



*MercyOne Hospital Policy No.*

**Trinity Health Mirror Policy:**  
*Finance Policy No. 1*

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**EFFECTIVE DATE:** *April 24, 2024*

**POLICY TITLE:**

*Financial Assistance to Patients*

*To be reviewed every three years by:*  
*Ministry Board of Directors*

**REVIEW BY:** *April 24, 2027*

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**POLICY**

It is the policy of the MercyOne Ministry (and each Trinity Health Ministry) to address the need for Financial Assistance and support of patients for emergency and non-elective medically necessary services provided under applicable state or federal law. Eligibility for Financial Assistance and support from the Ministry is determined on an individual basis using detailed criteria along with evaluation and assessment of the patient's and/or family's health care needs, financial resources and obligations. MercyOne expects payment for services from individuals Able to Pay (as defined in this Policy).

**I. Eligibility Criteria for Financial Assistance**

Financial Assistance described in this section is provided to patients that reside in the Service Area (as defined in this Policy). Additionally, the Ministry will provide Financial Assistance to patients from outside their Service Area who qualify under the Ministry Financial Assistance Policy (FAP) and who present with an emergent or life-threatening condition and receive Emergency Medical Care.

MercyOne will provide Financial Assistance for services in a hospital facility (including services provided in the hospital facility by a substantially-related entity) and the Ministry will provide Financial Assistance for the following services:

- A. All Medically Necessary Care and Emergency Medical Care for
  - 1. self-pay patients who apply for and are determined to be eligible for Financial Assistance, and
  - 2. patients presumptively eligible for financial assistance.

- B. Certain payments due from patients with coverage from a payer/insurer with whom the Ministry participates/contracts as described in this Policy.

Emergency Medical Care services will be provided to all patients who present to the Ministry's hospital emergency department, regardless of the patient's ability to pay or source of payment. Such medical care will continue until the patient's condition has been stabilized, prior to any determination of payment arrangements.

The following services are not eligible for Financial Assistance from MercyOne:

- A. Cosmetic services and other elective procedures and services that are not Medically Necessary Care.
- B. Services not provided and billed by the Ministry (e.g., independent physician services, private duty nursing, ambulance transport, etc.).
- C. The Ministry may exclude services that are covered by an insurance program including services covered when provided at another provider location but are not covered at MercyOne Ministry hospitals; provided that federal Emergency Medical Treatment and Active Labor Act (EMTALA) obligations are satisfied.

The following patients are eligible for Financial Assistance from MercyOne:

- A. Uninsured Patients whose Family Income is at or below 200% of the Federal Poverty Level (FPL) will be eligible for a 100% discount on the charges for services received.
- B. Uninsured Patients and Insured Patients receiving services in states with higher Family Income discount percentages also will be eligible for a discount on the charges for services received.
- C. Uninsured Patients whose Family Income is above 200% of the FPL and does not exceed 400% of the FPL (or the higher % required by state law, if applicable) will be eligible for a discount on the charges for services received. A Patient eligible for this level of Financial Assistance will not be charged more than the calculated Amounts Generally Billed (AGB).
- D. Insured Patients whose Family Income is at or below 400% of the FPL will be eligible for Financial Assistance for co-pay, deductible, and co-insurance amounts provided that contractual arrangements with the patient's insurer do not prohibit providing such assistance.

Financial Assistance is also provided for medically indigent patients. A medically indigent patient is an insured patient who applies for Financial Assistance, and due to catastrophic circumstances medical expenses for an episode of care exceed 20% of Family Income. The amount in excess of 20% of Family Income (or the lower % required by state law, if applicable) will qualify the insured patient's co-pays, co-insurances, and deductibles for Financial Assistance. Discounts for medically indigent care for those who are uninsured will not be less than the Ministry's AGB for

the services provided or an amount to bring the patient's catastrophic medical expense to Family Income ratio back to 20%.

## **II. Basis for Calculating Amounts Charged to Patients**

Patients eligible for Financial Assistance will not be charged more than AGB for emergency and other medically necessary care. MercyOne uses a look-back method to calculate the AGB by dividing the sum of paid Medicare claims by the total of gross charges submitted, in accordance with Internal Revenue Code Section 501(r).

A copy of the AGB calculation description and percentage(s) may be obtained, free of charge, on the Ministry's website or by calling the Patient Business Services Center at 800-494-5797.

## **III. Method for Applying for Financial Assistance**

A patient may qualify for Financial Assistance by submitting a completed FAP Application, or through presumptive scoring eligibility. Eligibility is based on evaluation and assessment of the patient's and/or family's health care needs, financial resources and obligations on the date of service. A patient determined to be eligible will be eligible for financial assistance for six months from the first date of service for which the patient is determined to be eligible for financial assistance.

Eligibility for Financial Assistance requires the complete cooperation of the patient, during the application process, if applicable, including:

- A. Completion of the FAP Application, including submission of all required documents; and
- B. Participation in the application process for all available assistance, including but not limited to, governmental Financial Assistance and other programs.

