



MANUAL: ADMINISTRATIVE POLICY	SUBJECT: Medical Financial Assistance
PREPARED BY: Patient Financial Services Manager	APPLIES TO: All Hospital Patients
EFFECTIVE DATE: June 28,2007	SUPERSEDES:
Review Dates: 09/11/12, 06/23/14, 04/22/15, 09/15/16	DATES OF REVISIONS: 10/01/00, 06/28/07, 04/24/12, 05/28/13,09/15/16
APPROVED BY: _____ <div style="display: flex; justify-content: space-around; width: 100%;"> Vice President Date </div> _____ Medical Director (if applicable) Date	

PURPOSE

Recognizing its charitable mission, Halifax Regional recognizes that medical care is needed for patients who are unable to pay for their services. This policy establishes the criteria for approval for indigent care write-off for services rendered and assure that all patients who are eligible for financial assistance are treated in a fair and consistent manner. Our Charity Care assistance will be referred to as [MFA] Medical Financial Assistance.

POLICY

Halifax Regional will be referred to as HRMC in this policy. It is the policy of HRMC to provide services without charge to eligible patients who cannot afford to pay based on HRMC guidelines. It is the policy of HRMC to fully comply with the Emergency Medical Treatment and Active Labor Act [EMTALA] enacted by Section 1867 of the Consolidated Omnibus Reconciliation Act of 1985 as amended, and codified as 42 U.S.C.A. 1395dd. The amounts charged for emergency or other medically necessary care provided to individuals eligible for MFA assistance shall not exceed the amounts billed to individuals who have insurance covering like care. Each year a budget for MFA will be established during the annual budget process and submitted to the Board of Directors for approval. Applicants who are approved and their income are at or below 200% of the federal poverty guidelines, will be granted a 100% adjustment of the balance of the bill from the date of application. Applicants with income over 200% of the poverty guidelines may be eligible for a discount if their income is at or below the maximum level of 250% of the federal poverty guidelines.



Medical Financial Assistance-Policy PROCEDURES

The following will be considered when determining the amount of MFA.

1. Must not be elective or cosmetic services.
2. Must meet all necessary procedures as established for the MFA policy.
3. Account balances considered will include only self pay balances after all other avenues to obtain financial assistance and third party payments have been exhausted, including Medicaid. If a patient does not have Medicaid; but may qualify for Medicaid, then he/she must cooperate with the application process. [3.5-f]
4. Applicants not approved for full MFA will be expected to pay the portion of their bill not adjusted. HRMC does not engage in any extraordinary collection efforts to charity care patients. For the portion of services that do not meet the sliding scale method HRMC makes reasonable attempts to collect the unpaid portion and will follow normal collections procedures as outlined in its credit and collections policy and procedures to include write offs to outside agencies.
5. Income, Assets and Medical Indigence will be used to determine eligibility for MFA.
6. Sufficient verifiable information is needed to make a determination on all applications. In the event there is unverifiable information supplied by the applicant the hospital may use other sources of verification to determine an applicant's eligibility status to include Medicaid enrollment, collection agencies information, credit reports and other social agencies.[3.7]
7. Data used to determine eligibility for MFA will be verified to the extent practical in relation to the amount involved. All data may not be used each time to determine an applicant's eligibility. I.e. if an applicant qualifies solely on the income eligibility, the medical hardship may not need to be used to qualify the applicant. [3.8]
8. All MFA applications and documentation will be retained for 6 years.
9. HRMC reserves the right to reverse any and all uncompensated services provided by the MFA if the information provided on the application is determined to be falsified or if proof that the applicant has received compensation for services from another source is obtained.
10. Family size and the Income Poverty Guidelines, published annually by the Department of Health and Human Services, will be used as the basis for Medical Financial Assistance Guidelines by HRMC to determine eligibility.
11. The patient's individual or household income using table II, provided.
12. The family size as outlined in table II provided.
13. The sliding scale adjustment as used in table II provided. [6.4]
14. Other Medical /Health Care obligations to include frequency to HRMC and other healthcare bills(s) as related to determining the Medical hardship.



**Medical Financial Assistance-Policy
Procedures continued**

15. A request for assistance may be made by the patient or on the patient's behalf by a family member, hospital employee, or contract employee at any time the service is needed to include prior to the service, during the service or after the service is performed. [4.1]
16. An application taken will stay active for 6 months after the initial request has been made. If additional balances are identified, verification of qualifying information will be made if the application is made more than 6 months from the original application.[4.2]
17. The candidate for assistance or designee will be referred to the Financial Counselors for completion of the application or evaluation.
18. All accounts that qualify prior to the approved date will be included in the initial write-off.
19. Applicants who are approved for medical assistance and their 12 month income are at or below 200% of the federal poverty guidelines will be granted a full adjustment for hospital services rendered. HRMC makes no further attempt to collect anything from the patient. [4.4]
20. Applicants who are approved for medical assistance and their 12 month income is over 200% of the Federal Poverty Guideline will be eligible for a discount using a sliding scale method up to 250% from our Poverty Sliding Scale Table. [6.4]
21. Combined savings and checking account total cannot exceed \$1,500 over obligated expenses.
22. Owned property will include all properties excluding the home in which the guarantor resides as their main residence.
23. Applicants can apply at any time during the year.
24. Medical indigence or Medical hardship will be considered for MFA if the income alone does not meet the guidelines and the patient does not qualify for any assistance. [3.5e]
25. Proof of Medical expenses will be required to calculate a medical hardship reduction. The medical hardship expenses can be used one time for a catastrophic illness. There must be \$40,000 in Medical expenses to qualify for the medical hardship.
The reduction used for medical hardship will be the medical expenses minus 50% as outlined on the Medical Expense Hardship Worksheet.
26. Self-administered drugs that are Medicaid patient's responsibility will be considered for automatic write-off to Charity Care.
27. All no paid Medicaid accounts for out of state Medicaid patients will be considered for automatic write-off to Charity Care.
28. Any Medicaid co-pay or deductible due and not paid after dunning will be considered for charity.



