



POLICY TITLE: Financial Assistance Policy

OWNER: Kiowa County Memorial Hospital (KCMH)

**DOCUMENT NUMBER:
BUS.007**

APPROVED BY: KCMH Board

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I. POLICY

- A. Kiowa County Memorial Hospital (“KCMH”) is committed to providing access to quality healthcare for the community it serves including patients in difficult financial circumstances, and offers financial assistance to those with an established need to receive emergency medical care and medically necessary hospital and/or clinic services.
- B. Actions KCMH may take in the event of non-payment are described in KCMH’s Billing and Collection Policy. A free copy of this policy may be obtained by visiting www.kcmh.net or calling 620-723-3341, Monday through Friday, 8:00am to 5:00pm
- C. KCMH will not engage in extraordinary collection actions before it makes a reasonable effort to determine whether a patient is eligible for financial assistance under this policy.

II. PURPOSE

- A. This policy serves to establish and ensure a fair and consistent method for uninsured and under-insured patients to apply and be considered for financial assistance related to emergency and other medically necessary hospital care. Please note that not all medical services at KCMH qualify for assistance under this policy. Financial assistance involves free or discounted care based on household income and assets that are required to be disclosed in the application process. Financial assistance is based on a discount of the gross charge for hospital and/or clinic services provided with a minimum discount of 50% for those determined to be eligible for financial assistance at KCMH.

III. DEFINITIONS

- A. Applicant: Patient or other individual responsible for payment of the patient’s care who seeks financial assistance.
- B. Application period: Begins on the date medical care is provided and ends 240 days after the first post-discharge billing statement or 30 days after the hospital or authorized third party provides written notice of extraordinary collection actions the hospital plans to initiate, whichever is later.
- C. Bad debt: The cost of providing care to persons who are able but unwilling to pay all or some portion of the medical bills for which they are responsible.
- D. Financial assistance: The cost of providing free or discounted care to individuals who cannot afford to pay all or a portion of their hospital medical bills based on the eligibility rules identified in this policy. KCMH may determine inability to pay before or after medically necessary services are provided.
- E. Gross charges: The full established price for medical care provided to patients.
- F. Medically Necessary care: Health care service or products that a prudent physician would provide to a patient for the purpose of preventing, diagnosing, or treating an illness, injury, disease or its symptoms in a manner that is:
 - 1. In accordance with generally accepted standards of medical practice;
 - 2. Clinically appropriate in terms of type, frequency, extent, site and duration; and
 - 3. Not primarily for the economic benefit of the health plans and purchasers or for the convenience of the patient, treating physician, or other healthcare provider.
- G. Self-pay balance: The amount due to a provider or hospital after services are rendered and all other payment options or reimbursement methods are exhausted.

IV. PROVIDERS COVERED UNDER THIS POLICY

- A. All KCMH providers rendering care at KCMH are covered under this policy.
 - 1. A list of providers contracted or otherwise authorized to render care to patients in the Kiowa County Memorial Hospital and/or Greensburg Family Practice is maintained separately from this financial

- assistance policy. The Provider List (Appendix B) may be obtained, free of charge, by calling 620-723-3341, online at www.kcmh.net or by visiting our business office at 721 West Kansas, Greensburg, KS
2. A list of Non Covered Providers and Group is maintained separately from this financial assistance policy. The Non Covered Provider List (Appendix C) may be obtained, free of charge, by calling 620-723-3341, online at www.kcmh.net or by visiting our business office at 721 West Kansas, Greensburg, KS

