



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Department:</b>	Patient Financial Services
<b>Effective Date:</b>	July 26, 2021	<b>Department Initiator:</b>	Kim Hixson, CFO
<b>Distribution:</b>	Intranet: Patient Financial Services	<b>Policy #:</b>	PFS: 0003.04
<b>Supersedes:</b>	ADM-049_2, PFS-0003.00, PFS-0003.01, PFS-0003.02, PFS-0003.03	<b>Author:</b>	Brittany Peters

**I. PURPOSE**

A. Providence Medical Center (PMC) is a nonprofit, tax-exempt hospital. PMC is committed to providing high quality healthcare for patients who seek services, including those individuals who lack the means to pay for medically necessary care and emergency services. This policy sets forth the process and guidelines by which such patients can access Financial Assistance.

**II. POLICY**

- A. PMC shall fulfill its charitable mission by providing health care services to all individuals without regard to ability to pay. PMC shall provide fair financial assistance to underinsured or uninsured patients who meet the eligibility criteria set forth in this policy. PMC shall use consistent and fair collection practices for all patients.
- B. This policy covers medically necessary and emergency health care services provided by PMC as further defined below. This policy does not include any services provided by outside vendors, including but not limited to independent physicians. Patients seeking a discount for such services are directed to call the physician or outside vendor directly.
- C. Patients may obtain a current list of providers who are and are not subject to this policy at no charge by visiting Patient Financial Services at 1200 Providence Rd Wayne, NE 68787, calling 402-375-7670 or visiting [www.providencemedical.com](http://www.providencemedical.com)
- D. All patients will be treated with respect and fairness regardless of their ability to pay.

**III. EQUIPMENT NEEDED**

A. N/A

**IV. PROCEDURE**

- A. Definitions:
  - 1. "Amount Generally Billed" or "AGB" is the amount PMC generally bills to insured patients. PMC utilizes the "prospective method" to establish AGB. Accordingly, the AGB equals the amount Medicare would allow for the care provided if the patient was a Medicare fee-for-service beneficiary, including all co-pays and deductibles.
  - 2. "Application Period" begins on the date care is provided to the patient and ends on the later of (i) the 240th day after the date the first post-discharge (whether inpatient or outpatient) billing statement is provided to the patient OR (ii) not less than 30 days after the date PMC provides the patient the requisite final notice to commence extraordinary collection actions ("ECAs").
  - 3. "Uninsured": A patient who (i) has no health insurance or coverage under governmental health care programs, and (ii) is not eligible for any other third party payment such as worker's compensation or claims against others involving accidents.
  - 4. "Underinsured": A patient who (i) has limited health insurance coverage that does not provide coverage for hospital services or other medically necessary care or emergency



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

care provided by PMC, (ii) has exceeded the maximum liability under his/her insurance coverage, or (iii) has a copay or deductible assessed under the patient's insurance contract. Waivers or discounts of Medicare or Medicaid copays or deductibles may be granted based on financial need.

5. "Household Income": The total income of all members living in the patient's household over the twelve (12) months prior to application for assistance under this policy, including traditional married couples and children over the age of 19 who live in the household more than 6 months out of 12. This may also encompass other dependents living at the same residence such as dependent relatives living within the household and couples living together. (Married or couples living together requires that the parties present as a couple and share expenses, whether same sex or male/female). It may also include those who are responsible for payments for dependents even if not living in the same household. Proof of income that is less than 12 months can be annualized if it is reasonable to do so. Variance in income during the most recent 12 month period prior to the application will be considered.
  6. "Federal Poverty Level" is established using the Federal Poverty Income Guidelines as updated annually from updates published by the United States Department of Health and Human Services.
  7. "Medically Necessary Care" shall be defined by applicable Medicaid guidelines. For purposes of clarity, the following PMC programs will not be considered "Medically Necessary Care" within this policy.
    - a. Cosmetic surgery/procedures;
    - b. Amplified Musculoskeletal Pain Syndrome Program;
    - c. Court Ordered Drug and Alcohol Diversion Program; and
    - d. Drug and Alcohol Counseling.
- B. PMC is committed to meeting the needs of everyone in the community, including those who cannot pay for their care. Similarly, patients who are able to pay have an obligation to pay and providers have a duty to seek payment from individuals.
1. **Eligibility Criteria.** To qualify for financial assistance under this policy, the patient must be uninsured or underinsured and qualify as financially indigent or medically indigent.
    - a. To qualify as financially indigent, the patient must have a Household Income of equal to or less than 300% of Federal Poverty Level.
      - i. To the extent a patient previously was approved for financial assistance, a new application may not need to be repeated for dates of service incurred up to six (6) months after the last date of application approval; provided, however, that if the patient received less than a 100% discount, PMC will:
        - a) Notify the patient regarding the basis for the presumptive financial assistance;
        - b) Notify the patient as to how to apply for potentially more financial assistance;
        - c) Give the patient a reasonable amount of time to apply for more generous assistance before initiating ECAs; and



