Financial Assistance for EMHS Hospital Services Policy (FAP)

DEFINITIONS

AGB – Amount Generally Billed: the amount generally billed for emergency or other medically necessary care to individuals who have insurance covering such care. EMHS calculates the AGB annually for each of its member hospitals. EMHS uses the "look-back method" to calculate AGB. Under the look-back method, EMHS takes the total payments the hospital received from all commercial plans and Medicare during the hospital's prior fiscal year and then divides this number by the total hospital charges to these commercial plans and Medicare during this prior year. To request a free written description of how EMHS calculates the AGB or to find out the actual AGB for a particular EMHS hospital please contact (207) 973-6473 or (207) 973-4483 or on the web at http://emhs.org/Billing-Help.aspx

Application Period: The period during which EMHS must accept and process a Financial Assistance Application. The Application Period begins on the date the care is provided by EMHS to an individual and ends no earlier than the 240th day after the date the first post-discharge billing statement for the care is provided.

Elective Cosmetic Surgery: CMS Medicare Hospital Manual, Section 250.11. Cosmetic surgery includes any surgical procedure directed at improving appearance, except when required for the prompt (i.e., as soon as medically feasible) repair of accidental injury or for improvement of functioning of malformed body member.

Extraordinary Collection Actions (ECAs):
The following actions taken against an individual, or against any other individual who has accepted or is required to accept responsibility for the individual's hospital bill for the care, related to obtaining payment of a bill for care covered under the FAP: (i) selling an individual's debt to another party; (ii) reporting adverse information about the individual to consumer credit reporting agencies or credit bureaus; and (iii) actions that require a legal or judicial process or (e.g., placing a lien on an individual's property, foreclosing on an individual's property, garnishing an individual's wages).
ECAs **do not include** placing hospital liens on a patient's property to obtain the proceeds of settlements, judgments, or compromises arising from a patient's suit against a third party who caused the patient's injuries.
ECAs also **do not include** a hospital's sale of an individual's debt to another party if, prior to the sale; the hospital enters into a legally binding written agreement with the purchaser of the debt containing four conditions:

1. the purchaser of the debt must agree not to engage in any ECAs to obtain payment of the debt;
2. the purchaser of the debt must agree not to charge interest on the debt in excess of the rate in effect under Section 6621(a)(2) at the time the debt is sold (or such other interest rate set by notice or other guidance published in the Internal Revenue Bulletin);
3. the debt must be returnable or recallable by the hospital upon a determination by the hospital or the purchaser that the individual is FAP-eligible; and

4. if the individual is determined to be FAP-eligible and the debt is not returned to or recalled by the hospital, the purchaser must 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 the individual is personally responsible for paying as an FAP-eligible individual.

ECAs also **do not include** the filing of a claim in a bankruptcy proceeding.

Emergency Care:

- An individual presents at the Emergency Department ("ED") and a request is made for examination or treatment for any medical condition; or
- The patient is treated at a department or practice that is held out to the public (by name, posted signs, advertising, or other means) as a place that provides care for emergency medical conditions on an urgent basis without requiring a previously scheduled appointment (e.g., an urgent care center, off-campus Labor and Delivery suite, etc.).

Family: A family is a group of two or more persons related by birth, marriage, or adoption who reside together and among whom there are legal responsibilities for support; all such related persons are considered as one family.

Family Income: Gross wages, salaries, dividends, interest, Social Security benefits, workers' compensation, veterans' benefits, training stipends, military allotments, regular support from family members not living in the household, government pensions, private pensions, any insurance income and annuity payments, income from rents, royalties, estates and trusts. All forms of self-employment income are included.

Federal Poverty Level (FPL): The Federal Poverty Income guideline as determined by the United States Department of Health and Human Services and published in the Federal Register.

Financial Assistance Application: Application completed in accordance with the process set forth in Section III of this Policy. A link to access the Financial Assistance Application is located above this Policy as an external link.

Gross Charges: A hospital's full, established price for medical care that the hospital consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions.

Medically Necessary Care: Medical services or supplies which:

1. Are ordered by a physician and appropriate and necessary for the symptoms, diagnosis, or treatment of the medical or mental health condition;
2. Are provided for the diagnosis or direct care and treatment of the medical or mental health condition;
3. Meet the standards of good medical practice within the medical and mental health community in the service area;
4. Are not primarily for the convenience of the patient or a provider; and
5. Is the most appropriate level or supply of service which can safely be provided or, when necessary, as determined by utilization process review.

Multiple Family Household: If a household includes more than one family and/or more than one unrelated individual, the income guidelines are applied separately to each family and/or unrelated individual, and not to the household as a whole.

