**LECOM HEALTH**

**MILLCREEK COMMUNITY HOSPITAL**

 Corporate Compliance Policy # C 120

 Hospital Policy #403

 Effective Date: 10/01/2023

 Supersedes: 10/01/2022

SUBJECT: **LECOM HEALTH MILLCREEK COMMUNITY HOSPITAL FINANCIAL ASSISTANCE POLICY**

PURPOSE:LECOM Health Millcreek Community Hospital is committed to providing charity care and financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Millcreek Community Hospital strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

POLICY:LECOM Health Millcreek Community Hospital will provide, without exception, care for **emergency medical conditions** to all patients seeking such care, regardless of ability to pay or to qualify for financial assistance, in accordance with the requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA).

Eligible services are for emergency and medically necessary services only. Financial Assistance does not apply to cosmetic services.

Criteria Relating to Financial Assistance:

Financial Assistance is available for:

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

A patient that has out-of-pocket expenses that exceed his/her financial abilities.

 Services and Providers Available for Discount

Financial Assistance applies only to medically necessary services. Discounts do not apply to cosmetic services.

The Financial Assistance policy applies to all Hospital facility billing. For the professional component of billing, the Financial Assistance Policy covers only Hospital employed Physicians. Any physician that is not employed by LECOM Health Millcreek Community Hospital is not covered under the Hospital Financial Assistance Policy. For a listing of Physicians covered under the Hospital Policy see Appendix B of the Financial Assistance Policy.

 Discounts

Free care and discounts are available to patients that meet the criteria indicated under “Financial Assistance is available for” above. See the Financial Assistance Sliding Scale under the Hospital’s Charity Care Policy.

Discounts are based on the federal poverty level for households with various levels of family members. The discount is applied against the patient responsibility (which is the allowable insurance charges less the amount paid by the insurer). Higher discounts go to households with a lower level of income. Patient discounts begin at 25% and increase by 25% increments as the household income goes down. At 140% of the federal poverty, a full 100% discount is applied against the patient responsibility.

Example of service qualifying for financial assistance:

A patient with a household of four and income of $41,000 has a medically necessary procedure that was billed at $13,000 in gross charges and where the insurance pays $6,000 of the allowed $9,000 of covered charges. The patient responsibility of $3,000 ($9,000 amount contractually allowed by the insurance less the $6,000 paid by insurance after co-pays and deductibles) is discounted to $1500 (after subtracting the $3,000 multiplied by 50% - the discount factor for a household of four with an income applies to incomes between $38,800 and $43,649.

Patient Responsibility

The requirements that were initiated under the Affordable Care Act of 2010 require that a patient’s personal responsibility for payment can be no more than gross charges, and it cannot be more than Amounts Generally Billed (AGB). There are various methods of computing AGB under the regulations. The Hospital has chosen the Prospective method using Medicare allowed charges as the basis for its limitation on what the individual is personally responsible for paying. Accordingly, the patient responsibility will not be more than gross charges, and it will not exceed amounts generally allowed prospectively using Medicare rates.

Example 1): The reimbursement amount for a given inpatient procedure is $7,000 (the AGB limit). The reimbursement amount allowed by the patient’s private insurer is $10,000 for which the patient is responsible to pay $2,000 for co-pays and deductibles. The patient responsibility cannot be more the $7,000 AGB. For this example, the Hospital is eligible to receive the full $10,000 ($8,000 from insurance and $2,000 from the patient) for the procedure given that the patient’s responsibility of $2,000 does not exceed the $7,000 AGB ceiling that limits a patient’s responsibility.

Example 2) The Medicare reimbursement for a given outpatient procedure is $2,000 (the AGB limit). The reimbursement amount from the patient’s private insurer is $4,000 that includes $3,000 for co-pays and deductibles. For this example, the Hospital is eligible to receive only $3,000 ($1,000 from insurance and $2,000 from the patient) for the procedure since the patient’s responsibility of $3,000 would be $1,000 higher than the $2,000 AGB limit.

