

FAIRFIELD MEDICAL CENTER

Category:	Admin/HR	Policy No:	AHR-07-011
Policy Owner:	Manager of Contract and Collections	Origination Date:	January 1, 2015
		Last Revision Date:	
Policy Title:	501(r) Financial Assistance Policy and Procedure		
Supersedes:	N/A		

POLICY

501(r) Financial Assistance Policy and Procedure

PURPOSE

Consistent with its mission to provide high quality health and wellness services for the community, Fairfield Medical Center is committed to providing financial assistance to uninsured and underinsured individuals who are in need of emergency or medically necessary treatment and have a household income as defined on the attached schedule which is based on the Federal Poverty Guidelines (FPG).

In accordance with the Affordable Care Act (ACA), any patient eligible for financial assistance under Fairfield Medical Center's financial assistance policy will not be charged more for emergency or medically necessary care than the amount generally billed (AGB) to insured patients.

RESPONSIBILITIES

Financial assistance is provided only when care is deemed medically necessary and after patients have been found to meet all financial criteria. Fairfield Medical Center offers both free care and discounted care, depending on individuals' family size and income.

Patients seeking assistance may first be asked to apply for other external programs (such as Medicaid or insurance through the public marketplace) as appropriate *before* eligibility under this policy is determined.

Uninsured and underinsured patients who do not qualify for free care could receive a sliding scale discount off the gross charges for their medically necessary services based on their family income as a percent of the Federal Poverty Guidelines. These patients are expected to pay their remaining balance for care, and may work with financial counselors to set up a payment plan based on their financial situation.

DEFINITIONS

The following terms are meant to be interpreted as follows within this policy:

1. **Charity Care:** Medically necessary services rendered without the expectation of full payment to patients meeting the criteria established by this policy.
2. **Medically Necessary:** Hospital services or care rendered both outpatient and inpatient, to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause suffering or pain. Please note that there are certain service exclusions that are not typically eligible for financial assistance, including but not limited to cosmetic services and other services.
3. **Emergency Care:** An emergency service is any health care service provided to evaluate and/or treat any medical condition such that a prudent layperson possessing an average knowledge of medicine and health, believes that immediate unscheduled medical care is required.
4. **Uninsured:** Patients with no insurance or third-party assistance to help resolve their financial liability to healthcare providers.
5. **Underinsured:** Insured patients whose out-of-pocket medical costs exceed a percentage of their annual family income as defined by the attached table.
6. **Amount Generally Billed (AGB):** The amount generally billed to insured patients for emergent or medically necessary care (determined as described in section (B) of the policy below)
7. **Gross Charges:** The full amount charged by Fairfield Medical Center for items and services before any discounts, contractual allowances, or deductions are applied.
8. **Plain Language Summary (PLS):** The document available for all patients that defines the Fairfield Medical Centers financial assistance policy.
9. **Provider List:** A list of any provider delivering emergency or other medically necessary care in the facility with indication of being included and/or excluded from the hospital's financial assistance policy (FAP). See attachment.

PROCEDURE

A. Eligibility

Services eligible for financial assistance include: emergency services and services deemed medically necessary.

Patients who are uninsured or underinsured and have a household income at or below the % of the Federal Poverty Guidelines (FPG) (attached) may receive free care (a 100% discount). Individuals with annual household incomes not eligible for 100% discount maybe eligible for a discount based on attached table.

Uninsured patients will receive a discount of 58% on gross charges for medically necessary and emergency care that they receive.

Determinations for financial assistance eligibility will require patients to submit a completed financial assistance application (including all documentation required by the application) and may require appointments or discussion with hospital financial counselors.

When determining patients' eligibility, Fairfield Medical Center does not take into account race, gender, age, sexual orientation, religious affiliation, or social or immigrant status.

B. Determining Discount Amount

Once eligibility for financial assistance has been established, Fairfield Medical Center will not charge patients who are eligible for financial assistance more than the amounts generally billed (AGB) to insured patients for emergency or medically necessary care.

To calculate the AGB, Fairfield Medical Center uses the "look-back" method described in section 4(b)(2) of the IRS and Treasury's 501(r) final rule.

In this method, Fairfield Medical Center uses data based on claims sent to Medicare fee- for-service and all private commercial insurers for emergency and medically necessary care over the past year to determine the percentage of gross charges that is typically allowed by these insurers.

The AGB percentage is then multiplied by gross charges for emergency and medically necessary care to determine the AGB. Fairfield Medical Center re-calculates the percentage each year. In 2015, the AGB percentage for services provided is 42%.

Example

If the gross charge for a service provided is \$1,000, and the AGB percentage is **42%**, any patient eligible for financial assistance under this policy will not be personally responsible for paying more than **\$420.00 for services provided.**

C. Applying for Financial Assistance

To apply for financial assistance, patients must submit a complete application (including supporting documents) either in person or by mail.

Applications can be accessed:

- At the facility at The Business Office, Registration Desks and/or any Financial Counseling location

- By mail, if individuals make a request by phone call 740-687-8025 or by mail to 401 N. Ewing Street Lancaster, Ohio 43130
- Online at www.fmchealth.org

To be considered eligible for financial assistance, patients must cooperate with the hospital to explore alternative means of assistance if necessary, including Medicare and Medicaid. Patients will be required to provide necessary information and documentation when applying for hospital financial assistance or other private or public payment programs.

In addition to completing an application, individuals should be prepared to supply the following documentation:

- Proof of income for applicant (and spouse if applicable) such as, signed statement of income or recent pay stubs.
- Documentation of qualification for Ohio Medicaid program.

For questions about the financial assistance application or if you would like assistance with completing the financial assistance application the individual may contact our financial counselors either in person at the locations listed below, by calling 740-687-8025 or by emailing billing@fmchealth.org.

Financial counseling office hours are; Emergency Room; 7 days a week; from 11:30 a.m. to 10:00 p.m.; Main Facility: 401 N. Ewing Street Lancaster, Ohio 43130, Riverview Surgery Center: 2401 N. Columbus Street Lancaster, Ohio 43130; Business Office: 1149 E. Main Street Lancaster, Ohio 43130; Monday through Friday 8:00 a.m. to 4:30 p.m.

D. Actions in the Event of Non-Payment

The collection actions Fairfield Medical Center may take if a financial assistance application and/or payment are not received is described in a separate policy (Collection Policy).

You may request a free copy of this full policy at the above locations, by calling 740-687-8025 or mailing a request at one of the above locations or online here: www.fmchealth.org

DOCUMENTATION

Click here to enter text.

References:	Click here to enter text.
Distribution:	Click here to enter text.
Related Policies/Forms/Records:	Physician List Plain Language Summary
Related Standards/Legislation:	Click here to enter text.

APPROVAL AND REVIEW

Approval	Sharon Scruggs	Date:	11/30/15
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Approval (if applicable)	Click here to enter text.	Date:	Click here to enter a date.
Approval (if applicable)	Click here to enter text.	Date:	Click here to enter a date.
Committee Review Recommend:	Policy & Procedure Oversight Committee	Date:	12/14/2015
Committee Review Recommend: (if applicable)	FMC Board	Date:	12/02/2015
Committee Review Recommend: (if applicable)	Click here to enter text.	Date:	Click here to enter a date.
Author:	Sharon Scruggs, Jamie Hurst and Heidi Fisher		
Review Schedule:	Every 3 years		
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