PURPOSE

This Policy addresses free care and discounted prices and supports Eastern Maine Healthcare Systems' commitment to provide access to affordable, high quality healthcare in a fiscally responsible manner. The provision for financial assistance is consistent, appropriate and essential to fulfill our mission, vision and values.

POLICY

In order to promote the health and well-being of the communities served, uninsured or under insured individuals with limited financial resources who do not qualify for various entitlement programs shall be eligible to apply for free or discounted health care based on established criteria as outlined in this Policy. The intent is to assure that financial assistance is made available to those who are in need and least able to pay.

I. LIMITATIONS:

A. This policy applies to:
1. Maine Residents receiving Emergency and other Medically Necessary Care as determined by the clinical judgment of the provider without regard to the financial status of the patient, and who meet the requirements outlined below.
2. Non-Maine Residents seeking Emergency Care and who meet the requirements outlined below.

B. Financial Assistance does not:
1. Provide health insurance
2. Act as a substitute or supplement for health insurance
3. Guarantee benefits
4. Cover non-EMHS medical care providers
5. Preclude minimum co-payments required by regulation or for clinical reasons (e.g. batterer's intervention program; narcotics treatment program)
6. Cover elective Cosmetic Surgery

II. ELIGIBILITY FOR FREE OR DISCOUNTED CARE:

A. Financial assistance for Medically Necessary Care is available to:
Maine Residents who:
- have no health insurance coverage or have coverage that pays only part of the bill;

and
- Meet the income criteria set forth below.

B. Financial assistance for Emergency Care is available to:
Maine Residents and non-Maine Residents who:

- have no health insurance coverage or have coverage that pays only part of the bill;

  and
- Meet the income criteria set forth below.

EMHS hospitals provide 100% financial assistance/free care based on criteria as defined below:

- Gross income is below 150% of the FPL, subject to approval
- Patient is a resident of Maine
- Non Maine resident seeking emergency care
- For services or supplies that are a Medical Necessity
- All Third Party Payer sources have been exhausted

- EMHS hospitals provide partial free care (at least the greater of 50% or the EMHS Hospital's AGB Discount for approved charges) based on the criteria as defined below:
  - Gross income is 150 – 250% of the FPL
  - Patient is a resident of Maine
  - Non-Maine resident seeking emergency care
  - For services or supplies that are a Medical Necessity
  - All Third Party Payer sources have been exhausted

C. No individual eligible for financial assistance will be charged more for emergency or otherwise medically necessary care than the calculated AGB.

PROCEDURE

I. IDENTIFICATION OF POTENTIALLY ELIGIBLE PATIENTS

A. When possible, prior to the service date of the patient, the EMHS Hospital will conduct a pre-admission interview with the patient, the guarantor, and/or his/her legal representative. If a pre-admission interview is not possible, this interview should be conducted at time of service or as soon as possible thereafter. In the case of an emergency admission, the EMHS evaluation of payment alternatives should not take place until the required medical care has been provided. At the time of the initial patient interview, the following information should be gathered:

1. Routine and comprehensive demographic data; and
2. Complete information regarding all existing third party coverage.

B. All patients will be offered the opportunity to apply for financial assistance. When a patient requests financial assistance after leaving the facility, a Patient Account Representative will mail a Financial Assistance Application to the patient/guardian for completion.

C. Identification of potentially eligible patients can take place at any time during the Application Period.

D. Financial counselors are generally available during regular business hours to provide the following services:

1. Identify possible payment sources such as accident liability insurance or COBRA.
2. Screen patients for possible coverage under state, federal, or local assistance programs, including hospital free care.
3. Assist patients in applying for federal or state sponsored health insurance and free care programs.
4. Discuss any financial questions.
5. Establish payment arrangements.
6. Provide price estimates.
7. Provide patients with an itemized bill upon request.

E. The EMHS Hospital may rely on information obtained from other sources to determine whether the individual is eligible for assistance.

II. MEASURES TO WIDELY PUBLICIZE THE FINANCIAL ASSISTANCE POLICY IN THE COMMUNITY

EMHS and its Member Organizations will comply with all applicable laws, rules and regulations regarding notification to patients regarding financial assistance, including the following:

A. Posted signs and individual notices containing information on the availability of free care or financial assistance are located in key public areas of the hospital, including but not limited to the following: Central Registration/Patient Access, Emergency Room waiting area, Clinic locations, hospital-employed physician practice waiting rooms, financial counselor locations and the Business Office.

B. Paper copies of this Policy, the Financial Assistance Application, and the plain language summary will be available at the locations listed in (A) above, and will be offered to patients as part of the intake or discharge process.

