



Charity Care Policy - Administration of Financial Assistance

Policy

Regional Medical Center's (RMC) mission is to provide state of the art health care with integrity to the people we serve. As part of that commitment, RMC serves patients in difficult financial circumstances and offers financial assistance to those who have an established need to receive medically necessary medical services.

Purpose

This policy serves to establish and ensure a fair and consistent method for the review and completion of requests for charitable medical care to our patients.

Policy

It is the policy of RMC to offer financial assistance to patients who have healthcare needs and are unable to pay their hospital bill due to difficult financial situations. Emergency Care as defined by the Emergency Medical Treatment and Active Labor Act (EMTALA) will be provided to all patients regardless of their ability to pay. The Business Office Director, a Financial Counselor, or a designated business office representative, will review individual cases and make a determination of financial assistance that may be offered.

RMC determines the need for financial assistance by reviewing the particular services requested or received, insurance coverage or other sources of payment, a person's historical financial profile and current financial situation. This method allows for a fair and accurate way to assist patients who are experiencing financial hardship. Partial and/or full charity care is granted based on the individual's ability to pay the bill.

Eligible individuals include patients who do not have insurance and patients who have insurance but are underinsured. Patients must cooperate with any insurance claim submission and exhaust their insurance or potential insurance coverage before becoming eligible for financial assistance. Other factors affecting eligibility are as follows:

- **Income** – Assuming that other financial resources are not identified as viable funding sources, the Federal Poverty Income Guidelines will be used in determining the amount of write-off. The Poverty Guidelines are updated annually.
 - Full charity write-off (100%) will be granted to those patients whose income level is equal to or less than 200% of the most recent Federal Poverty Income Guidelines.
 - Partial write-offs will be granted to patients earning between 201 and 400 percent of the Federal Poverty Income Guidelines.

- **Evaluation of Assets** – the patient’s household savings, checking, investment assets, real property assets, and overall financial position will be considered.
- **Evaluation of the Patient’s Monthly Expenses** – review of living expenses includes medical expenses, and other basic needs.
- **Copays, Deductibles, and Coinsurance** - Any copay, coinsurance, or deductible amounts due from a patient after insurance has paid, will not be covered by the financial assistance policy and must be paid by the patient regardless of the assistance level. Those patients who receive a full discount on charges (100%) and who do not have health insurance, will be required to pay a \$50.00 copay for each visit/appointment which is due at the time of service. Patients who have health insurance will not be asked to make the \$50.00 payment required under this policy in addition to your insurance copay/coinsurance/deductible.
- **Residency** – a patient must reside in the defined service area served by RMC. The counties currently included in our service area are Calhoun, Clay, Cleburne, Talladega, and Randolph. Emergency services are eligible to be covered no matter where the patient resides.
- **Considerations**
 - o RMC will consider any special circumstances that the patient would like evaluated when making a request for financial assistance.
 - o Eligibility is contingent upon patient cooperation with the application process, including Medicaid or Medical Assistance application completion where applicable, and submission of all information that RMC deems necessary in order to determine the level of any financial assistance that may be considered, including written permission for RMC to check consumer credit information.

Definitions

Financial Assistance is the cost of providing free or discounted care to individuals who cannot afford to pay, and for which RMC ultimately does not expect payment. RMC may determine inability to pay before or after medically necessary services are provided. This is also referred to as **Charity Care**.

RMC may use industry accepted software technology to determine if a patient is eligible for assistance even if an assistance application has not been completed. This process is referred to as **Presumptive Charity**. Due to governmental regulations, this process cannot be used on any patient covered under the Medicare program.

Bad debt is the cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.

Limitations

RMC financial assistance does not include all costs that may be associated with medical services. Only the hospital portion of care is covered under this policy. A patient may also receive bills from other

providers who provided medical care during the patient's treatment period. Providers, items, or services that are not included in our financial assistance program includes (but not limited to), Radiologists, Pathologists, Anesthesiologists, ER physicians, cosmetic procedures, fertility services, elective or non-emergent testing or services, durable medical equipment, or services considered not medically necessary (as determined by RMC).

Procedure for Financial Assistance

Method of Applying for Financial Assistance

Patients who wish to apply for financial assistance or who have been identified as a potentially eligible for financial assistance will be informed of the application process either before receiving services if the facts suggest potential eligibility or after the billing and collection process has begun. The application process may be waived or suspended due to medical necessity, including timing and urgency of care. Patients or their representative can obtain a financial assistance application by mail by contacting the RMC Business Office at (256) 235-5475, downloading and printing the financial application at no charge from our website, or in person by visiting the Cashier in the main lobby.