**Medical Financial Assistance-Policy
Procedures continued**

29. Patients that have Family Planning Medicaid coverage only and presents to the Emergency Room for non Family Planning services will be considered for Charity.
30. Patients that qualify for HUD [Housing Urban Development] or other government subsidized housing assistance will be considered for charity care with proper notification, application or referral. Patients that qualify for services or have been deemed indigent by other sources [not all inclusive] will be considered for charity, such as the Department of Social Services, Northampton Rural Health Center, Roanoke Clinic, and the Roanoke Valley Medical Ministries.
31. Our Medical Financial Assistance Program information is on the hospital's website. HRMC also publicize its charity care assistance to patients on the back of each dunning statement.
32. A Health Care scoring algorithm is being used to qualify patients for charity that have not responded to calls or dunning messages and the accounts will be considered for processing with a Health Care Score. All scores that qualify the patient as charity will be considered.
33. Failure to provide required information when requested or false information will disqualify the applicant from approval.
34. Final approval of applications will be as follows:
0-\$1,500-----Collections Supervisor
\$1,501-\$3,000-----Manager
\$3,001-infinite --- Manager and Chief Financial Officer
35. All applications \$3,001 and above will require the signatures of the Business Office Manager and Chief Financial Officer.
36. Review of all applications for MFA will be done as they occur. The applications will be reviewed for final approval monthly.
37. All applicants who formally make application for assistance will be notified in writing of the final determination.
38. If denied, additional information may be provided and the case reconsidered if new supporting documentation is made available.
39. Approved balances will be written off in the mainframe system using the appropriate adjustment codes of:
 - a. ACHARITYIP- Inpatient
 - b. ACHARITYOP-Outpatient
 - c. ACHARITYSAD-Self Administered Drugs
 - d. ACHARITYOOS-Charity for Out of State Patients
 - e. ACHARITYHUD-Charity for patients that qualify thru HUD
 - f. ACHARTYGOV-Charity for patients that qualify thru other entities.
 - g. ACHARSAMIP-Charity for in-patients that qualify thru Search America.
 - h. ACHARSAMOP-Charity for out-patients that qualify thru Search America.



Medical Financial Assistance-Policy

Supporting Documentation

Income verification includes any of the following documents:

1. Copy of paycheck
2. Copy of paycheck stubs
3. Income tax returns
4. Social Security Check
5. Automatic Bank deposit
6. Bank Statement/Savings
7. Unemployment or disability check/stub
8. Other proof of income

DEFINITIONS

Income- Annual Household Gross Income for all people that resides in the residence at the time of application.

Assets- Combined savings, checking, money market, C.Ds and all monetary certificates.

Immediate Family- All family that resides in the residents at the time of application. Immediate family is the same determination as used in the Medical Center's family determination.

Property-All property owned by the applicant and immediate family will be considered as assets.

Automobiles-All vehicles owned by the applicant and immediate family will be considered assets.

Medical Indigence-Medical self pay balances outstanding excluding non elective or cosmetic services .

Indigent patients-Patients who family income falls below the poverty guidelines as published in the Federal Register each year and patients who do not have the ability to pay as determined by the MFAP guidelines.

Charity-Charity is defined as the demonstrated inability of a patient to pay for services rendered and not considered Bad Debt which is the demonstrated unwillingness of a patient to pay.

Medical Hardship- Patients that have large self pay balance and are financially unable to pay their medical bills.



Medical Financial Assistance-Policy

Documents utilized in the Medical Financial Assistance Program.

- A 9000-24-93---Financial Checklist
- A1 MFAIRF-----Medical Assistance Information Request Form
- A2 MFAAPP-----Request for Determination of Eligibility for M.F.A.

- B MFAAC-----Medical Financial Assistance Adjustment Calculation Sheet
- C MEHW-----Medical Expense Hardship Worksheet
- D Table II-----Medical Financial Assistance Guideline Poverty Scale
- E MFASS-----Medical Financial Assistance Signature Sign-off Sheet
- F MFA100%---100% Approval letter to patient
- G MFA<100%-Partial approval letter to patient
- H MFA DEN---Denial letter to patient

Notes: Reference codes utilized for HFM Checklist Charity Care ex. [3.5(f)]

A free copy of our credit and collections policy may be obtained by calling the number listed on our Plain Language Summary or by contacting a financial counselor at 250 Smith Church Road, Roanoke Rapids, N.C. 27870.