C. Information, such as brochures, will be included in patient services/information folders and/or at patient intake areas and upon request via phone, internet or in person.

D. A conspicuous notice regarding the availability of financial assistance, including the telephone number of the hospital office or department that can provide information about this Policy and the Financial Assistance Application process, and the URL or web address where copies of this Policy, the Financial Assistance Application, and plain language summary can be found, will be included on all billing statements.

E. All public information and/or forms regarding the provision of financial assistance, including, but not limited to, this Policy, the Financial Assistance Application, and the plain language summary of the Policy, will use languages that are appropriate for the facility's service area. If there are primary languages other than English spoken by the lesser of 1,000 people or 5% of the community served by the hospital, public information, forms and/or signage will be provided in those other languages.

F. The Financial Assistance Application, instructions, and plain language summary may be accessed via http://emhs.org/Billing-Help.aspx.

G. EMHS will make a reasonable effort to orally notify an individual about the hospital's Financial Assistance Policy and about how to obtain assistance with the Financial Assistance Application process at least 30 days prior to the initiation of ECAs against the individual

H. If at any time during the Application Period the patient expresses an inability to pay, the patient will be informed of the availability of financial assistance and will be provided a Financial Assistance Application. The Financial Assistance Application, and instructions may be accessed via www.emhs.org/Billing-Help.aspx

III. METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE

A. The patient should receive and complete a written Financial Assistance Application and provide all supporting data/documents required to verify eligibility. The types of data/documents that are required in support of the Financial Assistance Application are listed in the Financial Assistance Application instructions.

B. Presumptive Eligibility – A determination where a patient is presumed eligible for financial assistance based on financial and historical qualifiers:

1. Individual is eligible for certain state programs, i.e., SNAP, TANF
2. Individual is currently eligible for Medicaid, but was not at the date of service;
3. Individual is homeless;
4. Individual is deceased and has no known estate able to pay hospital debts;
5. Individual is eligible by the State to receive assistance under the Violent Crimes Victims Compensation Act or the Sexual Assault Victims Compensation Act;

C. The Financial Assistance Application will serve as the record reflecting approval or denial of financial assistance.

D. Individuals can contact any Member Organization for more information about the Financial Assistance Application process and for assistance with the Financial Assistance Application. A list of member organizations and the contact information is included in Appendix A.

E. Patients seeking Emergency Medical Care: EMHS Hospitals will provide, without discrimination, care for emergency medical conditions (within the meaning of section 1867 of the Social Security Act (42 U.S.C 1395dd)) to individuals regardless of their eligibility for assistance under this Policy and as required under the Emergency Medical Treatment and Active Labor Act ("EMTALA"). EMHS Hospitals will not engage in activities that discourage individuals from seeking emergency medical care, such as by demanding patients pay before receiving treatment for emergency medical conditions or by permitting debt collection activities that interfere with the provision, without discrimination, of emergency medical care.

IV. EXTRAORDINARY COLLECTION ACTIONS (ECAs)

A. General Requirements Prior to Initiating ECAS

EMHS hospitals may not initiate any ECA for at least 120 days from the date that the EMHS hospital provides the first post-discharge billing statement for the care and until the individual has been notified of the FAP. Additionally, before engaging in ECAs against an individual, EMHS hospitals must make reasonable efforts to determine whether an individual is eligible for financial assistance under the FAP in accordance with **Section 1** below. ECAs may not be engaged in if the patient has made a satisfactory payment arrangement with the hospital. Finally, prior to commencing any ECA, the CFO or their designee must determine that the hospital has made reasonable efforts to determine whether an individual is FAP-eligible and has otherwise complied with this policy. No ECA may be commenced prior to such determination by the CFO or their designee.

1. Reasonable Efforts

An EMHS hospital will be deemed to have made reasonable efforts to determine whether an individual is eligible for financial assistance under the FAP if the EMHS hospital either: (i) determines the individual meets the requirements for a presumptive eligibility determination; or (ii) provides adequate notice to the individual about the FAP and processes any FAP application submitted by the individual (whether the application is complete or incomplete) in accordance with the following procedures.

a. To make a presumptive eligibility determination, the hospital must determine that the individual is eligible for financial assistance based on information other than that provided by the individual or based on a prior FAP-eligibility determination. If the individual is presumptively determined to be eligible for less than the most generous assistance available under the FAP, the hospital must:
   i. Notify the individual of the basis for the determination and how to apply for more generous assistance under the FAP;
   ii. Give the individual a reasonable period of time to apply for more generous assistance before initiating an ECA; and
   iii. If the individual submits a complete FAP application seeking more generous assistance within the Application Period, take the steps described in **Section 3** below.

b. In order to provide adequate notice to an individual about the FAP, EMHS hospitals must do all of the following:
   i. Notify the individual about the FAP in **all** of the following ways, at least 30 days prior to initiating one or more ECAs:
      1. Provide the individual with a written notice that indicates financial assistance is available for eligible individuals, identifies the ECAs that the EMHS hospital intends to use to obtain payment, and states a deadline after which ECAs may be initiated, which deadline is no earlier than 30 days after the date the written notice is provided.
      2. Enclose a plain language summary of the FAP with the written notice.

