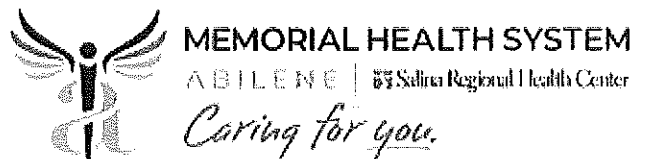


**Title:** Financial Assistance  
**Number:** 40-8260-2003-PR  
**Date:** 05/15



## **Purpose**

The purpose of this policy is to further Memorial Health System's mission in meeting community need through the provision of financial assistance for medically necessary health care in a fair, consistent, respectful and objective manner to low-income patients whether they are uninsured or under-insured.

## **Scope**

This policy shall apply to all insured/under-insured/uninsured patients.

## **References**

- 40-8260-2003-PO – Financial Assistance

## **Procedure**

### **Notice of Financial Assistance Policy:**

1. Memorial Health System will post its Financial Assistance Policy (FAP) along with a summary of MHS's FAP in the emergency department, outpatient waiting room, and registration area and on [www.mhsk.org](http://www.mhsk.org) in a downloadable printable user-friendly format along with the financial assistance application. The FAP summary will be included in inpatient packets.
2. At the earliest feasible time, Memorial Health System personnel will attempt to determine whether a patient has third-party coverage for any part of their hospital bill.
3. The request for financial assistance may originate from the patient, family member or friend of the family, as well as from any employee of Memorial Health System or member of the medical staff.
4. MHS communications both verbal and written to patients/guarantors will include mention of our financial assistance policy during the timely notification period of 120-days since the date of patient/guarantor first statement. Should the patient/guarantor submit a completed MHS Financial Assistance application within notification period the notification period will be considered met.

### **Eligibility Criteria for Financial Assistance:**

1. General – In general, Patients who's Annual Family Income does not exceed 300% of the FPG, who meet the other criteria set forth in this Policy.
2. Geographic Requirement – Only patients who are legal residents of Dickinson County, Kansas are eligible for assistance under this Policy. MHS reserves the right to request proof of legal residency from patient applying for financial assistance.
3. Exceptional Medical Circumstances – A patient may qualify for MHS financial assistance under exceptional circumstances. If the patient supplies information to support exceptional medical circumstances (i.e. terminal illness, excessive medical bills and/or medications, etc.) they will be considered for assistance if 100% of the patient-responsibility equal or are greater than 25% of their Annual Family Income. All requests for exceptional circumstance review must be directed to Patient Financial Services for review by the Revenue Cycle Director and/or CFO.

### **Method of Applying for Financial Assistance:**

1. To be eligible for financial assistance under this Policy, individuals must apply for financial assistance by submitting a completed MHS Financial Assistance Application with requested documentation and

cooperate with MHS and its staff in determining whether the patient is eligible for any other benefits or if the individual is eligible for assistance under this policy.

2. Proof of income and financial documentation will be required based on the patient's Annual Family Income at the time of service. Annual Family Income determination should be based on the three-month period immediately preceding the date of service on the application, past year's Federal Income Tax Return, and bank statements for all family members for two months immediately preceding the date of service.
3. Should the guarantor wish for their outstanding medical bills to be considered in the financial assistance determination they must include the most current medical bills with their application and other documentation.
4. MHS Patient Account Representatives may assist patient/guarantor in completing the Financial Assistance Application and answer questions the patient/guarantor may have regarding same.
5. Once Financial Assistance Application has been given/sent to the patient/guarantor they will have 14 days to return completed and signed application along with required documentation to MHS Patient Financial Services at 511 NE 10th St., Abilene KS 67410.

#### **Evaluation of Consideration for Financial Assistance:**

1. MHS patient account representative or MHS staff will proceed through the following hierarchy in an effort to secure the best evidence available from the patient or guarantor (responsible party) at the time of their encounter:
  - a. A completed Financial Assistance application inclusive of the patient or guarantor's signature with the following hard copy documentation
  - b. Past three months of pay stubs/records for each employed member of the family.
  - c. All bank statements (including checking, savings, etc.) for each Family member holding such accounts.
  - d. Past year's Federal Income Tax Return.
  - e. If there is a discrepancy with the information that was provided from the patient, a hospital representative may request additional information to support the document.
2. Completed and signed Financial Assistance application will be forwarded to the PFS Director once all documentation has been received for evaluation and processing.
3. Following determination of financial assistance a letter will be sent to patient/guarantor notifying them of the determination of financial assistance.

#### **Calculation of Financial Assistance:**

1. Uninsured patients--when financial assistance is awarded at less than 100% your bill will be discounted to MHS's current Medicare payment amount for each service received (AGB). The qualifying level of financial assistance is applied to charges after the AGB discount has been applied.
2. Under-insured patients--when financial assistance is awarded at less than 100% the qualifying level of financial assistance is applied to current self-pay balance.
3. Financial Assistance employs a sliding scale discount that takes into consideration a patient's household income and assets. The patient must establish through completion of the Financial Assistance Application and submission of required documentation that the patient's household income is below 300% Federal Poverty Level (FPL). The discount provided per FPL income is provided below.

Income as Percent of Federal Poverty Guideline	Percent of Assistance Discount
0 – 200%	100%
201-250%	50%
251-300%	25%

4. Nothing in this policy shall prohibit Memorial Health System from offering reduced (as provided in the paragraph below) or more favorable financial assistance to a patient based upon circumstances, including, without limitation, the patient's or his/her household's net worth, likelihood of the patient's future household earnings being sufficient to meet healthcare-related obligations within a reasonable time, the patient's or the responsible party's other reasonable financial obligations, evaluation of the patient's health services history and the patient's need for future services whether an account is discharged in bankruptcy, whether an account is for a deceased person having no estate or other means of payment and whether there exists other sources of payment.
5. Memorial Health System reserves the right to grant financial assistance discounts in extraordinary circumstances to patients who do not meet the guidelines stated above. It is also recognized by the parties that there is a very small percent of the uninsured patient population which have very substantial assets and could easily afford to pay for health care, but who, because of having tax exempt income or otherwise, will not have income reflected on a tax return or otherwise. To address these limited and extraordinary situations, Memorial Health System reserves the right to exempt these individuals from financial assistance.
6. Collection/legal action may be used to collect amounts due if the responsible party refuses to cooperate in the financial assistance determination process or make and follow suitable payment arrangements. In addition, collection/legal action may be used to collect amounts due that remain after financial assistance determinations have been made and the responsible person fails to make and follow suitable payment arrangements. Legal action may be taken to attach wages when it is believed that there is sufficient income to pay the amount due. Memorial Hospital Patient Financial Services Director must give authority for such legal action.

#### Approval

  
 Kandi Robinson  
 Revenue Cycle Director

  
 Kimberly Haverly  
 CEO