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

- d) If the individual submits a completed application seeking additional financial assistance during the later of the Application Period or the response time set forth in the notice, process the application in accordance with this policy.
  - ii. If PMC is aware, however, of a change in financial circumstances, it may require a patient to submit a new financial assistance application.
- b. To qualify as “medically indigent” medical bills from PMC must exceed 15 percent of the patient’s Household Income (for example, due to catastrophic costs or conditions).
- c. Patients who may be eligible for Medicaid or other payment sources and fail to apply for coverage and benefits within thirty (30) days of PMC's request are not considered eligible for financial assistance under this policy even if they otherwise would qualify as financially indigent or medically indigent.
- d. *Presumptive Eligibility:* Patients who qualify and are receiving benefits from any of the following programs or where PMC staff is able to sufficiently document such circumstances shall qualify for financial assistance as presumptively eligible: homelessness, households that have no income, patients who have qualified for other financial assistance programs such as food stamps or WIC, and where third party databases show income at or below 150% of FPL.

2. **Financial Assistance.** Financial assistance will be available for only medically necessary care or emergency care provided to persons who meet the eligibility criteria set forth in this policy. If a patient qualifies for financial assistance, financial assistance shall be provided according to the following:

- a. **Financial Indigence.** Subject to Section B2d below, financial assistance shall be provided to patients who are financially indigent as follows:

Income as a Percentage of Federal Poverty Guidelines	Discount
301 % and above	No discount allowed
271-300%	15%
251-270%	25%
221-250%	35%
181-220%	50%
151-180%	75%
0-150%	100%

- b. **Presumptive Eligibility.** Patients who meet presumptive eligibility criteria under Section B1d shall be granted full charity care (100% discount) without completing the financial assistance application. Documentation supporting the patient’s qualification for or participation in a program must be obtained and kept on file. Documentation may include a copy of a government issued card or other documentation listing eligibility or qualifications, or print screen of a web page listing the patient’s eligibility. Unless otherwise noted, an individual who is presumed eligible under these presumptive criteria will continue to remain eligible for the six months following the date of the initial approval, unless facility personnel have reason to believe the patient no longer meets the presumptive criteria.



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

- c. Medical Indigence. Subject to Section B2d below, patients who qualify for financial assistance as Medically Indigent will be responsible for their medical bills up to 15% of Household Income. Any remaining amount will be considered financial assistance under this policy.
- d. Patients who are deemed to be eligible for financial assistance under this policy will not be charged for care covered by this policy more than Amounts Generally Billed. If after financial assistance is provided and applied to the patient balance, the patient's total out of pocket responsibility results in the patient being personally responsible for greater than AGB, the patient shall be provided additional financial assistance such that the patient is not personally responsible for more than AGB. In determining whether an eligible patient has been charged more than AGB, PMC considers only those amounts that are the personal obligation of the patient. Amounts received from third party payors are not considered charged or collected from the patient.
- e. Discounts will be taken from gross charges.

3. **Application Process/Patient Responsibilities Regarding Financial Assistance.**

Except in the case of presumptive eligibility, prior to being considered for financial assistance, the patient/family must cooperate with PMC and submit an application for financial assistance on PMC's application form within the Application Period. Completed applications must be returned to Providence Medical Center Attn: Patient Financial Services 1200 Providence Rd Wayne, NE 68787.

The patient shall supply documentation requested on the application to support his/her financial status and, if applicable, shall provide information and documentation necessary to apply for other existing financial resources that may be available to pay for the patient's health care, such as Medicaid, Medicare, third party liability, etc.