3. Make a reasonable effort to orally notify the individual about the FAP and how the individual may obtain assistance with the FAP process.

ii. If the individual submits an **incomplete** FAP application during the Application Period, the EMHS hospital will take the following additional steps outlined in **Section 2** below.

iii. If the individual submits a **complete** FAP application during the Application Period, the EMHS hospital will take the following additional steps outlined in **Section 3** below.

2. Additional Procedures if an Incomplete FAP Application is Submitted

a. In addition to complying with the notice requirements described in **Section 1** above, EMHS hospitals must provide individuals who submit an incomplete FAP application during the Application Period with notice about how to complete the FAP application and a reasonable opportunity to do so. In order to satisfy these requirements, EMHS hospitals must do all of the following:

i. Not initiate, or take further action on previously initiated, ECAs.

ii. Provide the individual with a written notice that contains the following information:

- Description of the information and/or documentation under the FAP or FAP application form that must be submitted to complete the FAP application.
- Contact information, including telephone number and physical location, of: (i) the hospital office or department that can provide information about the FAP; and (ii) either (a) the hospital office or department that can provide assistance with the FAP application process, or (b) at least one nonprofit organization or government agency that the hospital has identified as an available source of assistance with FAP applications.

b. If the individual subsequently submits a complete FAP application during the Application Period, EMHS hospitals must follow the procedures set forth in **Section 3** below.

3. Additional Procedures if a Complete FAP Application is Submitted

a. In addition to complying with the notice requirements described in **Section 1** above, EMHS hospitals must do all of the following with respect to an individual who submits a complete FAP application during the Application Period:

i. Not initiate, or take further action on previously initiated, ECAs.

ii. Make a determination as to whether the individual is eligible for financial assistance under the FAP. If the individual is determined to be eligible for financial assistance, the EMHS hospital must also take the steps listed in **Section 3.b.** below.

iii. Notify the individual of the eligibility determination in writing, including the assistance for which the individual is eligible (if any) and the basis for the eligibility determination.

b. If the individual is determined to be eligible for financial assistance under the FAP, the EMHS hospital must take the following additional steps:

i. Refund any amounts paid for the care that exceeds the amount the individual is determined to be responsible for paying for as a FAP-eligible individual, unless the amount of the refund would be less than $5.00. Refunds are **only** for payments for the episode(s) of care to which an individual's FAP application relates.
ii. Take all reasonable measures to reverse any ECA taken against the individual to obtain payment for the care (e.g., vacate any judgment, discharge any lien or levy, and remove any adverse information from a credit report).
iii. If the individual is eligible for financial assistance other than free care, provide the individual with a billing statement that indicates: (i) the amount the individual owes for the care as an FAP-eligible individual; (ii) how that amount was determined; and (iii) the AGB for the care.

V. LIST OF PROVIDERS DELIVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE

The EMHS Financial Assistance Provider List, found at http://emhs.org/Billing-Help.aspx, contains a list of the providers at each EMHS Member Organization who provide Emergency Care and/or Medically Necessary Care and specifies which of these providers are covered by this Policy. EMHS regularly updates its provider list in an effort to ensure the list remains accurate and up-to-date. However, there may be times when this list has not been updated to include a new provider or to reflect a change in a provider's status as covered or not covered by this Policy. EMHS recommends that individuals consult with an EMHS financial counselor whenever possible to confirm whether information about a particular provider is accurately reflected.

VI. FINANCIAL ASSISTANCE APPLICATIONS COMPLETED FOR OTHER EMHS MEMBER ORGANIZATIONS

All EMHS Hospitals will honor the approved application from an alternate EMHS Affiliate for the duration of the active coverage.

VII. MONITORING AND REPORTING

A. A FINANCIAL ASSISTANCE application log from which periodic reports can be generated shall be maintained aside from any other required financial statements.

B. FINANCIAL ASSISTANCE activity will be reported to the community annually, based on estimated costs of the services.