

SUBJECT: FINANCIAL ASSISTANCE

I. POLICY:

Mercy Hospital, Inc. is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program or otherwise unable to pay for emergency and medically necessary care based on their individual financial situation. Mercy Hospital, Inc. strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

- A. Mercy Hospital's Financial Assistance Program considers and individual's personal household income and is based on the Federal Poverty Level (FPL) and updated annually (Included as Appendix B)
- B. Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Mercy Hospital's procedures for obtaining financial assistance or other forms of payment and to contribute to the cost of their care base on their individual ability to pay.
- C. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health and for the protection of their individual assets.
- D. Financial Assistance is secondary to all other financial resources available to the patient, and shall only be available once all other payers and resources have been considered.
- E. Financial assistance will not be applicable to patient-elected services. Examples of patient elected services include: Respite care and self-referred testing.

Financial assistance will not be applicable to services provided by providers that are not employed by the Hospital. The primary physician group serving all Hospital patients is Partners in Family Care. The Physician charges are billed by Partners in Family Care separately from the charges for the Hospital Facility. Partners in Family Care is not bound by this policy and any payment arrangements or discounts for their charges will need to be negotiated directly with them. A more complete listing of providers covered and not-covered under this financial assistance policy is offered as Appendix C to this policy.

In order to manage its resources responsibly and to allow Mercy Hospital, Inc. to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors established the following guidelines for the provision of patient financial assistance.

II. DEFINITIONS:

For the purpose of this policy the terms below are defined as follows:

Charges:

The basis for calculating charges is the Mercy Hospital, Inc. charge master.

Federal Poverty Level:

Poverty thresholds that are issued each year in the federal register by the Department of Health and Human Services (HHS). <http://aspe.hhs.gov/poverty>

Financial Assistance:

Healthcare services that have or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

Family:

Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependant for purposes of the provision of financial assistance.

Family Income:

Family income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- Includes earnings, unemployment compensation, workers' compensation, social security, supplemental security income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and other miscellaneous sources;
- Non-cash benefits (such as food stamps and housing subsidies) do not count;
- Determined on a before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members. (Non-relatives, such as house-mates, do not count.)

Guarantor:

Refers to the person financially responsible for a patient's account balance(s).

Medically Necessary Services:

Inpatient or outpatient healthcare services provided for the purpose of evaluation, diagnoses, and/or treatment of an injury, illness, disease or its symptoms, which if left untreated would pose a threat to the patient's ongoing health status.

Uninsured:

The patient has no level of insurance or third-party assistance to assist with meeting his/her payment obligations.

Underinsured:

The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

III. PROCEDURE:

A. Services Eligible Under This Policy:

For purposes of this policy, “financial assistance” refers to healthcare services provided without charge to qualifying patients. The following healthcare services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which if not promptly treated would lead to an adverse change in the health status of an individual;
3. Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
4. Medically necessary services, evaluated on a case-by-case basis at Mercy Hospital’s discretion.

B. Eligibility for Financial Assistance:

Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government healthcare benefit program and who are unable to pay for their care, based upon a determination of financial need in accordance with this policy.

The determination of financial assistance shall be provided consistently to all patients based on an individualized determination of financial need, regardless of age, gender, race, social or immigration status, sexual orientation or religious affiliation.

C. Determination of Financial Need:

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may:
 - i. Include an application process in which the patient or patient’s guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
 - ii. Include reasonable efforts by Mercy Hospital, Inc. to explore appropriate alternative sources of payment and

- coverage from public and private payment programs and to assist patients to apply for such programs;
- iii. Take into account the patient's available assets and all other financial resources available to the patient; and
 - iv. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred but not required that a request for financial assistance and a determination of financial need occurs prior to rendering of services. However, the determination may be done at any point in the collection cycle.
 3. The need for payment assistance shall be re-evaluated at each subsequent time of service if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.
 4. Mercy Hospital's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of financial assistance.
 5. Requests for financial assistance shall be processed promptly and Mercy Hospital, Inc. shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

D. Presumptive Financial Assistance Eligibility:

There are instances when a patient may appear eligible for financial assistance but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources which could provide sufficient evidence to provide the patient with financial assistance.

