

	<p align="center"><b>Administrative Policy &amp; Procedure</b></p> <p>Title: Financial Assistance and Patient Collections</p> <p>Section: Management of Information</p>	<p>Policy Number: IM-2003</p> <p>Origination Date: 1/17/90</p> <p>Effective Date: 2/2017</p> <p align="right">Page 1 of 8</p>
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**Policy Statement**

It shall be the policy of Memorial Health University Medical Center, Inc. (MHUMC) to provide timely and appropriate financial assistance to patients or their financial guarantors as a means of making arrangements for payments, obtaining payment in full, or to determine the need for financial assistance. Collection activity is conducted within the applicable rules and laws governing patient collections.

MHUMC takes its obligation to provide free and reduced care to the uninsured members of our community very seriously. This policy is reviewed and adopted by the Finance Committee of our Board of Directors.

**Definition of Terms**

**Emergent admission** – a condition requiring immediate medical attention; time delay would be harmful to the patient; illness is acute and/or potentially threatening to life or function

**Urgent admission** – a condition requiring medical attention within a short period; a possible danger exists to the patient if medically unattended

**Non-urgent admission** – a condition which does not require the resources of an Emergency Department or emergency services; referral for routine medical care may or may not be needed; illness is non-acute or minor in severity

**Discount** – an adjustment to reduce the balance due on an account

**Federal Poverty Guidelines (FPG)** – guidelines published annually in the Federal Register; amounts are driven based on income and family size; FPG is used as the basis for determining categorization of financial assistance program

**Insured** – a patient with health insurance

**Uninsured** – a patient without health insurance

I. Financial Counseling

- A. Patients requiring emergent or urgent medical care and pregnant women in active labor shall be treated timely without regard to their ability to pay for care in accordance with MHUMC Policy PC-1019 (Emergency Medical Screening, Stabilization, Treatment, and transfer).
  - 1. For minors, the guarantor for the patient shall be contacted while the patient is in the hospital and appropriate arrangements for payment shall be determined.
- B. Patients may obtain information about the Financial Assistance Policy, eligibility requirements, and application process by directly calling the Financial Assistance Department at (912)350-7828, or patients may obtain a written Financial Assistance Summary, made available in both English and Spanish versions, at the following points of service:
  - 1. All registration areas
  - 2. Insurance Verification/Pre-admission/Pre-certification
  - 3. Inpatient hospital rooms
  - 4. Direct contact with patients or their families/friends
  - 5. Physicians and/or office representatives
  - 6. Emergency Room & Trauma Center
  - 7. Billing and Collections
  - 8. Other entities in the Memorial Health System
- C. Financial Assistance eligibility may be applied only to hospital related charges for the delivery of emergency care and other medically necessary care provided in the hospital.
  - 1. Financial Assistance may not be applied to service fees charged by Third Party Providers, not directly employed by MHUMC, but who deliver patient care during one's hospital visit/stay. Some examples of such Third Party Providers may include, but are not limited to, the following service lines:
    - a. Emergency Medicine
    - b. Pathology
    - c. Radiology
    - d. General Surgery
    - e. Orthopedic Surgery
    - f. Trauma Surgery
- D. MHUMC Patient Access team will provide a copy of the Financial Assistance Summary document to all uninsured patients at the time of registration. The patient will be required to sign the document,

and the signed copy will be scanned into MHUMC's document imaging system for each encounter. This will serve to verify that the patient was made aware of the Financial Assistance Policy.

- E. MHUMC will take the following measures to widely publicize its Financial Assistance Policy, free of charge:
  - 1. Provide copies of Financial Assistance Summary at access points in the hospital facility
  - 2. Include financial assistance information in the annual Community Benefit Report
  - 3. Provide copies of Financial Assistance Summary to collaborative partners, such as the Chatham County Safety Net Planning Council and Care Navigator Program, who serve as a community resource
  - 4. Provide and/or mail copies of Financial Assistance Summary and Application when such request is received by any member of Financial Assistance, Billing, Collections, or Customer Service teams.
  - 5. Provide general public with access to view and print copies of the Financial Assistance Policy, Financial Assistance Summary, and Financial Assistance Application, in both English and Spanish versions, on the MHUMC website, [www.memorialhealth.com](http://www.memorialhealth.com).
- F. All scheduled or unscheduled, uninsured, inpatient or outpatient visits or admissions will be analyzed by the financial assistance team for potential program eligibility (i.e. State Medicaid, Social Security Disability, Indigent/Charity, or any other third party assistance program).
  - 1. Potentially eligible patients will be advised of requirement to complete application process, if applicable.
  - 2. Scheduled, elective visits or admissions of uninsured patients are subject to MHUMC Policy FA-1001 (Unfunded Elective Visit Financial Clearance).
  - 3. If the patient does not appear to be eligible for any type of assistance, the Financial Assistance team will notify the patient to discuss payment options.

## II. Eligibility Criteria

- A. Uninsured patients may request financial assistance at any time during pre-registration, registration, inpatient stay, or throughout the course of the billing and collections cycle by requesting and completing an application for financial assistance.

- B. All uninsured patients with a verified household income less than 250% of FPG for family size may qualify for financial assistance.
- C. Resource limits may not exceed \$50,000 for the family size.
- D. A completed application for financial assistance requires patient to submit the following forms and verifications:
  - 1. Signed application for Indigent/Charity program
  - 2. Proof of household income
  - 3. Statement of Support (if no income reported)
  - 4. Proof of resources (i.e. bank statements, money market account statements, income from rental property)
  - 5. Additional documentation may be requested by the financial counselor based upon information disclosed by patient during the screening process.

