

<b>ADM 01.70 Financial Assistance Program</b>	
<b>Original Date:</b> 2/20/2022	<b>Effective Date:</b> 6/2/23
<b>Number:</b> ADM 01.70	<b>Version:</b> 1
<b>Facility (Scope):</b> Organization-wide	

**POLICY STATEMENT:**

To make available free or discounted services to those in need. Roundup Memorial Healthcare (RMH) is committed to providing healthcare services regardless of one’s ability to pay. No one is refused service because of lack of financial means to pay. The program is designed to provide free or discounted care to those unable to pay, or limited means, to pay for their medical services (uninsured or underinsured).

The Financial Assistance Program is not a substitute for personal responsibility. Patients are expected to cooperate with RMH’s procedures for obtaining financial assistance. RMH established the following provisions to manage financial resources in a responsible manner and to assist the most persons in need.

RMH will base program eligibility on a person’s ability to pay and will not discriminate based on an individual’s race color, sex, national origin, disability, religion, age, sexual orientation, or gender identity. The Federal Poverty Guidelines are used in creating and annually updating the sliding fee schedule (SFS) to determine eligibility.

**DEFINITIONS:**

Financial Assistance: Health care services that have or will be provided but are never expected to result in cash inflows. Financial assistance results from a provider’s policy to provide health care services free or at a discount to individuals who meet the established criteria.

Family: is defined as by the Census Bureau as a group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Income: is the total annual cash receipts before taxed from all sources which includes but not limited to, gross wages; salaries; tips; income from business and self-employment; unemployment compensation; workers’ compensation; Social Security; Supplemental Security Income; veterans’ payments; survivor benefits; pension or retirement income; interest; dividends; royalties; income from rental properties, estates, and trusts; alimony; child support; assistance from outside the household; and other miscellaneous sources.

**Note:** Noncash benefits (such as food stamps and housing subsidies) do not count as income.

Assets: Property of all kinds, real and personal, tangible and intangible that is legally subject to the payment of the patient’s debts, including, but not limited to, cash on hand, checking and savings accounts, vehicles, mineral rights, stocks, mutual funds, and any other investments;

provided, however, that “income” as defined herein, shall not be included in determination of assets.

Legal Guardian: A recognized legal surrogate for the patient regarding medical and financial decisions, who would be authorized under Montana law to receive confidential health care information on the patient. This includes parents who are legally responsible for their minor children, close family members who are recognized by the patient or Montana law as having the legal ability to act on the patient’s behalf regarding medical and/or financial decisions, or a legal guardian under Montana law.

Responsible Party: The patient or any individual legally obligated to pay for the patient’s debts for medical care, excluding third party payers. An adult patient, living in the household of the relative other than a spouse – including an adult, unmarried child living at home – will be considered the “responsible party” for the purposes of this policy, without regard to the assets and income of the other living in the household (except a spouse)

Third Party Payer: Any financial agent or entity, such as an insurance carrier, HMO, employee benefit plan, or government payer, with a legally enforceable obligation to pay for services billed to patient by RMH (Responsible parties, as defined herein, are not considered third party payers.)

Underinsured: The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

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

## **PROCEDURE:**

### 1. Services Eligible Under this Policy:

The following medically necessary health care services are eligible for financial assistance:

- A. Emergency Medical services provided in an emergency room setting.
- B. Services for a condition which, if not treated, would lead to an adverse change in the health status of an individual.
- C. Non-elective services provided in the clinic setting; and
- D. Medically necessary services, evaluated on a case-by-case basis at RMH’s discretion.
- E. To access a list of providers, contact a Patient Account Representative at 406-323-3337 or access it on the Roundup Memorial Healthcare website; [www.rmhmt.com](http://www.rmhmt.com)

### 2. Eligibility criteria:

- A. Financial assistance under this policy is available without regard to the patient's race, color, creed, national origin, age, disability, handicap status, health care condition, or marital status.
- B. Patient care, which is not medically necessary, including elective, cosmetic, or other care deemed to be generally non-reimbursable by traditional insurance carriers and government payers, shall not be considered eligible for financial assistance.
- C. Minor children/Divorced Parents – for the minor children of divorced parents, when both parents/legal guardians are responsible parties, information regarding both parents will be required to complete a Financial Assistance application. However, if after reasonable efforts, circumstances prevent the applicant from obtaining financial information for all responsible parties, information from responsible parties residing in the same household of the minor child/children will be used to make the determination.
- D. Financial assistance provided by RMH under this policy is secondary to all other third parties and financial resources available to the patient. This includes but not limited to:
- Group or individual medical insurance plans
  - Employee benefit plans
  - Worker's Compensation plans
  - Medicaid, State or County Medical programs
  - Other state, federal or medical programs
  - Third party adjudged to be legally liable for a patient's medical expenses (i.e., auto accidents or personal injury claims)
  - Any other persons or entities that have a legal responsibility to pay for the medical services
  - Crime victims eligible for financial assistance
  - Medical care cost covered by government programs of other countries
- E. To the extent that charges for medically necessary services provided by RMH are not paid for by third-party coverage, a 100% financial assistance reduction may be provided to cover RMH's charges for patients where:
- The gross income of the responsible parties is up to 200% of the Federal Income Poverty Guidelines as adjusted for household size.
- F. Partial financial assistance may be provided if:
- The gross income of the responsible parties is greater than 200% and less than or equal to 400% of the Federal Income Poverty Guidelines as adjusted for household size.