- a. Completed Applications. Upon receipt of a complete application, PMC will suspend any ECAs taken against the patient and process, review and make a determination on completed financial assistance applications submitted during the Application Period. To be considered "complete" a financial assistance application must provide all information requested on the form and in the instructions to the form. PMC may, in its own discretion, accept complete financial assistance applications submitted after the Application Period.
- b. Determination of eligibility for financial assistance shall be made by the following individual(s):
 

<b>Potential Write-off Amount</b>	<b>Approval Authority</b>
\$0.00            -\$25,000	Revenue Cycle Director
\$25,001        -& Above	CFO
- c. Unless otherwise delayed as set forth herein, such determination shall be made within 21 days of submission of a timely completed application. Patients will be notified of the determination
- d. If a patient is eligible for financial assistance other than free care, the PMC will:
- e. Provide the patient with a revised bill setting forth: (i) the amount the patient owes for care after financial assistance, (ii) how the revised amount was determined; and



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

- (iii) either the AGB for the care provided or instructions on how the patient can obtain information regarding the AGB for the care provided;
- f. Provide the patient with a refund for any amount the patient has paid in excess of the amount owed to PMC (unless such amount is less than \$5); and
- g. Take reasonable measures to reverse any ECAs taken against the patient.
- i. PMC will not consider an application to be incomplete or deny financial assistance based upon the failure to provide any information that was not requested in the application or accompanying instructions. However, PMC may take into account in its determination (and in determining whether the patient's application is complete) information provided by the patient other than in the application.
  - ii. In the event the patient does not initially qualify for charity care or financial assistance after providing the requested information and documentation, the patient may re-apply if there is a change in their income or family responsibilities.
  - iii. If a patient is deemed ineligible for financial assistance, they may appeal that decision in writing to the CFO within thirty (30) days following receipt of the denial of financial assistance. Failure to appeal will result in the decision becoming final. The CFO's decision is not subject to further appeal.
  - iv. If a patient submits a completed financial assistance application during the Application Period and PMC determines that the patient may be eligible for participation in Medicaid or has access to other payment sources, PMC will notify the patient in writing of such potential eligibility and request that the patient take steps necessary to enroll in such program. In such circumstances PMC will delay the processing of the patient's financial assistance application until the patient's application for Medicaid or other payment source is completed, submitted to the requisite authority, and a determination has been made. If the patient fails to submit an application within thirty (30) days of PMC's request, PMC will process the completed financial assistance application and financial assistance will be denied due to the failure to meet the eligibility criteria set forth herein.
- h. Incomplete Applications. Incomplete applications will not be processed. If a patient submits an incomplete application, PMC will suspend ECAs and provide the patient with written notice setting forth the additional information or documentation required to complete the application. The written notice will include the contact information (telephone number, and physical location of the office) of patient financial assistance. The notice will provide the patient with at least 10 business days to provide the required information; provided, however, that if the patient submits a completed application prior to the end of the Application Period, PMC will still accept and process the application as complete.
- i. For questions and/or assistance with filling out a financial assistance application, the patient may contact patient financial services at Providence Medical Center by phone 402-375-7670 or email [patient.accounts@providencemedical.com](mailto:patient.accounts@providencemedical.com)