1. In the event there is no evidence to support a patient's eligibility for financial assistance, Mercy Hospital, Inc. could use outside agencies in determining estimate income amounts for the basis of determining financial assistance eligibility and potential discount amounts.
2. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:
 - i. State-funded prescription programs;
 - ii. Homeless or received care from a homeless clinic;
 - iii. Participation in Women, Infants, and Children programs (WIC);
 - iv. Food stamp eligibility;
 - v. Subsidized school lunch program eligibility;
 - vi. Eligibility for other state or local assistance programs that are unfunded (e.g. Medicaid spend-down);

- vii. Low income/subsidized housing is provided as a valid address; and
- viii. Patient is deceased with no known estate.

E. Patient Financial Assistance Guidelines:

1. Services eligible under this policy will be subject to the Attachment B: Financial Assistance Guidelines, as determined in the reference to the Federal Poverty Levels (FPL) in effect at the time of the determination. Any patient or guarantor who can reasonably demonstrate that their household income falls below 150% of the FPL shall receive 100% financial assistance, and shall not be personally responsible for any portion the billed amount.
2. No person eligible for financial assistance under this policy will be charged more for emergency or medically-necessary care than amounts generally billed (AGB) to individuals who have insurance coverage for such care.
3. **Mercy Hospital Uses the prospective Medicare method to determine the amounts generally billed.**
4. Mercy Hospital has established the following chain of authority for granting financial assistance determinations, based on outstanding patient balance at the time of the determination:

\$0 - \$1500	Business Office Manager
\$1500 - \$5000	CFO
\$5000 - \$10,000	Administrator
\$10,000+	Board of Directors

F. Communication of The Financial Assistance Program to Patients and The Public:

1. Notification about financial assistance available from Mercy Hospital, Inc., which shall include a contact number, shall be disseminated by Mercy Hospital, Inc. by various means, which may include, but are not limited to:
 - i. The publication of notices in patient bills and by
 - ii. posting notices in emergency rooms, registration, patient financial services and at other public places as Mercy Hospital, Inc. may elect.
2. Information shall also be included on the facility web site and in the Conditions of Admission form.
3. Referral of patients for financial assistance may be made by any member of the Mercy Hospital, Inc. staff or medical staff, including

physicians, nurses, financial services staff, social worker and case manager.

4. A request for financial assistance may be made by the patient or a family member, close friend or associate of the patient, subject to applicable privacy laws.

G. Relationship to Collection Policies:

1. Mercy Hospital, Inc. management shall develop policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for financial assistance from Mercy Hospital, Inc. and a patient's good faith effort to comply with his or her payment agreement with Mercy Hospital, Inc.
2. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their hospital bills, Mercy Hospital, Inc. may offer extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences, will not send unpaid bills to outside collection agencies and will cease all collection efforts.

IV. REGULATORY REQUIREMENTS:

In implementing this policy, Mercy Hospital, Inc. management and facilities shall comply with all other federal, state and local laws, rules and regulations that may apply to activities conducted pursuant to the policy.

V. TRANSLATIONS:

This policy and all accompanying documentation and forms have been made available in the following languages, based on the population of Mercy Hospital's service area:

- Spanish

Cross References:

Attachment A: Financial Assistance Application
Attachment B: Financial Assistance Guidelines
Attachment C: Covered and Non-Covered Provider List

Mercy Hospital, Inc.
 P.O. BOX 180
 218 East Pack
 Moundridge, Kansas 67107
 620-345-6391
 Financial Assistance Application

Applicant's Name _____
 Address _____ City _____ State _____ Zip code _____
 Telephone # _____ SS # _____ DOB _____
 Patient's Name _____ Patient Account # (s) _____
 Address _____ City _____ State _____ Zip code _____
 Telephone # _____ SS # _____ DOB _____
 Employer _____ Position _____ How Long? _____
 Address _____ City _____ State _____ Zip code _____
 Telephone # _____
 Spouse's Name _____ SS # _____ DOB _____
 Spouse's Employer _____ Position _____ How Long? _____
 Address _____ City _____ State _____ Zip code _____
 Telephone # _____

Number of family members _____ (Including you, your spouse, your children and any one residing with you that you support. Also students, regardless of their residence, who are supported by their parents or others related by birth, marriage or adoption are considered to be residing with those who support them).