- G. Partial assistance will be determined as a percentage of the amount owed to RMH. Based upon where the application falls on the Federal Income Poverty Guidelines.
- H. RMH will consider the following circumstances and other similar circumstances in evaluating applicants who do not otherwise qualify for financial assistance under this policy.
  - Catastrophic medical debt will be defined as medical debt which is more than 25% of the annual income of the patient's family. All RMH debt more than the 25% would be adjusted off to financial assistance.
    - i. For uninsured patients, the time frame calculation for the annual income cap will be based on the 12-month period.
    - ii. For underinsured patients, the time frame calculation for the annual income cap will be based on the 12-month calendar year (January – December)
- I. Furthermore, other circumstances may compellingly show that full payment of outstanding medical expenses could cause serious social and financial hardship to the patient or the household. These circumstances may warrant that an exceptional financial assistance reduction be considered.

3. Application Process:

- A. All patients (or their legal guardians) desiring consideration for Roundup Memorial Healthcare's Financial Assistance Program must apply for assistance in writing and must disclose financial information that RMH considers pertinent to the determination of the patient's eligibility for financial assistance. Financial assistance is available only to cover charges billed to patients by RMH.
- B. The completed Financial Assistance application must be accompanied by legible and accurate photocopies of the following documents as needed for purposes of verifying eligibility:
  - Complete IRS tax returns for the most recently completed calendar year of all responsible parties.
  - Payroll check stubs or other documentation of monthly income sources reflection income of all responsible parties for at least the three months prior to the application.
  - Written verification of denial for unemployment or worker's compensation benefits (upon request) and as appropriate.
- C. Income will be annualized, when appropriate, based upon documentation provided.

- D. Confidentiality of information will be maintained for all who seek and/or receive assistance, as required by RMH policy and federal and state law. Copies of the supporting documents will be kept with the application form.
- E. RMH may request additional documentation and/or information, which, in the exercise of reasonable discretion, RMH determines is needed to verify eligibility for financial assistance and to complete the processing of the application.
- F. The instruction required to complete the Financial Assistance application will be furnished to patients, their legal guardians, or any persons authorized to act on behalf of the patient. RMH will provide personnel to assist patients/legal guardians in understanding the criteria for eligibility and how to fill out the application.
- G. If RMH determines that any material documentation or information submitted is untrue or falsified, the application will be denied. RMH will not reconsider an application if RMH determines that the applicant has intentionally misrepresented material information related to eligibility criteria or documentation.

4. Billing and Collection Process:

Anytime during the billing and collection process, patients may apply for financial assistance to become eligible.

- A. Accounts with Self Pay balances will have a minimum of 120 days in the collection process.
- B. During that time, numerous collection attempts are made through our outsourced collection company, Revenue Enterprises, LLC. Statements and a minimum of 3 telephone calls or more depending on the status of the account.
- C. All Roundup Memorial Healthcare communications include information about the Financial Assistance program, a number to call, a webpage address for an application, for the plain-language summary of the Financial Assistance Policy (FAP) and the actual Financial Assistance Policy.

5. Eligibility Determination:

- A. The instructions required to complete the Financial Assistance application will be furnished to patients, their legal guardians, or any persons authorized to act on behalf of the patient. RMH will provide personnel to assist patients/legal guardians in understanding the criteria for eligibility and how to fill out the application.
- B. The patient and/or responsible party will be given twenty (20) days from receipt of an application to complete and return the Financial Assistance application. Special circumstances may warrant an extension of the twenty (20) business days allocated to complete the Financial Assistance application.