**Process for Applying for Financial Assistance**

Self-Pay Patients

Financial Assistance procedures are automatically initiated by MCH. No application is required.

Insured Patient

For patients with insurance, the patient completes a Charity Care Application. Financial Assistance given will be determined by the level of household income corresponding to the number of family members (which qualify as a “dependent” for federal income tax purposes), and household expenses where there are extenuating circumstances. The income listed on the application must have appropriate supporting documentation.

Presumptive Eligibility

The Hospital may initiate financial assistance based on presumptive eligibility. A presumptive eligibility determination may be made where an application is not completed by the patient, where information provided by the patient is not deemed adequate, or there are other known extenuating circumstances. For sources of information that may be used for presumptive eligibility see appendix A of the Financial Assistance Policy (which is also included in the Hospital Charity Care Policy.

Non-emergent services

Requests for financial assistance should be obtained prior to the performance of services (and must also meet medical necessity).

Remaining balances

Patients are responsible for paying a remaining balance and a payment plan may be established.

Assistance on Application

The patient is given the option to have help in completing the application. The phone number to obtain assistance is provided on the financial assistance brochure that was provided upon discharge of services. Access to the Financial Assistance Summary is also possible at the Hospital or the Hospital’s website.

**Actions Taken in the Event of Nonpayment**

 For nonpayment, the MCH standard collection process applies:

A 30 day letter is issued for a remaining balance after two successive billing statements.

A 10 day letter is issued warning of submission of the account to an outside collection agency.

Patient statements that are returned as undeliverable by the U.S. Post Office may be referred to a collection agency.

 Unsuccessful Collection Attempts

Where attempts to collect the patient balance, the balance will go to a third party collection agency.

**Measures to Widely Publicize the Policy within the Community Served**

 Hospital

MCH posts the availability of its Financial Assistance Policy at all Hospital registration waiting areas (the Emergency Room and Radiology) including copies for distribution upon request.

Paper copies are also available at the Hospital front desk.

 Patient Intake

A summary copy of its Financial Assistance Policy is provided to all patients at intake. Locations include the Emergency Room, Inpatient Admittance, Lab, Outpatient Location, Partial Program, PT Wellness Center, Inpatient Rehabilitation, and the Transitional Care Unit.

 Patient Accounting

Financial Counselors will make a summary copy of its Financial Assistance policy to all uninsured and anyone who request it.

 Hospital Website

The Financial Assistance Policy, Financial Assistance Summary including Assistance Application, and the Charity Care Policy are available at its website: ***http:/lecomhealth.com/community-hospital/patient-services***

 Community Healthcare agencies

MCH provides a summary copy of its Financial Assistance Policy at various Community Healthcare agencies to the community it serves.

**Appendix A**

**Presumed Financial Assistance**

**(This is also a section of the Hospital Charity Care Policy #402)**

There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation or actual known extenuating circumstances. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient’s eligibility for charity care, LECOM Health Millcreek Community Hospital could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. This may include:

1. State-funded prescription programs;

2. Homeless or received care from a homeless clinic;

3. Participation in Women, Infants and Children programs (WIC);

4. Food stamp eligibility;

5. Subsidized school lunch program eligibility;

6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);

7. Low income/subsidized housing is provided as a valid address; an

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**APPENDIX B**

**PROVIDERS COVERED UNDER THE HOSPITAL FINANCIAL ASSISTANCE POLICY AND PROVIDERS THAT ARE NOT COVERED UNDER THE HOSPITAL FINANCIAL ASSISTANCE POLICY**

Facility Payments

All facility payments of the Hospital are covered under the Hospital Financial Assistance Policy.

Professional fees covered under the Hospital Financial Assistance policy:

* Emergency Physicians
* Radiology Physicians
* Anesthesia Physicians and Certified Nurse Anesthetists
* Psychiatrists
* Pathology Physicians

Professional fees **that are not covered** under the Hospital Financial Assistance policy:

* All other Professional fees not mentioned above