V. ELIGIBILITY CRITERIA FOR FINANCIAL ASSISTANCE

- A. Eligibility for financial assistance requires the complete cooperation of the applicant during the application process, including:
1. Completion of the application process for all available assistance, including Medical Assistance or Medicaid, and a signed authorization and service terms form allowing KCMH to submit claims;
 2. Completion of the financial assistance application including all required documents;
 3. Meet annual household income and family size criteria as set forth in the Federal Poverty Guidelines for the current year; 50% adjustment of the self-pay balance for applicants with household income of up to 200% of the Federal Poverty Guidelines; 100% adjustment of the self-pay balance for applicants without household income of equal to or less than 200% of the Federal Poverty Guidelines (Appendix A); and
 4. A demonstrated inability to pay for services based on all available assets.
- B. KCMH reserves the right to deny financial assistance to individuals who are required to obtain health insurance coverage but choose not to do so or individuals who decline insurance coverage, including government assistance plans, due to religious reasons. Many applicants are not aware that they may be eligible for government assistance plans or have not applied for such plans.
1. KCMH has staff available for those needing to apply for Medicaid through presumptive eligibility. Please call our Business Office at 620-723-3341 to arrange a time to meet with our staff and complete an application.
- C. KCMH makes every reasonable attempt to collect from insurance companies and any other third-party payers.
- D. KCMH reserves the right to reverse financial assistance and pursue appropriate reimbursement or collections as a result of newly discovered information, including insurance coverage or payment to the applicant or pursuant of a personal injury claim related to the services in question. All payments received by KCMH after financial assistance is awarded will result in the reversal of the adjusted amounts to resolve the remaining self-pay balance without creating a balance due or a credit balance.
- E. Patients receiving care in the Emergency Department who are without financial resources may be eligible for financial assistance if they are unemployed or have no permanent address or insurance coverage. Indigent patients without access to the required application documentation may still be eligible for financial assistance.
- F. Providing financial assistance does not obligate KCMH to provide continuing care; however Kiowa County Memorial Hospital's sole discretion, services and support that are medically necessary and unavailable elsewhere may be provided on a continuing basis. Patients may be required to re-apply for financial assistance at least every 180 days.

VI. PRESUMPTIVE ELIGIBILITY

- A. The object is to document the need for financial assistance. If a patient or the person who has financial responsibility for emergency and medically necessary services is unwilling or unable to provide all necessary and pertinent information to make a concise and fair determination of their income the Presumptive Eligibility (PE) can be made.
1. Presumptive Eligibility (PE): Some patient or guarantors are presumed to be eligible for financial assistance based on individual life circumstances, for example, those who are homeless or have qualified for needs-based assistance programs. This is called "presumptive eligibility." These patients or guarantors do not need to complete the financial application if they provide proof that they qualify for certain programs that exist to benefit people who do not have enough resources to pay for services and care. Presumptive Eligibility will be used to give a discount to patients who are eligible because of one of the following examples:
 - a. They are homeless and/or have received care from a homeless clinic or shelter. The patient or guarantor must provide a written statement from a homeless clinic or shelter.
 - b. They receive care from and/or part of the Women, Infants and Children's (WIC) program. The patient or guarantor must provide the most recent WIC voucher issued by the Family Support Division Office.
 - c. They receive Supplemental Nutritional Assistance Program (SNAP) benefits (formerly known as food stamps). The patient or guarantor must provide the most recent SNAP (food stamp) eligibility statements issued by the Family Support Division office.
 - d. The patient's family is eligible for and receives free or reduced-cost school lunch as a part of the federally funded program. The patient or guarantor must provide the most recent confirmation

- e. The Patient's street address is an affordable or subsidized housing program for low-income people, such as HUD Section 8 Housing. The patient or guarantor must provide the subsidized housing application approval issued by the Family Support Division Office.
- f. The patient's or guarantor's wages are not enough to garnish, as defined by state law. The patient must provide proof, as issued by the state in which he or she lives, exemption from wage garnishment.

VII. METHOD OF APPLYING FOR FINANCIAL ASSISTANCE

- A. Financial Assistance is offered through either an application process or based on current eligibility for Medical Assistance or other governmental need-based assistance.