The Ministry will make affirmative efforts to help patients apply for public and private programs for which they may qualify and that may assist them in obtaining and paying for health care services. The Ministry may consider offering Premium assistance for a limited period of time if a patient would otherwise be approved to receive Financial Assistance.

The Ministry will notify patients that submit an incomplete FAP Application and specify the additional information and/or documentation needed to complete the application process, which must be provided within 30 days.

The Ministry reserves the right to deny Financial Assistance if the FAP Application is not received within the Application Period.

Patients who want to apply for Financial Assistance may obtain a free copy of the FAP Application as follows:

- A. Request a copy of the FAP Application from Admissions, the Emergency Department, or a Financial Counselor at the location service was provided;

- B. Download and print the FAP Application from the Ministry's website;
- C. Submit a written request to the Patient Business Services Center at the current address posted on the website and included in notices and applications for the FAP; or
- D. Call the Patient Business Services Center at 800-494-5797 or the current phone number posted on the website and included in notices and applications for the FAP.

#### **IV. Eligibility Determinations**

MercyOne will utilize a predictive model to qualify patients for Financial Assistance presumptively. Presumptive eligibility for Financial Assistance may be determined at any point in the revenue cycle.

If a patient is determined not to be eligible for Financial Assistance or eligible for less than the most generous assistance available under the FAP, MercyOne will:

- A. Notify the patient regarding the basis for eligibility determination and how the patient may appeal or apply for more generous assistance available under the FAP;
- B. Provide the patient at least 30 days to appeal or apply for more generous assistance; and
- C. Process any complete FAP Application the patient submits by the end of the Application Period.

#### **V. Effective Communications**

The Ministry will post signs and display brochures that provide basic information about the Ministry's FAP in public locations in the Ministry. The Ministry will post the FAP, a plain language summary, and an application form on the Ministry's website and make the Ministry's FAP, plain language summary and application form available to patients upon request.

#### **VI. Billing and Collection Procedure**

The Ministry will implement billing and collection practices for the patient payment obligations that are fair, consistent and compliant with state and federal regulations. Actions MercyOne may take in the event of non-payment are described in a separate Billing and Collection Procedure. A copy of the Billing and Collection Procedure may be obtained, free of charge by calling the Patient Business Services Center at 800-494-5797 or by email request. MercyOne complies with 501(r) and applicable state law regarding prohibitions regarding extraordinary collection actions against individuals determined to be eligible for financial assistance. In addition, unless the individual is Able to Pay, MercyOne will not pursue legal action to collect a judgement, place a lien on an individual's property or report the individual to a credit bureau.

If a patient has made payments during the Application Period and prior to the determination of eligibility, MercyOne will refund amounts in excess of the amount of financial assistance for which the patient is determined to be eligible, unless such amount is less than \$5.00.

## **VII. List of Providers**

A list of the providers who are delivering Emergency Medical Care or Medically Necessary Care in the hospital facility that specifies which providers offer Financial Assistance, as described in the FAP, and those who do not, is maintained separately from this FAP. A copy of the Provider List may be obtained, free of charge, on the Ministry's website or by calling the Patient Business Services Center at 800-494-5797.

## **VIII. Other Discounts**

Patients who are not eligible for Financial Assistance, as described in this Policy, and who receive emergency or other medically necessary/non-elective care, may qualify for other types of assistance offered by the Ministry. The other types of assistance are not need-based and are not part of the Financial Assistance Policy and provided at the discretion of the Ministry.

## **SCOPE/APPLICABILITY**

This is a MercyOne Mirror Policy. Therefore, this Mirror Policy shall be adopted by each Ministry and Subsidiary within the System that provides or bills for hospital patient care. This Mirror Policy mirrors the provisions of Finance Policy 1, the MercyOne systemwide Financial Assistance Policy. MercyOne organizations that provide or bill for other types of patient care shall adopt a financial assistance Policy to meet the needs of the community served and that provides financial assistance to individuals who need financial assistance and support.

State law shall supersede the systemwide procedures and the Ministry shall act in conformance with applicable state law.

The Policy is intended to fulfill the Ministry's commitment to:

- Providing access to quality health care services with compassion, dignity and respect for those we serve, particularly the poor and the underserved in our communities.
- Caring for all persons, regardless of their ability to pay for services; and
- Assisting patients who cannot pay for part or all of the care that they receive.

The Ministry is a community of persons serving together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities. Aligned with our Core Values, in particular that of "Commitment To Those Experiencing Poverty," we provide care for persons who are in need and give special consideration to those who are most vulnerable, including those who are unable to pay and those whose limited means make it extremely difficult to meet the health care expenses incurred.

## **DEFINITIONS**

**Able to Pay** means

- a. An individual who has been determined ineligible for Medicaid through a Medicaid application screening process or who has received a State Medicaid Program denial for Medicaid benefits.
  - MercyOne does not require that an individual apply for Medicaid as a pre-requisite for Financial Assistance.
- b. An individual who has been determined ineligible for Financial Assistance after review of the Application.
- c. An individual who has not applied for financial assistance after the Financial Assistance Application Period expires.
- d. An individual who has refused to complete an Application or cooperate in the Financial Assistance Application process.