Patients/guarantors who receive a financial assistance application must complete and return the application within 30 days of the date of discharge (unless extenuating circumstances are identified). The following will serve as the minimum information necessary to process an application for financial assistance. RMC reserves the right to request additional documentation before finalizing a request for assistance:

- Completion of Medical Assistance application form (as applicable) Note: If you are currently enrolled in one of the following programs, you may be eligible for financial assistance without having to complete a financial assistance application:
 - Alabama Medicaid
 - WIC – Women, Infants, Children
 - SNAP – Supplemental Nutrition Assistance Program
 - TANF – Temporary Assistance for Needy Families
 - Patient is deceased and has no spouse or estate
- Proof of household income (latest tax return, bank statements from all institutions used by the household for the past 3 months, pay stubs for all working members of the household the past 3 pay periods)
- Proof of support for those members of the household who you claim as a tax dependent.
- Full disclosure of claims and/or income from personal injury and/or accident related claims

A Business Office representative will review all returned financial assistance applications for completeness. A Business Office representative will consult the financial assistance authorization guidelines and present the financial assistance application to the Business Office Director or designee for consideration. Once a decision has been made for financial assistance, a letter is sent to each applicant

advising them of the decision. Notification for pre-service financial assistance requests will be sent if time permits.

RMC may share patient financial assistance information across our locations for the benefit and ease of administering financial assistance to patients seen at multiple locations. No information will be shared outside of RMC unless authorized or required by law.

Basis for Calculating the Amounts Charged to Patients

The amount that a patient is expected to pay and the amount of financial assistance offered depends on the patient's insurance coverage and income and assets as set forth in the eligibility section of this Policy. The Federal Income Poverty Guidelines will be used in determining the amount of the write off and the amount charged to patients, if any, after an adjustment.

Amounts charged for emergency and medically necessary medical services to patients eligible for Financial Assistance will not be more than the amount generally billed to individuals with insurance covering such care.

Eligibility Criteria Considered for Financial Assistance

The appropriate business office staff will review all circumstances surrounding the request. RMC will notify the patient after submitting a completed financial assistance request. A patient's request will be deemed complete after RMC receives a complete financial assistance application, and all required documentation, including current pay stubs, income tax statements, and bank statements, if applicable.

RMC will consider requests for charity medical care with priority given to local patients. Patients may be required to re-apply for charity care every 180 days. RMC reserves the right to require a patient to re-apply at any time.

RMC requires compliance with the application process of appropriate service organizations that may provide coverage for care, such as Medicaid or Medical Assistance.

RMC makes every reasonable attempt to collect from insurance companies and other third-party payers. Financial hardship and charity care adjustments may be considered for those patients whose income and assets will not allow full payment within a reasonable time. Assistance may consist of:

- Full adjustment of the self-pay balance
- Partial adjustment of the self-pay balance
- Alternate of extended payment options

RMC reserves the right to reverse financial assistance adjustments and pursue appropriate reimbursement or collections. This may occur as a result of a variety of reasons, such as newly discovered information such as insurance coverage or pursuit of a personal injury claim related to the services in question.

Reasons for Denial

RMC may deny a request for financial assistance for a variety of reasons including, but not limited to:

- Sufficient income
- Sufficient asset level
- Patient is uncooperative or unresponsive to reasonable efforts to work with the patient
- Requests for care when there is no identifiable means of obtaining long-term support (e.g. medication or implantable devices) needed to sustain the initial successful outcomes of care
- Incomplete Financial Assistance application despite reasonable efforts to work with the patient
- Pending insurance or liability claim
- Withholding insurance payment and/or insurance settlement funds, including insurance payments sent to the patient to cover services provided by RMC, and personal injury and/or accident related claims

Emergency Services

RMC's policy is to provide emergency care to stabilize patients, regardless of their ability to pay. Following medical evaluation, non-emergent patients requiring charity care consideration should be reviewed and approved before additional services are provided.

Collection Activity

RMC will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this Policy. Collection activity will proceed based on a separate Collection Policy.

If a collection agency identifies a patient as meeting RMC's financial assistance eligibility criteria, the patient's account may be considered for financial assistance. Collection activity will be suspended on these accounts and RMC will review the financial assistance application. If the entire account balance is adjusted, the account will be adjusted and closed. If a partial adjustment occurs, the patient fails to cooperate with the financial assistance process, or if the patient is not eligible for financial assistance, collection activity will resume.

Confidentiality

RMC will uphold the confidentiality and individual dignity of each patient and will meet all HIPAA requirements for handling personal health information.

This policy will be reviewed annually by the Board of Directors.