

Wayne General Hospital
Policy Manual

Subject: Financial Assistance

Policy No. 925
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Purpose:

This is to outline circumstances under which Wayne General Hospital, Arthur E. Wood Medical Clinic, Waynesboro Family Medicine and Obstetrics, and ~~Dr. W.A. Hendricks~~ General Surgery Clinic will provide free or discounted care to patients who are unable to pay for medical care and to address how Wayne General Hospital will calculate amounts charged to patients. This policy is specifically intended to meet the requirements of applicable federal, state and local laws, including without limitation, section 501(r) of the Internal Revenue Code of 1986 as amended, and the regulations thereunder. Accordingly, this policy establishes: (1) eligibility criteria for financial assistance; (2) the basis for calculating amounts charged to patients; (3) the method of applying for financial assistance; and (4) measures to widely publicize this policy within the community.

Definitions:

1. **Amounts Generally Billed (“AGB”)** – The AGB is determined by multiplying the gross charges for the medical care provided by the AGB Percentage. The AGB Percentage is a percentage of gross charges and is calculated at least once a year, using the look-back method. The look-back method divides (1) the sum of all claims for emergency or other medically necessary care that have been allowed by Medicaid, Medicare fee-for-service, and all private health insurers that pay claims to the facility during a prior 12-month period by (2) the sum of the associated gross charges for those claims. The Hospital and Clinics use the same look-back method to determine the AGB Percentage, but the Hospital and each Clinic have separate AGB Percentages. All discounts outlined in this FAP shall apply to AGB for the care provided and not gross charges. The current AGB Percentage for the Hospital and Clinics and a description of the calculation may be readily obtained free of charge from the Financial Services Department by calling 601-735-7105.
2. **Emergency Medical Care** – Medical care provided by Wayne General Hospital pursuant to EMTALA to individuals with an emergency medical condition regardless of their eligibility for financial assistance under this FAP.
3. **Emergency Medical Condition** – Conditions defined under EMTALA (42 U.S. Code § 1395dd(e); 42 CFR § 489.24(b)).
4. **EMTALA** – The Emergency Medical Treatment and Active Labor ACT (42 U.S.C. § 1395dd) and the regulations thereunder, including specifically 42 CFR § 489.24 (or any successor regulations).
5. **Extraordinary Collection Actions (“ECA”)** – ECA include:
 - 5.1. Selling an individual’s debt to another party (“Purchaser”) unless the Purchaser has entered into a prior written agreement
 - 5.1.1. Prohibiting the Purchaser from engaging in any ECAs to obtain payment for care,

- 5.1.2. Prohibiting the Purchaser from charging interest in excess of the rate set forth in I.R.C. § 6621 (a)(2) at the time the debt is sold,
 - 5.1.3. Requiring the return to or recall by Hospital upon a determination that individual is FAP eligible; and
 - 5.1.4 if the debt is not returned to or recalled by Hospital for FAP eligible individual, requiring the Purchaser to adhere to procedures specified in the agreement that ensure that the individual does not pay, and has no obligation to pay, the Purchaser and the Hospital together more than he or she is personally responsible for paying under the FAP.
- 5.2. Reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus.
- 5.3. Deferring or denying, or requiring payment before providing, medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under the Hospital's FAP.
- 5.4. Any actions that require a legal or judicial process, including but not limited to
- 5.4.1. Placing a lien on an individual's property (other than liens permitted under state law on personal injury settlements related to the care),
 - 5.4.2. Foreclosure on an individual's property,
 - 5.4.3. Attaching or seizing an individual's bank account or any other personal property;
 - 5.4.4. Commencing a civil action against an individual,
 - 5.4.5. Causing an individual's arrest
 - 5.4.6. Causing an individual to be subject to a writ of body attachment' or
 - 5.4.7. Garnishing an individual's wages.

For this purpose, the filing of a claim in any bankruptcy proceeding is not an ECA.

- 6. **FAP** – The Financial Assistance policy.
- 7. **Federal Poverty Guidelines (“FPG”)** – Poverty guidelines issued by the federal government at the beginning of each calendar year that are used to determine eligibility for poverty programs; the current FPG can be found on the U.S. Department of Health and Human Services website at <http://www.hhs.gov/>.
- 8. **Medically Necessary** – Any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

Policy:

- 1. It is the policy of Wayne General Hospital to provide, without discrimination, emergency and other medically necessary care to individuals regardless of the individual's ability to pay or whether they are eligible for financial assistance.
 - 1.1. Wayne General Hospital will not engage in actions that discourage individuals from seeking emergency medical care, such as demanding that emergency department patients pay before receiving treatment for emergency medical conditions.