- C. If RMH determines that any material documentation or information submitted is untrue or falsified, the application will be denied. RMH will not reconsider an application if RMH determines that the applicant has intentionally misrepresented material information related to eligibility criteria or documentation.
- D. Financial assistance may be determined at the time of application or will occur within 45 days after a completed application has been submitted, approved applications are good for 6 months from the date of submittal at which time applicants will need to reapply. Denials will be written and include instructions for appeal or reconsideration

6. Presumptive Financial Assistance Eligibility:

There are instances when a patient may appear eligible for Financial Assistance but there is no financial assistance form on file due to lack of supporting documentation. Often there is adequate information provided by patient or through other sources, which could provide sufficient evidence to provide the patient with Financial Assistance, RMH could use outside agencies in determining estimated income amounts for the basis of determining Financial Assistance eligibility and partial discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

- A. State-funded prescription programs
- B. Homeless or received care from a homeless clinic
- C. Participation in Women, Infants and Children programs (WIC)
- D. Food stamp eligibility
- E. Subsidized school lunch program eligibility
- F. Low income/subsidized housing is provided as a valid address
- G. Patient is deceased with no known estate
- H. Energy assistance program
- I. Out of state Medicaid Health Programs

7. Asset Exclusions:

RMH may exclude the following assets from the net available household asset computation without affecting eligibility for the Financial Assistance Program.

- A. A home which is the primary residence with a value up to \$130,000 shall be exempt.
  - B. Personal property for use in the home.
  - C. Vehicle (s) up to a combined value of \$15,000 with value based on the current blue book appraisal amount (excludes motorhomes, RV's).
  - D. Liquid assets including cash, savings, stocks, bonds, etc. up to \$1000 for one person \$2,000 for two people and \$500 for each additional person in the household.
  - E. Other assets directly related to the earning and livelihood of the household are exempt if deemed necessary and reasonable to the continued ability to earn a livelihood.
8. Communication of the Financial Assistance Policy to Patients and the Public:

Notification about financial assistance availability from RMH, which shall include a contact number, shall be disseminated by Roundup Memorial Healthcare by various means, which may include, but are not limited to, the publication of notices in patient bills and post or distribute notices on facility campus, and at other organizations as RMH may elect. Such information shall be provided in the primary languages spoken by the population serviced by RMH. Referral of patients may be made by any member of the RMH staff or medical staff, including physicians, nurses, patient account representatives, social workers, and case managers. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

This policy will be made available to government and not-for-profit social service agencies that request it. Information on the program's availability and how to apply, as well as educational materials about the program will be available to patients through the admission process. As soon as a patient indicates that he/she may not be financially able to pay for services, he/she will be referred to a Patient Financial Representative to be considered for eligibility for the Financial Assistance Program. RMH will provide personal assistance in understanding the program and applying for assistance to any patient/legal guardian who requests assistance.

9. Appeals:
- A. The patient and/or responsible party may appeal a denial of eligibility for financial assistance by providing additional information to the Patient Account Representative within 14 calendar days of receipt of notification of denial. All appeals will be reviewed by the Patient Accounts Manager for a final determination. If the final determination affirms the previous denial of financial assistance, written notification will be sent to the patient, legal guardian, and/or responsible party.
  - B. If an appeal is filed within 12 calendar days for final determination, any collection efforts will be suspended pending the outcome of the appeals process.

10. Collection Agency Accounts:

Accounts assigned to an outside collection agency or attorney will not be eligible for financial assistance. However, in unusual situations where a patient’s circumstances have changed after an account is assigned to an outsource collection agency or attorney, RMH will consider exceptions to this provision of this policy. The Patient account Representative, Business Office Manager and Chief Executive Officer have the authority to grant exceptions.

11. Discounted Charges for Eligible Patients:

- A. Patients determined to be eligible for financial assistance are not charged more than AGB (Amount Generally Billed) for emergency or other medically necessary care, eligible patients with insurance coverage are not personally responsible to pay more than AGB after all payments by the health insurer have been applied.
- B. RMH uses the look-back method to determine the amounts generally billed to individuals who have insurance covering emergency or other medically necessary care.
- C. The AGB percentages were calculated using all by Medicare and Medicaid insurer, including Medicare Advantage and traditional Medicare, for inpatient and outpatient services over a 12-month period. Total expected payment form allowed claims was divided by the total billed charges for the same claims, The AGB percentages are updated annually. The current RMH percentage is 72.65%.

12. Policy Administration:

This policy shall be supervised by the Patient Account Representatives who shall be responsible for administering the program, assuring that determination for financial assistance meets the requirement of this policy, and notifying the patient and/or responsible party of the final determination. The Business Office Manager and Chief Executive Officer must approve the applications. In implementing the policy, RMH management and facilities shall comply with all other federal, state, and local laws, rules and regulations that may apply to activities conducted pursuant to this policy.

**ADDITIONAL POLICY INFORMATION:**

<b>Type:</b> CAH 2-Year Review	<b>Owner:</b> Heather Welch, Business Office Manager
<b>Replaces:</b> None	
<b>Committee/Date:</b> None	
<b>Other required review/approval(s) (name, title):</b> Holly Wolff, CEO	
<b>Regulatory or Accreditation Agency:</b>	