Harrisburg Medical Center, Inc.

Title: Financial Assistance

Policy Number: **100.500-3**

DocuSigned by:
3/29/2019
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CEO (Date)

03/26/19
Board of Directors: _____ (Date)

I. POLICY STATEMENT:

Harrisburg Medical Center is committed to serving our community and grants financial assistance, in the form of free or discounted care, to patients who meet the criteria of this policy.

II. POLICY OVERVIEW:

A. The Financial Assistance Policy (FAP) applies to Harrisburg Medical Center and all hospital owned clinics hospital employed providers or contracted providers whose services are billed by Harrisburg Medical Center. A list of providers is available on the hospital's website or upon request to the Financial Counselor.

B. This FAP applies to all emergency and other medical necessary care provided for the diagnosis and treatment of illness or injury.

C. The FAP does not apply to elective services such as cosmetic procedures.

D. FAP allowances are not to be given to employees or physicians, unless they meet the criteria of this policy.

E. Providers delivering care in the hospital, which are not covered by the FAP, are cardiologists, gastroenterologists, pediatric cardiologists, nephrologists, obstetrics and gynecologists, nephrologist, neurologist/sleep medicine, oncologist/hematologist, ophthalmologists, pathologists, podiatrists, pulmonologists, urologists, radiologists, surgeons not employed by the hospital, and family practice physicians not employed by the hospital. A list of providers is available on the hospital's website or upon request to the Financial Counselor.

III. PATIENT NOTIFICATION & SIGNAGE

Patient Financial Services, Registration, and Physician Clinics.

A. Each department noted above will be responsible and accountable for:

1. Informing patients and their families of the availability of the FAP and instructing patients in correct procedure to follow to apply.

2. During the registration process the Registration Clerk or Clinic Receptionist will give uninsured patients the Plain Language Summary.

3. Making copies of the Financial Assistance application and Plain Language Summary readily available.

4. Referring the applicants to the Financial Counselor for assistance.

B. Appropriate signage will be posted in the hospital to create awareness of the FAP. At a minimum, signage shall be posted in all patient admission/registration intake areas, the Emergency Department, Physician Clinics and the Business Office. Written material about the Financial Assistance program shall also be placed in these areas.

C. Information about the FAP and application process shall be posted on the hospital's website along with a copy of the FAP, Application and Plain Language Summary.

D. The billing statement for patients shall contain a statement regarding how to obtain a copy of an itemized bill and how to apply for financial assistance.

IV. FINANCIAL COUNSELOR RESPONSIBILITIES:

The Financial Counselor will be responsible for:

A. Informing patients and their families of the availability of the FAP and instructing applicants in the correct procedure to follow to apply.

B. Assisting applicants in completing the application if they request it.

C. Interviewing applicants.

D. Screening, reviewing, documenting and otherwise preparing applications for processing.

E. Notifying the applicant in writing of the allowance decision.

F. Monitoring the Federal Register for updates to the federal poverty guidelines (FPG), updating and publishing the Income Criteria table on which this policy is based. The updated Income Criteria Table will become effective automatically on the first of the month following publication of the FPG guidelines in the Federal Register.

V. APPLICATION GUIDELINES:

A. An individual may apply for financial assistance by completing the Financial Assistance Application prior to service or from the date of service through the 240th day after the first billing statement is provided. This is known as the Application Period.

B. The applicant has 30 days to return the Financial Assistance Application and all required documentation.

C. A patient must apply for all eligible funds from local, state, or federal programs before a determination of eligibility is made under this FAP.

D. An allowance is only applicable after all insurance has been billed and collected, and/or other potential third party resources have been explored and exhausted. Failure of an applicant to cooperate with claims filing, Medicaid application process, or collecting from a potential third party resource will result in a denial of the application.

E. The Financial Assistance Application focuses on identifying the size of the family unit and requests the applicant provide financial information sufficient to determine if the applicant qualifies for an allowance.

1. "Family" means, using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage(including common law spouse and civil union), or adoption.

2. According to the Internal Revenue Service rules, if the individual is allowed to claim someone as a dependent on their tax return, they may be considered a dependent for purposes of the provision of financial assistance.

F. The applicant will be asked to provide proof of gross family income. Following is a list of criteria used to establish income:

1. Earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Social Security Income, public assistance, veteran's payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, assistance from outside the household, and other miscellaneous sources;

2. Noncash benefits (such as food stamps and housing subsidies) do not count as income;

3. Determined on a before-tax income basis (i.e. gross income);

4. Excludes capital gains or losses;

5. If a person lives with family, includes the income of all family members as defined in E.1.

G. Proof of income may be in the form of the most recent pay stubs, Social Security income or letter, Worker's Compensation letters, Unemployment Compensation Determination letters, last year's official filed tax return, and other records documenting the year to date income.

1. If an applicant does not have copies of their official filed tax returns they must contact the IRS to obtain copies.

2. If an application is received in January, February or March and a tax return has not been filed, the most recent year's tax return and other records documenting year-to-date income will be accepted. For applications received in April through December a current year tax return is required.

3. If the applicant or member of the family is self-employed the following proof of income is required:

a. Official filed copy of the 2 most recent filed tax returns. Form 4506-T must be completed, signed and returned to the Financial Counselor.
b. If the most recent tax return is more than 3 months old then other records documenting year-to-date income is required such as an interim financial statement.
c. Carryover for net operating loss from prior year(s) will be excluded.
d. Prepaid expenses will be excluded.
e. Depreciation (i.e. Form 4562) will be excluded.
f. Any deductible expenses claimed which exceed 25% of gross income will require documentation supporting the expenses and may be excluded.