- 1.2. Wayne General Hospital will provide care for emergency medical conditions that it is required to provide under EMTALA.
- 1.3. Financial assistance is not considered to be a substitute for personal responsibility, and patients are expected to cooperate with Wayne General Hospital's procedures for obtaining financial assistance and to contribute to the cost of their care based on their individual ability to pay.
- 1.4. In addition, Wayne General Hospital is required by the Internal Revenue Service to adopt and widely publicize the FAP.

Procedures

2. Upon registration, a plain language summary of the FAP shall be offered to all patients. For those patients that present to the emergency department, the plain language summary of the FAP will be offered after compliance with any EMTALA obligations.
 - 2.1. For patients who are uninsured, underinsured, or cannot pay their deductible or co-pays, Wayne General Hospital will provide
 - 2.1.1. A packet of information that contains the FAP and the FAP application, and
 - 2.1.2. Financial counseling assistance from designated staff, including an explanation of and assistance with the FAP application process, if requested.
 - 2.2. For all other patients, the FAP and the FAP application will be available free of charge as set forth herein.
3. To qualify for financial assistance, a patient must:
 - 3.1. Complete a FAP application
 - 3.2. submit supporting documentation, including proof of income (such as income tax returns for the most recently filed year, pay stubs for the past sixty (60) days, W-2 statements, social security checks, or other documentation supporting eligibility); and
 - 3.3. Meet the financial eligibility criteria set forth in this FAP.
4. Wayne General Hospital will not deny financial assistance based upon a patient's failure to provide information or documentation unless that information or documentation is requested in the FAP or FAP application.
5. The Business Office will determine whether an individual qualifies for financial assistance or whether an ECA may be initiated against individuals.
6. The FAP, FAP application, and a plain language summary of the FAP shall be available on the hospital's website.
 - 6.1. Additionally, paper copies of the FAP, FAP application and a plain language summary of the FAP shall be available upon request, both by mail and in public locations in the Hospital (including each registration desk throughout the Hospital and the emergency room) and in medical clinics that provide physicians services in the Hospital.
 - 6.2. A plain language summary of the FAP shall be offered to all patients during the registration process (and after compliance with any applicable EMTALA obligations).
7. Each billing statement shall notify and inform recipients about the availability of financial assistance under the FAP and include the telephone numbers for the Business Office that can provide information about the FAP and FAP application

process and the direct web address where copies of the FAP, FAP application, and the plain language summary of the FAP may be obtained.

7.1. The FAP, FAP application, and plain language summary shall be available in English and Spanish.

7.2. The FAP, FAP application, and plain language summary shall also be translated into the language spoken by each limited-English proficiency group that constitutes the lesser of 1,000 individuals or 5% of the population served by Hospital, as defined in its Community Health Needs Assessment.

- 8.** Wayne General Hospital shall notify and inform members of the community served by Wayne General Hospital about the FAP in a manner reasonably calculated to reach those members who are most likely to require financial assistance from Wayne General Hospital.

8.1. Wayne General Hospital shall set up conspicuous public displays (or other measures reasonably calculated to attract patients' attention) that notify and inform patients about the FAP in public locations in the Hospital facility, including, at a minimum, the emergency department and admissions areas.

Eligibility

- 9.** Wayne General Hospital's will provide financial assistance for all emergency care and other medically necessary care on a sliding scale of up to 100% of charges and up to a full waiver of co-payments after third-party insurance proceeds based on indigence.

9.1. The scale will offer discounts ranging from 20-100% of AGB based on family size and on published Federal Poverty Guidelines.

9.2. Individuals whose family incomes are less than or equal to 150 % of Federal Poverty Guidelines are eligible to receive free or discounted care on the following sliding scale basis:

Annual Family Income	Amount of Discount
100%-109% of Federal Poverty Guidelines	100%
110 – 119% of Federal Poverty Guidelines	80%
120 – 129% of Federal Poverty Guidelines	60%
130 – 139% of Federal Poverty Guidelines	40%
140 – 149% of Federal Poverty Guidelines	20%

- 9.3.** In addition to the criteria listed above and the specific information required to be submitted as part of the FAP application, or in the event a patient fails to submit a FAP application or submits an incomplete FAP application, Wayne General Hospital may also consider other indicators of a patient's ability to pay such as third-party coverage, income, or other financial resources, and any publicly available data and reports from credit-reporting bureaus. As described in section 9.5 below, Wayne General Hospital may utilize prior FAP-eligibility determinations to presumptively determine a patient's eligibility for financial assistance.