### III. Eligibility Determination

- A. Once a completed application is submitted and reviewed, a determination will be made and the patient/applicant will be notified in writing of the decision.
- B. The Financial Assistance department at MHUMC is responsible for making eligibility determinations based on the documentation provided through the application process.
  - 1. A patient may contact the Financial Assistance department with questions regarding eligibility determinations by calling (912)350-7828.
  - 2. If a patient is unable to produce any of the required documents to verify household income, then patient may call the Financial Assistance Department at (912)350-7828 to inquire about other evidence that may be accepted and considered to make a determination of eligibility.
- C. Notification of request for additional information or Denial
  - 1. Financial Assistance will not be denied based solely upon an incomplete application initially submitted.
  - 2. Most common types of documentation needed are referenced above and outlined on the MHUMC Financial Assistance Summary (Attachment B).
  - 3. MHUMC will contact the patient via USPS mail to notify of additional documentation requirements. Patient will have 30 days to return additional information.
    - a. The request for additional information will contain language indicating collection actions that may be taken in the event the patient fails to respond

timely or provide the additional documents requested.

- b. If patient fails to provide requested additional documentation, the application for financial assistance may be denied.

D. Eligibility Approved

1. Patient will receive discount off total charges as outlined in Attachment A. Financial assistance eligible patients will never be billed more than Amounts Generally Billed, as described below. (Attachment C)
2. Eligibility shall remain effective for a period of twelve months, starting on the initial date of service of the first patient encounter for which Financial Assistance was requested and applied.

E. Eligibility Denied

1. MHUMC does not bill or expect payment of gross/total charges from individuals who have no health insurance and do not qualify for financial assistance.
2. If patient disagrees with the denial determination, he/she may request, orally or in writing, a second review of their application by contacting the financial assistance office at (912)350-7828.

IV. Notification of Approval

- A. MHUMC will contact the patient via USPS mail to notify of approval for financial assistance program. This notice will include the steps a patient may take to obtain information about how their co-pay (if applicable) was determined as well as information confirming that the co-pay is not more than the Amounts Generally Billed as described below.
- B. If a patient has already established a payment plan or made payments on their account, and is subsequently approved for financial assistance, then any payments made over the determined amount due will either be applied to other outstanding accounts, or refunded to the patient if no other outstanding accounts exist and if the amount of overpayment is in excess of \$5.00.
- C. If an approved patient has had extraordinary collection actions taken against them, then MHUMC will take all reasonably available steps to reverse the actions taken upon the financial assistance eligible person.
- D. Calculation of Amounts Charged to Patients

1. MHUMC uses the look back method to determine the Amounts Generally Billed (AGB) to patients whom qualify for financial assistance. Excluding Medicaid, MHUMC reviews actual past claims paid to the hospital by Medicare fee-for-service providers together with all private health insurers paying claims to the hospital to establish a percentage of total charges which is then used to determine amounts to be discounted annually. MHUMC will not bill a financial assistance eligible person more than the AGB rate.
  2. For 2017, the AGB is 29.33% of charges. For a detailed description of how MHUMC determined this percentage, please contact our Financial Assistance team. MHUMC will mail the patient a copy of the information, free of charge. (Attachment C)
- E. MHUMC does not bill or expect payment of gross/total charges from individuals who qualify for financial assistance, or who have no health insurance but do not qualify for financial assistance.

#### V. Patient Collections

- A. MHUMC makes reasonable efforts to ensure that patients are billed for their services accurately and timely. MHUMC will attempt to work with all patients to determine if individual may be financial assistance eligible for free or reduced care, or to establish suitable payment arrangements if payment in full cannot be made at the time services are provided or upon the date of the first patient bill being delivered. Typically, patients will receive their first statement within 15 days of discharge from the facility.
- B. MHUMC contracts with Conifer Health Solutions to manage its patient collection process.
- C. Patient Billing Notices & Timeframes
  1. Patients will receive their first statement within 15 days of discharge from the facility.
  2. The first three statements will include an overview of MHUMCs Financial Assistance Program that will contain information about the program, contact information for MHUMCs financial assistance team, where to obtain a copy of the Financial Assistance policy free of charge, and the required information to submit with an application for financial assistance.
  3. Uninsured patients will not be referred for collection agency follow up in less than 120 days from the date of the first statement. Patients will be allowed to request financial

assistance up to 240 days from the date of first statement, or at any time during the collection process.

D. Extraordinary Collections Actions (ECAs)

1. MHUMC contracts with Conifer Health Solutions for its patient and/or guarantor collection processes, to include pre-collection agency follow up and bad debt collection agency placement. MHUMC patient accounts are subject to the following ECAs:
  - a. Placement with collection agency
  - b. Credit Agency reporting
  - c. Hospital liens for accounts involved in litigation that could result in a financial judgment for the patient
2. If during the course of collections follow up a patient or guarantor requests financial assistance, indicating that they are uninsured and/or unable to pay for care, then patient or guarantor will be referred to MHUMCs Financial Assistance team to be screened for potential program eligibility, and ECA will be immediately suspended.
  - a. If Financial Assistance team conducts a screening and determines a patient may be eligible for assistance, then the application process will be initiated and required verifications will be requested.
  - b. Upon receipt of a signed application, regardless of completeness, all further collection activity will remain suspended pending a determination of eligibility from the financial assistance team.
    - i. Eligibility will not be denied based solely upon an incomplete application submitted.
    - ii. