

 301 Tyson Avenue* Paris, TN Policies/Procedures	Policy: Financial Assistance Program
	Approved By:
Department: Patient Financial Services	Policy Number: 8310.1.1.160
	Approval Date:5/1/18
	Supersedes:

**PURPOSE:** To define eligibility, application and approval processes for Financial Assistance. Financial Assistance is offered to uninsured, underinsured, and medically indigent patients who indicate an inability to pay for emergency and other medically necessary care provided at Henry County Medical Center (HCMC). This policy and process will be applied without discrimination.

**SCOPE:** All Henry County Medical Center (HCMC) (owned, operated, leased, and managed) including, but not limited to, hospitals, ambulatory surgery centers, outpatient imaging centers, physician practices, Corporate Departments, Groups, and Divisions.

**DEFINITIONS:**

**Amounts Generally Billed (AGB):** The amount generally billed to a HCMC patient who has insurance coverage as defined in IRS Section 501(r)(5).

**Application Process:** A process by which a patient or their appropriate representative completes a paper form that provides HCMC with information on the patient’s income, family size and assets. All applications will be evaluated on a case-by-case basis by appropriate HCMC representatives taking into consideration medical condition, employment status, and potential future earnings.

**Bad Debt:** Uncollected patient financial liabilities that have not been resolved at the end of the patient billing cycle and for which there is no documented inability to pay.

**Discharge Medications:** Broadly defined as patient prescriptions or patient use items sold by HCMC’s Retail Pharmacy and necessary for the continued care of the patient after discharge from a HCMC hospital, physician office or other clinical location.

**Eligible Health Care Services:** Services which are emergent and other medically necessary care.

Eligible Health Care Services exclude:

- Charges disallowed through utilization reviews or denials
- Any contractual allowances
- Cosmetic services or elective services that are not medically necessary
- Write-offs of amount due from third party payers
- Shortfall between reimbursement from government programs for the uninsured and the cost of services provided
- Write-offs of patients' balances when there is not an indication that the patient is unable to pay.

**Estimated Patient Liability:** The estimated patient financial responsibility that is due to HCMC for professional and technical charges for health care services the patient received. This amount is determined in compliance with the patient’s insurance benefits for the specific scheduled service and includes deductibles, co-payments, co-insurance, and non-covered services.

**Extraordinary Collections Actions:** Actions which require a legal or judicial process, and/or reporting adverse information to credit agencies or bureaus. HCMC will determine financial assistance eligibility prior to taking any extraordinary collection action. Written notice must be provided at least 30 days in advance of initiating specific ECAs and meet informational requirements. As defined under IRS Codes Section 501(r), such actions that require legal or judicial process include:

- A lien
- Foreclosure on real property
- Attachment or seizure of a bank account or other personal property
- Commencement of a civil action against an individual
- Actions that cause an individual’s arrest
- Actions that cause an individual to be subject to body attachment
- Wage garnishment

**Family/Household:** Includes the patient, patient’s spouse, minor children/dependents, any persons applicable to tax filing regulations.

**Federal Poverty Guidelines (FPG):** Federal Poverty Guidelines published annually by the U.S. Department of Health and Human Services and in effect at the date(s) of service for which financial assistance may be available.

**Financial Assistance or Financial Assistance Discounts:** Discounts or elimination of payment for health care services provided to eligible patients with documented and verified financial need.

**Look-Back Method:** The methodology specified by IRS Codes Section 501(r) and selected by HCMC to determine AGB which uses past payments from Medicare or a combination of Medicare and commercial insurer payments.

**Private Pay:** Patient identified as having no insurance coverage or opting out of their insurance coverage for specific services/events.

**Presumptive Eligibility:** A patient's eligibility for HCMC financial assistance determined by criteria demonstrating financial need other than information provided by the patient's family. Additional information received after qualifying for presumptive eligibility will not change the determination.

**Screening Process:** A process to determine if a patient qualifies for Financial Assistance that does not involve completing a financial assistance application. The screening process may be in person or on the telephone and utilizes a Third Party Vendor.

**Underinsured:** Insured patients who receive Eligible Health Care Services that are determined to be non-covered services or have limited benefit coverage by the insurance provider.

**Uninsured Discount:** A discount on charges for medical services for patients identified as having no insurance coverage. The Uninsured Discount, as documented in the HCMC Patient Discount Policy, is determined based upon the look-back method by determining the average discount provided by HCMC hospitals to Medicare and all other insurers.

#### **POLICY:**

- I. Introduction
- II. Eligibility Criteria
- III. Basis for Calculating Amounts Charged to Patients
- IV. Method for Applying for Financial Assistance
- V. Actions that may be taken in the event of nonpayment
- VI. Eligibility information obtained from other sources
- VII. Other Information
- VIII. Discharge Medications

**I. Introduction:** HCMC is committed to providing high-quality healthcare services regardless of a patient's ability to pay. Patients who demonstrate an inability to pay and who meet this policy's financial criteria for qualification will be covered under this Financial Assistance Policy. Patients are informed of HCMC's Financial Assistance Policy through the HCMC website at <https://www.hcmc-tn.org/patients-visitors/billing-insurance/>, Patient Access Representatives, Financial Counselors, Patient Financial Services Representatives, billing statements, signage, and brochures available in various hospital locations. The website information is listed on all billing statements with a link to a plain language summary of this policy. For patients without internet access, this policy is available as disclosed via a phone call to HCMC Patient Financial Services. These communications are available in English and Spanish.

**II. Eligibility Criteria:** The qualification for Financial Assistance will be based on the annual adjusted gross income of the patient (or patient's household if filing jointly) for the current or prior year. To meet the income requirements, the adjusted gross income of the patient (or the patient's household) for the current or prior year may not exceed 2.5 times the Federal Poverty Guideline. Discount amount is based on a sliding scale applied in percentage increments based upon income and family size. See income calculation table in Appendix A.

