Phelps Health	Title**: Financial Assistance**	Reference: **Charity**
	Initiated: **06/95**	Revised: **06/97; 09/05; 04/14; 04/16; 01/18; 03/19**
	Manual: **Administration**	Page 1 of 6

Purpose: Guided by the vision and mission of Phelps Health this policy reflects the efforts of the Hospital to improve the human condition of the individuals and communities served, with special concern for the poor and underserved.

Policy: Phelps Health will provide medically necessary services to all patients without regard to the patient's financial ability to pay.

Definition: Financial Assistance is defined as uncompensated/discounted services provided to Missouri residents who are United States Citizens or married to a US citizen who reside in our primary service area and do not have the ability to pay. College student's residency will be determined by the taxes of the person who claimed them as an exemption on the most recent completed tax year. For purposes of assistance determination, primary service area will include residents of the following counties: Phelps, Dent, Texas, Pulaski, Maries, Crawford, Osage, Gasconade, Laclede, Camden and Miller. The patient may be uninsured or under insured to be considered for financial assistance. Elective procedures are exempt from Financial Assistance.

The Financial Assistance application will be applied to present accounts and to accounts for the previous 240 days from the receipt date of the first patient statement. If any personal payments have been made during this time and if the amount of charity received would create a credit balance, a refund will be issued.

Medical Necessity – Any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

Physician's covered by this policy: Pain Clinic Providers, Emergency Room Physicians, and the Anesthesiology Providers.

Physician's not covered by this policy: USA Radiology Management Solutions, LLC, (Radiologists), Mallinckrodt Institution of Radiology, (Radiologists), Medical Lab (Pathologists), and Phelps Health Medial Group.

How to Apply for Financial Assistance

If you would like to apply for financial assistance you can call 573-458-7715 and ask for a financial assistance packet to be sent to you or a packet can be picked up at the Phelps Health cashier's office at 1000 West Tenth St., Rolla, MO or you can print one from our website (http://phelpshealth.org). Please follow the instructions and provide copies of all the requested information. Original documentation such as tax information can not be mailed back to the patient. You can also attach a written explanation of any recent changes to your situation that you feel would be pertinent. If you have questions or need help with the financial assistance application, please call 573-458-7715.

Eligibility Criteria

Financial ability is determined by looking at gross income, assets, family size, and expected future income. Other assets are checking accounts, savings accounts, IRA"s, CD's, retirement savings, investments, 2nd home, land, business assets, farm equipment, and livestock. Income will be annualized, some judgment may be required. Job/life changes will be considered. After an assessment of medical necessity and financial ability, Phelps Health may provide free or discounted care to patients who qualify for financial assistance under this Policy.

Poverty Guidelines. Lesser discounts are available, based on facility guidelines, to those patients with income (financial ability) that exceed 150% and is equal to or less than 225% of the Federal Poverty Guidelines. Details of the sliding scale guidelines can be located in **Addendum A**. of this policy. A copy of this information is available at no charge by contacting the hospital at 573-458-7715.

Amounts Generally Billed Calculation

Phelps Health provides financial assistance to medical indigent patients meeting the eligibility criteria outlined in this policy for Medically Indigent Patients. After the patient's account(s) is reduced by the financial assistance adjustment based on policy, the patient is responsible for the remainder of his or her outstanding patient account which shall be no more than amount generally billed (AGB) to individuals who have Medicare fee for service and private health insurers for emergency and other medically necessary care. The Look Back Method is used to determine AGB, **Addendum B**. Patients or members of the public may obtain this summary document at no charge by contacting the hospital at 573-458-7715.

Amounts Generally Billed is the sum of all amounts of claims that have been allowed by health insurers divided by the sum of the associated gross charges for those claims.

AGB% = Sum of Claims Allowed Amount $/ Sum of Gross Charges $ for those claims

Fiscal Year AGB % calculation is available at no charge by contacting the Director of Patient Financial Services at 573-458-7725.

Allowed Amount = Total charges less Contractual Adjustments
If no contractual adjustment is posted then total charges equals the allowed amount.
Denial adjustments are excluded from the calculation as denials do not impact allowed amount.

On an annual basis the AGB is calculated for Phelps Health.

- A twelve (12) month period is used.
- Payors include: Medicare Fee for Service and all private insurers that pay claims to hospital facility.
- Payors excluded: Uninsured, Medicaid and Medicaid Managed Care Plans.

Medical Necessity

EMTALA
Any patient seeking urgent or emergent care (within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd)) at Phelps Health shall be treated without discrimination and without regard to a patient's ability to pay for care. Phelps Health operates in accordance with all federal and state requirements for the provision of urgent or emergent health care services, including screening, treatment and transfer requirement under the federal Emergency Medical Treatment and Active Labor Act (EMTALA) Phelps Health should consult and be guided by their emergency services policy, EMTALA regulations and applicable Medicare/Medicaid Conditions of Participation in determining what constitutes an urgent or emergent condition and the processes to be followed with respect to each.