VIII. APPLICATION PROCESS

- A. The Financial Assistance process begins at the time of service (during pre-admission, admission, or at the time of discharge.)
- B. Applicants who want to apply for financial assistance may apply by either requesting the application form or downloading and printing the financial assistance application form at no charge. Forms are due back to the Business Office within 30 days of being requested. KCMH will notify applicants of incomplete applications and specify the documents or information needed to complete the application process, which should be provided within 30 days. KCMH reserves the right to deny financial assistance if the application is not received within the application period.
- C. KCMH's Business Office Manager, or his/her designee, will review the application and make a determination of financial assistance that may be offered. The application review process takes approximately 30 business days. Once a decision has been made for financial assistance, a letter will be sent to the applicant advising of the decision.
- D. Financial Assistance is not retrospective. Applications for financial assistance covers services that are newly billed to the patient, within 30 days of the initial statement being mailed to the patient. Statements that are on the second statement cycle or older will not be considered "covered" by the Financial Assistance Application. Those accounts will be considered patient balance, and are patient responsibility for payment. If charges are incurred after submitting the application, and financial assistance is approved, those charges will be adjusted accordingly, so the patient does not have a delay in care, waiting for a decision.
 - 1. The Business Office will continue to work with the patient or guarantor to resolve remaining account balances. Patients or guarantors are responsible to make mutually acceptable payment plan arrangements with the Hospital within 30 days of receiving a written notice of determination regarding their Financial Assistance application.
- E. If the patient or guarantor fails to initiate or complete the Financial Assistance process, the Hospital may elect to begin collection activity, including possible transfer of account(s) to a collection agency.
- F. Patients or their representatives can appeal a denial of Financial Assistance by providing additional information regarding eligibility determination or an explanation of extenuating circumstances, to the Business Office Manager within 30 days of receiving the written denial notification. The party making the appeal will be notified in writing of the final decision made by the Business Office Manager **and** Administrator.
 - 1. Allowances may be made for extenuating circumstances based on each person's unique life circumstance and mitigating factors. The amount of assistance provided by the Hospital may be more than outlined in the guidelines, but never less.

IX. APPROVAL AND AUTHORIZATION

- A. Approval and authorization of Financial Assistance discounts will be based on the following:

<u>\$0 to \$500</u>	<u>Business Office Manager</u>
<u>\$501 to \$5,000</u>	<u>CFO</u>
<u>\$5,001 to \$10,000</u>	<u>CEO</u>
<u>\$10,001 or higher</u>	<u>Board of Trustees</u>

X. APPLICATIONS FOR FINANCIAL ASSISTANCE ARE AVAILABLE:

- A. Website
 - 1. www.kcmh.net
- B. Written request or in person at our Business Office
 - 1. Kiowa County Memorial Hospital, 721 West Kansas, Greensburg, KS
- C. By phone
 - 1. 620-723-3341

XI. BASIS FOR CALCULATION AMOUNTS CHARGED TO PATIENTS

- A. All patients are billed according to gross charged amounts; however the self-pay balance for patients eligible for

financial assistance is limited to the Amount Generally Billed (AGB) to those who have insurance covering such care.

XII. EMERGENCY SERVICES

- A. KCMH provides medical screening examinations and emergency care to stabilize patients, regardless of their ability to pay and in compliance with the Emergency Medical Treatment and Labor Act (EMTALA). KCMH prohibits any actions that would discourage individuals from seeking emergency care and does not perform debt collection activity in the Emergency Department.

XIII. EQUAL OPPORTUNITY

- A. KCMH is committed to upholding the multiple federal and state laws that preclude discrimination on the basis of race, sex, age, religion, national origin, marital status, sexual orientation, disabilities, military service, or any other classification protected by federal, state, or local laws.

XIV. CONFIDENTIALITY

- A. KCMH will uphold the confidentiality and individual dignity of each patient. KCMH and all affiliates will adhere to HIPAA requirements for handling personal medical, health, and financial information.