9.3.1. The financial resources of a parent or guardian may be considered in determining eligibility of a patient who is dependent on the parent or guardian for financial support.

- 9.3.2. Hospital may also consider other extenuating circumstance such as medical hardship based on a patient's disposable income relative to the cost of care.
- 9.4. This policy only applies to emergency or medically necessary care performed in the hospital and provided by the Hospital, clinics and their employees.
 - 9.4.1. This policy will apply to professional billing for emergency and other medically necessary care provided in the Hospital by hospital's employed physicians.
 - 9.4.2. This policy does not apply to professional billing for emergency or other medically necessary care provided by the patient's physicians that are not hospital employees.
- 9.5. Financial assistance will be re-evaluated annually for visits after the initial approval.
 - 9.5.1. Such initial approval may be used to make further FAP eligibility determinations prior to being re-evaluated.
 - 9.5.2. Moreover, the need for financial assistance may be re-evaluated at anytime additional information relevant to the eligibility of the patient becomes known.
- 10. Patients and/or guarantors shall be notified in writing when Wayne General Hospital determines the amount of financial assistance discount eligibility.
 - 10.1. Charges for emergency care or other medically necessary care provided to a patient eligible for financial assistance will be limited to not more than AGB to those individuals who have insurance using the prior fiscal year look back method.
 - 10.2. Discounts will be determined at the time of billing.

Patient Notification

- 11. If a patient submits a complete FAP application for financial assistance within two hundred and forty (240) days after the first post-discharge billing statement from the Hospital for care, Wayne General Hospital shall make and document a determination as to whether the patient qualifies for financial assistance in a timely manner.
 - 11.1. Wayne General Hospital shall suspend any ECAs against the patient for a reasonable period to determine whether the patient qualifies for financial assistance.
 - 11.2. Wayne General Hospital shall notify the individual in writing of the determination and the basis for the determination.
 - 11.3. If Wayne General Hospital determines that the patient qualifies for financial assistance, Wayne General Hospital shall:
 - 11.3.1. Provide the patient with a billing statement that
 - 11.3.1.1. Indicates the amount the patient owes as a qualifying patient, and
 - 11.3.1.2. Shows or describes the AGB for the care provided and how Wayne General Hospital determined the amount the patient owes as a qualifying patient;
 - 11.3.2. Refund any excess payments made by the patient; and
 - 11.3.3. Take all reasonably available measures to reverse any ECAs (with the

exception of a sale of debt, if any) taken against the patient to collect the debt at issue.

12. If a patient submits an incomplete FAP application for financial assistance within two hundred and forty (240) days after the first post-discharge billing statement for the care, Wayne General Hospital shall provide the patient with information relevant to completing the FAP application and providing required supporting documentation in a timely manner.

12.1. Wayne General Hospital shall provide the patient with a written notice that describes the additional information or documentation that patient must submit to complete his or her FAP application and include contact information (telephone and physical location) for the Patient Financial Services Department.

12.1.1. Wayne General Hospital shall suspend any ECAs against the patient until the completion deadline has passed without the patient having completed the FAP application.

12.1.2. If an individual who has submitted an incomplete FAP application during the application period subsequently completes the FAP application during such period or within a reasonable timeframe given to respond to requests for additional information and/or documentation, the individual will be considered to have submitted a complete FAP application during the application period and the provisions for handling complete FAP applications shall then apply.

13. Any written notice or communication required herein may be provided

13.1. on a billing statement or along with other descriptive or explanatory matter, provided that the required information is conspicuously placed and of sufficient size to be clearly readable or

13.2. Electronically (for example, by e-mail) to any individual who indicates he or she prefers to receive the written notice or communications.

Billing and Collections

14. Wayne General Hospital has a separate Billing and Collections policy which outlines the actions Hospital may take in the event of nonpayment.

14.1. A copy of the Billing and Collections policy may be obtained free of charge by visiting Wayne General Hospital's website, www.waynegeneralhospital.org, or by calling Financial Services 601-735-5151.