse to purchase federally-mandated health insurance when they are eligible to do so will not be awarded financial assistance

7. BILLING AND COLLECTION PRACTICES

7.1 Reasonable Collection Efforts

Reasonable Collection Efforts include screening for possible payment sources, then subsequently notifying the patient about FAP, if ineligible for other payment sources. Additionally, providing patients who submit incomplete FAP applications with the information they need to complete it; and making and documenting determination of eligibility when a complete application is received. NMRMC will not impose extraordinary collection actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for Financial Assistance under this policy. Reasonable efforts shall include: validating that the patient owes the unpaid bills and that all sources of third-party payments have been identified and billed by the hospital; documentation that NMRMC has attempted to offer the patient the opportunity to apply for FAP pursuant to this policy and that the patient has not complied with NMRMC's application requirements; documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

7.2 Notification of FAP

Notifying a patient about FAP is further defined as:

a) providing patients a plain language summary of the FAP and offering a FAP application form (and copy of policy if requested) upon registration;
b) including information regarding FAP availability on 3 billing statements during the notification period
c) providing at least one written notice 30 days before the end of the notification period that describes extraordinary collection efforts the hospital or authorized third party may take if an FAP application or payment is not received by the end of the notification period
d) attempting to inform patients about FAP in oral communications about their bill during the notification period
e) Widely publicizing availability of FAP as noted in section 8.1 of this policy.

7.3 Amount Generally Billed (AGB)

Patients who are uninsured or under-insured, and qualify for Financial Assistance, must be charged less than gross charges for any care they receive, and no more than the amount generally billed (AGB) to insured patients for emergency or medically necessary care. NMRMC utilizes the **look-back method** for the prior fiscal year activity to calculate AGB. The look-back method which is based on actual claims paid by Medicare fee-for-service and Medicare beneficiaries, or by Medicare fee-for-service, Medicaid (HMO/Managed Care), plus all private health insurers (including Medicare Advantage) and their beneficiaries.

8. MEASURES TO PUBLICIZE THE FINANCIAL ASSISTANCE POLICY

8.1 Communication and Publication of Financial Assistance Program Availability

All information provided to the patient regarding the Financial Assistance Program will be documented in the patient's financial record.

NMRMC, will advise patients and their families of Financial Assistance through the following means:

a) Upon pre-registration or registration at NMRMC and any clinic that does its own Registration of patients. The patient or authorized person will be required to sign an acknowledgement form indicating that they have been informed of the Financial Assistance Program.
b) Patients will be advised of FAP availability through direct patient contact or via telephone.
c) Signage detailing notice of availability of Financial Assistance will be posted in the NMRMC registration/waiting area, Clinic registration/waiting area, and Emergency Departments/waiting area.
d) Notices of FAP availability will be printed on patient bills
e) Notice of availability of policy and application will be posted on the hospital's website and both will be downloadable and printable. www.NMRMC.com
f) Availability of FAP will be posted annually in the local paper.
g) Availability of FAP will be placed in the patient admission packet.
h) Availability of FAP will be provided by NMRMC, Home Health, & Hospice Case Managers and Social Workers.
i) Information detailing FAP and application process will be included in the patient handbook
j) Collection agencies affiliated with NMRMC will be informed of our FAP policy and will be provided with the specific FAP documents in order to screen patients and assist with the application process.
k) A designated staff member for the Financial Assistance Program will provide basic and/or detailed information on the Financial Assistance Program in person and/or over the phone.

8.2 Translation.
All pertinent documents and informational materials related to the Financial Assistance Program will be provided in English and Spanish.

9. RECORD KEEPING
9.1 Internal Recording.
The following documentation in the patient's financial record is required for each account considered for FAP:

a) document the date the patient was supplied with the FAP application and due date for return
b) track the deadline for return of the application
c) document the FAP decision
d) document a denial if the application is never returned or never fully completed
e) document the prior and forward service dates approved
f) document that the patient was notified of the approval or denial
g) For uninsured patients, document the written notification that application must be made for Marketplace insurance for future dates of service at NMRMC or its clinics.

9.2 Control Number
All Financial Assistance applications will be logged in the Financial Assistance control log and will be given a sequential control number. The completed applications will be kept on file for seven (7) years.

9.3 Accounting
Financial Assistance shall be recorded using the direct write-off method.

10. REPORTING
NMRMC shall provide a copy of the Financial Assistance Program and report the amount of Financial Assistance provided in cost and charges in its annual financial statements.

Approved by:

_____ _____
Chairman, Board of Trustees Date

_____ _____
Secretary, Board of Trustees Date
Table of Appendices

NEOSHO MEMORIAL REGIONAL MEDICAL CENTER
FINANCIAL ASSISTANCE PROGRAM SLIDING SCALE
EFFECTIVE JANUARY 1, 2015

If your family size is:	And, your family income is at or below:										
1	$17,655	$20,773	$24,040	$27,308	$30,575	$33,843	$37,111	$40,378	$43,646	$46,680	$11,670
2	$23,895	$27,999	$32,404	$36,808	$41,213	$45,617	$50,021	$54,426	$58,830	$62,920	$15,730
3	$30,135	$35,226	$40,767	$46,309	$51,850	$57,391	$62,932	$68,473	$74,015	$79,160	$19,790
4	$36,375	$42,453	$49,131	$55,809	$62,487	$69,165	$75,843	$82,521	$89,199	$95,400	$23,850
5	$42,615	$49,680	$57,495	$65,309	$73,124	$80,939	$88,754	$96,569	$104,383	$111,640	$27,910
6	$48,855	$56,907	$65,858	$74,810	$83,761	$92,713	$101,665	$110,616	$119,568	$127,880	$31,970
7	$55,095	$64,133	$74,222	$84,310	$94,399	$104,487	$114,575	$124,664	$134,752	$144,120	$36,030
8	$61,335	$71,360	$82,585	$93,811	$105,036	$116,261	$127,486	$138,711	$149,937	$160,360	$40,090
Discount	100%	90%	80%	70%	60%	58%	58%	58%	58%	58%	
% of Poverty Level	150%	178%	206%	234%	262%	290%	318%	346%	374%	400%	

Will be updated annually.

For families / households with more than 8 persons,
add $4,060 for each additional person.