INCOME: LIST INCOME FOR YOUR FAMILY FROM:

	Gross Income Last 6 Months	Gross Income Last 12 Months
Wages	_____	_____
Public & Emergency Assistance	_____	_____
Social Security	_____	_____
Unemployment Compensation	_____	_____
Worker's Compensation	_____	_____
Farm or Self Employment	_____	_____
Strike Benefits	_____	_____
Alimony	_____	_____
Child Support	_____	_____
Military Family Allotments	_____	_____
Pensions	_____	_____
Income from Dividends, Interest	_____	_____
Rental Property	_____	_____
Other	_____	_____
Total	_____	_____

Please attach proof of income (copies of check stubs, W-2 forms, Income Tax Return, etc.)

I hereby request that Mercy Hospital, Inc. make a written determination of my eligibility for financial assistance. I certify the above information is true and correct. I understand that the information I submit concerning my income and family size is subject to verification by Mercy Hospital, Inc. and hereby authorize them to do so. I further authorize the employers/institutions to release such information. I also understand that if the information I submit is determined to be false, such a determination will result in denial of providing financial assistance and that I will be liable for charges of services provided.

Signature _____

Date _____

Federal Poverty Guidelines
Effective January 17, 2020

Size of Family	Government Poverty Level	0% - 150%	150% +
1	\$12,760	\$0 - \$19,140	\$19,140 +
2	\$17,240	\$0 - \$25,860	\$25,860 +
3	\$21,720	\$0 - \$32,580	\$32,580 +
4	\$26,200	\$0 - \$39,300	\$39,300 +
5	\$30,680	\$0 - \$46,020	\$46,020 +
6	\$35,160	\$0 - \$52,740	\$52,740 +
7	\$39,640	\$0 - \$59,460	\$59,460 +
8	\$44,120	\$0 - \$66,180	\$66,180 +
**			
Percentage of Write-Off		100%	0%

** For families with more than eight (8) members, add \$4,480 for each additional member to the base government poverty level (Poverty Guidelines)



**FINANCIAL ASSISTANCE POLICY-
COVERED AND NON-COVERED PROVIDER LISTING**

The following list details providers of medical care, whose services are either covered or not covered by the financial assistance policy of Mercy Hospital Inc. This list is updated quarterly, and was last updated on: February 1, 2020.

COVERED PROVIDERS

- 1) Certified Registered Nurse Anesthetists from High Plains Nurse Anesthesia
- 2) Physical and Occupational Therapists from Rehab Visions
- 3) Leslie Copeland, SLP and Elizabeth Biggs, SLP, Speech Therapists
- 4) Registered Nurses Employed by Mercy Hospital Inc.

NON-COVERED PROVIDERS

- 1) All Providers from Partners in Family Care:
 - Dr. James Ratzlaff, MD
 - Dr. Kathryn Hayes, MD
 - Dr. Marla Ullom-Minnich, MD
 - Dr. Paul Ullom-Minnich, MD
 - Dr. G. Aron Fast, MD
 - Dr. Annie Fast, MD
 - Michelle Claassen, PA-C
 - Ashlee Pauls, PA-C
 - Seth Metzler, PA-C
- 2) General surgeon, Dr. John McEachern, MD
 - Shawna Johnson, A.R.N.P
- 3) Moundridge EMS and Harvey County (Hesston) EMS
- 4) Life-Save Air Ambulance
- 5) Pathologist, Dr. David McKenzie
- 6) Dr. James Cooper, MD
- 7) Pamela McCullough, DDS
- 8) Dr. Julie Moore, MD
- 9) Dr. David Wagner, MD

The above providers are part of independent private practices, and are not employed by Mercy Hospital Inc. or bound by its financial assistance policy. The above providers will bill for their services separately, and any financial assistance must be arranged directly with their office.