**Amounts Generally Billed (“AGB”)** means the amounts generally billed for emergency or other medically necessary care to patients who have insurance covering such care, the Ministry’s acute and physician AGB will be calculated utilizing the look back methodology of calculating the sum of paid Medicare claims divided by the total or “gross” charges for those claims by the System Office or Ministry annually using twelve months of paid claims with a 30 day lag from report date to the most recent discharge date.

**Application Period** begins the day that care is provided and ends the later of 240 days after that date or either --

- a. the end of the 30 day period that patients who qualified for less than the most generous assistance available based upon Presumptive Support status or prior FAP eligibility are provided to apply for more generous assistance.
- b. the deadline provided in a written notice after which ECAs may be initiated.

**Emergency Medical Care** as defined within Section 1867 of the Social Security Act. Patients seeking care for an emergency medical condition at a MercyOne hospital shall be treated without discrimination and without regard to a patient’s ability to pay for care. The Ministry shall operate in accordance with all federal and state requirements for emergency care, including screening, treatment, and transfer requirements under the federal Emergency Medical Treatment and Labor Act (EMTALA).

**Family Income** means a person’s Family Income includes the annual Income of all adult family members in the household from the prior 12 month period or the prior tax year as shown by recent pay stubs or income tax returns and other information. For patients under 18 years of age, Family Income includes that of the parents and/or stepparents, or caretaker relatives’ annual Income. Proof of earnings may be determined by annualizing the year-to-date Family Income, taking into consideration the current earnings rate.

**Financial Assistance** means support (charity, discounts, etc.) provided to patients for whom it would be a hardship to pay for the full cost of medically necessary services provided by MercyOne who meet the eligibility criteria for such assistance.

**Financial Assistance Policy (“FAP”)** means a written policy and procedure that meets the requirements described in §1.501(r)-4(b).

**Financial Assistance Policy Application (“FAP Application”)** means the information and accompanying documentation that a patient submits to apply for Financial Assistance under a Ministry’s FAP. The Ministry may obtain information from an individual in writing or orally (or a combination of both).

**Income** includes gross wages, salaries, salary and self-employment income, unemployment compensation, worker’s compensation, payments from Social Security, public assistance, veteran’s benefits, child support, alimony, educational assistance, survivor’s benefits, pensions, retirement income, regular insurance and annuity payments, income from estates and trusts, rents received, interest/dividends, and income from other miscellaneous sources.

**Medically Necessary Care** means any healthcare services or products provided by a MercyOne Ministry reasonably determined by a provider, to be necessary to prevent, diagnose, or treat an illness, injury, disease or its symptoms. Medically Necessary Care does not include elective services that are not covered by the patient’s applicable insurance/government payment/health plan or cosmetic procedures to improve aesthetic appeal of a normal, or normally functioning, body part.

**Ministry** (sometimes referred to as Health Ministry) means a first tier (direct) subsidiary, affiliate, or operating division of MercyOne that maintains a governing body that has day-to-day management oversight of a designated portion of MercyOne System operations. A Ministry may be based on a geographic market or dedication to a service line or business. Ministries include Mission Ministries, National Ministries, and Regional Ministries.

**Mirror Policy** means a model policy approved by MercyOne and that each Ministry is required to adopt as an identical policy, if appropriate and applicable to its operations, but may modify the format to reflect local style preferences or, subject to approval by the ELT member accountable for such Mirror Policy, to comply with applicable state or local laws and regulations or licensing and accreditation requirements.

**Policy** means a statement of high-level direction on matters of importance to MercyOne, its Ministries and Subsidiaries or a statement that further interprets MercyOne’s, its Ministries’ and Subsidiaries’ governing documents. Policies may be either stand alone, Systemwide or Mirror Policies designated by the approving body.

**Procedure** means a document designed to implement a policy or a description of specific required actions or processes.

**Service Area** means the primary markets served by the Ministries. This is demonstrated by a list of zip codes in which the patients reside.

**Standards or Guidelines** mean additional instructions and guidance which assist in implementing Procedures, including those developed by accreditation or professional organizations.

**Subsidiary** means a legal entity in which a MercyOne Ministry is the sole corporate member or sole shareholder.

**Uninsured Patient** means an individual who is uninsured, having no third-party coverage by a commercial third-party insurer, an ERISA plan, a Federal Health Care Program (including without limitation Medicare, Medicaid, SCHIP, and CHAMPUS), Worker's Compensation, or other third-party assistance to cover all or part of the cost of care.

## **RESPONSIBLE DEPARTMENT**

Further guidance concerning this Mirror Policy may be obtained from the executive leadership of the Ministry.

## **APPROVALS**

**Initial Approval:** April 24, 2024

**Subsequent Review/Revision(s):**