Procedure: A patient's/families/guarantor's gross income, net worth, assets, household size, life/job changes are taken into consideration in determining what financial assistance is given based on the Federal Poverty Guidelines. Patients need to furnish a copy of their most recent Federal Tax Return (1040) with all schedules and copies of last 3 payroll check stubs, (for all employers), for all people working in the family and proof of any other income (i.e. public assistance, unemployment benefits, workers compensation, alimony, child support, rental and business income, royalties, etc). Self-employed patients/guarantors are required to furnish their latest YTD income and expense figures. College students must furnish proof that they weren't claimed on parents latest tax return. Regardless of ability to pay, the hospital will provide medical services necessary to stabilize a patient's condition from life-threatening or emergent circumstance.

SELF PAY

All Self-Pay patients must agree to be screened for benefits by completing a financial statement and/or related paper work in order to qualify for discounts under this policy. Patients will be required to work with the hospital Liaison to see if they could qualify to enroll and obtain healthcare coverage from any private or public program (Medicare, Medicaid, or county assistance program, or Affordable Care Act). Patients will be asked to fill out our Patient Financial Assistance Form and return the information within 14 days. Financial Assistance applications are good for 120 days from the date obtained.

If patients are found to be eligible for benefits from Medicaid or other government sponsored funding, all efforts to collect from that patient will cease at the time that determination is made and this policy shall NOT apply. Self-Pay patients that qualify for equal to or less than 225% of the Federal Poverty guidelines will receive a discount of at least the AGB or greater.

A potential (Charity) Financial Assistance case should be identified as quickly as possible to shorten the determination period and avoid unnecessary collection efforts. Once identified, Patient Financial Service staff should discuss the charity policy of the hospital with the patient and provide the Assistance Application for completion. The applicant should be instructed to return the application within 14 days. All information requested must be returned for the application to be considered.

After the patient's account(s) is reduced by the financial assistance adjustment based on policy, the patient is responsible for the remainder of his or her

outstanding patient account which shall be no more than amount generally billed (AGB).

PRESUMPTIVE FINANCIAL ASSISTANCE ELIGIBILITY

Phelps Health understands that certain patients may be unable to complete a financial assistance application, comply with requests for documentation, or are otherwise nonresponsive to the application process.

As a result, there may be circumstances under which a patient's qualification for financial assistance is established without completing the formal assistance application. Under these circumstances, Phelps Health may utilize other sources of information to make an individual assessment of financial need. This information will enable Phelps Health to make an informed decision on the financial need of non-responsive patients utilizing the best estimates available in the absence of information provided directly by the patient. Presumptive eligibility may also be determined using external sources and/or other program enrollment resources. Presumptive eligibility may be granted when:

- Patient is homeless or receiving housing from a homeless shelter
- Patient is deceased with no known estate
- Patient is incarcerated prisoner not expected to be released within the next 12 months
- Patient is mentally incapacitated and not eligible for Medicaid/Medicare

When presumptive eligibility is granted to the patient, the highest discount of full free care will be granted for eligible services for retrospective dates of service only. If a patient does not qualify under Presumptive eligibility, the patient may still be considered under the traditional financial assistance application process. To patients not qualifying through this process, Phelps Health will provide them with a written notice informing them that financial assistance is available. It will include a plain language summary of the financial assistance policy and actions to be taken if an application is not submitted or the outstanding balance paid.

Patient accounts granted presumptive eligibility will be reclassified under the financial assistance policy. They will not be sent to collection, will not be subject to further collection actions, will not be notified of their qualification and will not be included in the hospital's bad debt expense.

When pursuing collection of all patient account balances (whether self-pay or otherwise), Phelps Health, collection agencies and third party bill handlers working accounts on behalf of Phelps Health, shall not employ debtors prison, writ of body attachment arrests, or liens on principal residences. Liens on any appropriately attached assets may be exercised through garnishments or other means as permitted by state law.

This hospital reserves the right to not apply this policy to services that are deemed to be elective in nature. The determination of whether or not a service is elective shall reside with the hospital.

Extension of financial assistance based on indigence will be based upon the review and recommendation by the Patient Financial Services department with approval of the Director.

Special circumstances may be considered, but must be approved by the Director of Patient Financial Services and or the Chief Financial Officer.

Collection actions that Phelps Health may take in the event of nonpayment are described in our AR Management policy. You may obtain a copy of this policy by contacting the Patient Financial Services Department at 573-458-7715.

This policy does not apply to any non-hospital Phelps Health affiliate or related entity.

The Director of Patient Finance is responsible to oversee the compliance of the Financial Assistance program.

Recommended by:	Kent D. Johnson Director of PFS
Authorized by:	Jana Cook VP/Chief Financial Officer
Approved by:	Board of Trustees 4/24/2019