H. If an application is received with incomplete or missing information the Financial Counselor shall notify the applicant in writing of information needed to complete the application.

I. Falsifying information on an application will be grounds for denying or revoking an allowance. Falsifying an application includes, but is not limited to failure to disclose income.

J. A Financial Assistance Application received after the 240 day Application Period cannot be considered for financial assistance.

K. If a patient has been previously approved for financial assistance, and receives additional services which qualify for financial assistance within 12 months of the original approval date, the patient does not need to complete the application process again. During the 12 month approval period patients are responsible to update the application if any changes have occurred such as new sources of income.

VI. EVALUATION GUIDELINES:

A. All evaluations are to be completed in a uniform and consistent a manner.

B. The Department of Health and Human Services Federal Poverty Guidelines (FPG) as published annually in the Federal Register will be the basis for qualifying applicants.

1. A patient qualifies for a 100% allowance if their income is at or below 200% of FPG.

2. A patient qualifies for a partial allowance if their income is between 200% and 300% of FPG. (i.e. sliding scale). See attached Income Criteria Table.

3. Approval for an allowance greater than that called for under the above income criteria may be indicated granted for documented extenuating circumstances such as medical indigence. To be eligible an applicant's annual gross income must be less than 300% of FPG and the total medical expenses billed as the patient's responsibility must exceed 25% of the patient's gross income. A complete listing of the medical bills must be submitted with the application including a copy of the most recent billing statements for each debt.

C. If a patient meets the Presumptive Eligibility categories listed below the patient shall not be required to complete the Financial Assistance Application and shall be deemed to receive a100% allowance. Presumptive Eligibility categories:

1. Homelessness which is defined as an individual without permanent housing who may live on the streets, stay in a shelter, mission, single room occupancy facilities, abandoned building or vehicle, or in any other unstable or non-permanent situation.

2. Deceased with no estate.

3. Mental incapacitation with no representative.

4. Medicaid eligible but not on date of service.

5. Medicaid eligible, on date of service, but the service is non-covered (i.e. hospital inpatient co-pays, hospital non-covered days, hospital non-covered charges and spenddown amounts).

6. Incarceration in a penal institution.

D. Patients who are eligible for financial assistance will not be expected to pay more for emergency or other medically necessary care than the amounts generally billed (AGB) to individuals who have insurance covering such care. The method used for calculating the AGB for the hospital and clinics is the "look back" method based on all claims allowed by Medicare Fee-for-Service and all private payors. The hospital has a written Billing and Collection Policy which contains the AGB. The public may obtain information about the AGB calculation(s) and the Billing and Collection Policy free of charge by appointment during regular office hours. To schedule an appointment contact the Financial Counselor in the Patient Accounts department at 100 Dr. Warren Tuttle Drive, Harrisburg IL 62946 or call (618)253-7671 ext. 10251.

    1. For the purposes of an insured patient eligible for financial assistance, the AGB limitation is applicable only to the amount the individual is personally responsible for paying after all reimbursement has been applied, even if the total amount paid by the individual and the insurer exceeds the AGB.

E. During the Application Period all collection efforts will be suspended and documented in the patients account. No payment is required from the patient and accounts will not be placed with an outside collection agency pending determination of eligibility. If the account has already been placed with an outside collection agency, the agency will be notified by the Financial Counselor to suspend collection efforts until a determination is made. This notification will be documented in the account notes. The patient will also be notified verbally that collection activity will be suspended during consideration.

F. During the Application Period all Extraordinary Collection Action (ECA) will be suspended, pending determination of eligibility. ECA may include any of the following actions taken in an effort to obtain payment on a bill for care:

    1. Report to credit agencies that a debt is owed by the individual;

    2. Sell the debt for the hospital care and services to a third party;

    3. Commence a civil action against the individual.

    If the application is processed and the applicant is eligible under this policy, steps will be taken to reverse ECA that has begun, even if the actions were permissible when taken.

G. The Financial Counselor will give completed Financial Assistance Applications to the Director Patient Financial Services for review and approval. The Chief Financial Officer will be consulted for guidance when necessary to adjudicate a complex or difficult application and for initial amounts greater than $10,000.

H. A written decision will generally be mailed within 14 days of receipt of a completed application.

    1. If the financial assistance allowance is less than 100% the letter will notify the patient to contact the Financial Counselor to establish a reasonable payment plan as defined by the Billing & Collection Policy.

        a. If the patient complies with the payment plan that has been agreed to by the hospital, the hospital shall not otherwise pursue collection action against the patient.

        b. If the patient does not comply with the payment plan that has been agreed to by the hospital and patient, collection activity shall commence.

c. If the patient has a change in their financial status, the patient should promptly notify the Financial Counselor. The patient may request to apply for Financial Assistance based on their change in financial status if within the Application Period.

I. If a patient has made payments on a self-pay balance and later is determined to be eligible for financial assistance the hospital will refund any amounts paid during the 240 day Application Period that exceed the amount the patient is personally responsible for paying.

1. If accounts were combined due to a payment plan, self- pay payments will be applied to the oldest account balance first. Self pay payments made to balances incurred before the Application Period will not be refunded.