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

#### 4. Collection Guidelines.

- a. PMC may refer a patient's bill to a third party collection agency (which is not an ECA) or take any or all of the following ECAs in the event of non-payment of outstanding bills:
  - Credit Bureau Reporting
  - Legal Suit
  - Garnishment
  - Sale of Debt/Factoring of A/R
- b. PMC will not take ECAs against a patient or any other individual who has accepted or is required to accept financial responsibility for a patient unless and until PMC has made "reasonable efforts" to determine whether the patient is eligible for financial assistance under this policy. The parties listed in Section B3b above are responsible to determine that reasonable efforts have been satisfied.
- c. No Application. If a patient has not submitted a financial assistance application, PMC has taken "reasonable efforts" so long as it:
- d. Does not take ECAs against the patient for at least 120 days from the date PMC provides the patient with the first post-discharge bill for care; and
- e. Provides at least thirty (30) days' written notice to the patient that:
  - i. Notifies the patient of the availability of financial assistance; and
  - ii. Identifies the specific ECA(s) PMC intends to initiate against the patient; and
  - iii. States a deadline after which ECAs may be initiated that is no earlier than 30 days after the date the notice is provided to the patient; and
  - iv. Provides a plain language summary of the financial assistance policy; and
- f. Makes a reasonable effort to orally notify the patient about the potential availability of financial assistance at least 30 days prior to initiating ECAs against the patient describing how the individual may obtain assistance with the financial assistance application process.
- g. Incomplete Application. If a patient submits an incomplete financial assistance application during the Application Period, "reasonable efforts" will have been satisfied if PMC:
- h. Provides the patient with a written notice setting forth the additional information or documentation required to complete the application as described in Section B3h above; and
- i. Suspends ECAs that have been taken against the patient, if any, for not less than the response period allotted in the notice.
- j. If the patient fails to submit the requested information within the allotted response period, ECAs may resume; provided, however, that if the patient submits the requested information during the Application Period, the Hospital must suspend ECAs and make a determination on the application.
- k. Completed Applications. If a patient submits a completed financial assistance application, "reasonable efforts" will have been made if PMC does the following:
  - l. Suspends all ECAs taken against the individual, if any;





<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

- m. Makes a determination as to eligibility for financial assistance as set forth in this policy; and
  - n. Provides the patient with a written notice either (i) setting forth the financial assistance for which the patient is eligible or (ii) denying the application. The notice must include the basis for the determination.
  - o. If the Hospital has requested that the patient apply for Medicaid or other third party payment sources, PMC will suspend any ECAs it has taken against the patient until the patient's application has been processed or the patient's financial assistance application is denied due to the failure to timely apply for coverage.
5. **Emergency Room Patients.** All patients will be treated in accordance with the requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA). All emergency room patients will receive a medical screening examination by Emergency Department staff and be treated within the capabilities of PMC prior to registration or obtaining information on insurance coverage. PMC will not take any action that may interfere with the provision of emergency medical treatment, for example, by demanding payment prior to receiving treatment for emergency medical conditions or permitting debt collection activities that interfere with the provision of emergency medical care in the Emergency Department.
- a. Emergency medical treatment will be provided in accordance with PMC policies governing and implementing EMTALA. PMC will provide emergency medical care to all individuals, without discrimination, and regardless of their eligibility under the Financial Assistance Policy.
6. **Obtaining Documents and Information.** Patients may obtain a copy of this policy, a plain language summary of this policy, and a financial assistance application free of charge (i) by mail by calling 402-375-7670, (ii) by e-mail (upon patient election) by e-mailing [patient.accounts@providencemedical.com](mailto:patient.accounts@providencemedical.com), (iii) by download from [www.providencemedical.com](http://www.providencemedical.com), or (iv) in person at (a) the emergency room, (b) any admission areas, or (c) patient financial services at 1200 Providence Rd Wayne, NE 68787.

## V. REFERENCES

- A. Section 501(r) of the Internal Revenue Code
- B. Baird Holm Financial Assistance Policy Template
- C. Connance 501(r) Compliance Checklist
- D. PMC EMTALA

## VI. REVISION HISTORY

- A. PFS-0003.00:
  - 1. Updated Content
- B. PFS-0003.01:
  - 1. Replaces .00
  - 2. Updated content and revised from .01 to .02. Changed content reflects change in collections policy, allowing six (6) months for payment in full instead of eighteen (18).
- C. PFS-0003.02:



<b>Subject Title:</b>	<b>Financial Assistance</b>	<b>Policy #:</b>	PFS-0003.04
-----------------------	-----------------------------	------------------	-------------

1. Updated content to add instructions/information about employees who have a patient balance.
- D. PFS-0003.03:
  1. Updated content
- E. PFS-0003.04:
  1. Updated to match Baird Holm Policy Template for Financial Assistance

**VII. ATTACHMENTS**

- A. Attachment 1- Providence Medical Center Financial Assistance Application- English
- B. Attachment 2- Providence Medical Center Financial Assistance Application- Spanish
- C. Attachment 3- Plain Language Summary of Financial Assistance
- D. Attachment 4- Posted Notice