Patients will have one hundred twenty (120) days from the date the first "post discharge" billing statement to complete the Application or Screening Process before any Extraordinary Collection Actions are taken by HCMC. Even after ECA's have begun, a patient may apply for financial assistance up to 240 days from the first post-discharge billing statement.

**III. Basis for Calculating Patient Charges:** Amounts charged to patients by HCMC will be calculated in accordance with HCMC Patient Discount Policy. This policy outlines the use of the Look-Back Method in determination of AGB and its effect on patient pricing.

**IV. Method for Applying for Financial Assistance:** Financial Assistance applications can be obtained at: <https://www.hcmc-tn.org/patients-visitors/billing-insurance/>, by calling HCMC Patient Financial Services at 731-644-8595, contacting any HCMC Patient Access locations, or by visiting the HCMC Patient Financial Services Department at 301 Tyson Avenue, Paris, TN, 38242. To apply for financial assistance, a written application may not be needed. However, there is a set of questions you will need to answer for us to determine if you are eligible for financial assistance.

Should a completed application be required, it should be given to HCMC Patient Financial Services at 301 Tyson Avenue, First Floor, Paris, TN, 38242. Please allow up to 30 days for application processing.

**V. Actions that may be taken in the Event of Nonpayment:** See the HCMC Patient Collection Policy

**VI. Eligibility Information Obtained from Other Sources:** Patients that are unresponsive to inquiries by HCMC may be screened through a third party vendor for Financial Assistance eligibility prior or after placement with a collection agency. All third party vendors will comply with applicable regulations during the Screening Process.

**VII. Other Information** Uninsured patients will be provided a Private Pay discount as outlined in the HCMC Patient Discount Policy. This Uninsured Discount is given regardless of financial status. It may be ultimately reclassified as a Financial Assistance Discount if the patient subsequently meets the qualifications described in this policy. If a patient submits a complete Financial Assistance application and is determined to be eligible, HCMC will refund any amounts the patient has paid for care that exceed the amount they are determined to be personally responsible for paying.

**VIII. Discharge Medications:** It is routine and customary for HCMC patients to receive scripts for pharmaceuticals to facilitate their care post discharge as a component of their on-going care plan. Discharge Medications to be obtained at a Retail Pharmacy are a key component of the patient care transition. However, Retail Pharmacies follow a point of sale model requiring settlement of obligations prior to dispensing of the drugs which is a potential barrier to patient care transitions. Thus HCMC allows professionals involved in a patient's clinical care to deem a patient as eligible for financial assistance so as to receive Discharge Medications without expectation of payment. Discharge Medications can be provided free of charge to patients for a specific time period at the request of Social Services, Physicians, Nurses, Pharmacist, Case managers or other licensed clinicians. Any exceptions to this policy must be approved by the HCMC Chief Executive Office and / or the Chief Financial Officer.

Appendix A.

HCMC Financial Assistance Income Guidelines

<b>Annual 2024 Poverty Guidelines for the 48 Continental United States</b>					
<b>Household / Family Size</b>	<b>100%</b>	<b>150%</b>	<b>200%</b>	<b>250%</b>	<b>300%</b>
<b>1</b>	\$15,060	\$22,590	\$30,120	\$37,650	\$45,180
<b>2</b>	\$20,440	\$30,660	\$40,880	\$51,100	\$61,320
<b>3</b>	\$25,820	\$38,730	\$51,640	\$64,550	\$77,460
<b>4</b>	\$31,200	\$46,800	\$62,400	\$78,000	\$93,600
<b>5</b>	\$36,580	\$54,870	\$73,160	\$91,450	\$109,740
<b>6</b>	\$41,960	\$62,940	\$83,920	\$104,900	\$125,880
<b>7</b>	\$47,340	\$71,010	\$94,680	\$118,350	\$142,020
<b>8</b>	\$52,720	\$79,080	\$105,440	\$131,800	\$158,160
<b>9</b>	\$58,100	\$87,150	\$116,200	\$145,250	\$174,300
<b>10</b>	\$63,480	\$95,220	\$126,960	\$158,700	\$190,440
<b>Discount %</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>80%</b>	<b>70%</b>

**Appendix B.**

While receiving healthcare services at *Henry County Medical Center (HCMC)*, you may receive treatment from a physician or provider who may or may not be employed by HCMC, and whose services will be billed separately from the hospital. The following are provider groups who practice at HCMC and whether or not the group honors the financial assistance policy (FAP) used by HCMC.

PARK MEDICAL MANAGEMENT	<b>Honors HCMC FAP</b>
RADIOLOGY & IMAGING ASSOCIATES, INC.	<b>Honors HCMC FAP</b>
HAWTHORN PHYSICIAN SERVICES CORPORATION	<b>PENDING</b>
ASSOCIATED PATHOLOGIST	<b>Honors HCMC FAP</b>
EAGLE CREEK EMERGENCY GROUP	<b>Honors HCMC FAP</b>
KENTUCKY LAKE UROLOGIC ASSOCIATES	<b>Honors HCMC FAP</b>
PARIS SURGICAL SPECIALISTS	<b>PENDING</b>
WEST TN BONE & JOINT	<b>Does NOT honor HCMC FAP</b>
INNOVATIVE ORTHOPEDICS	<b>Honors HCMC FAP</b>
HENRY COUNTY HOSPITALIST MEDICINE	<b>Honors HCMC FAP</b>
PARIS WOMEN'S CLINIC	<b>Honors HCMC FAP</b>
PARIS PULMONARY CLINIC	<b>Honors HCMC FAP</b>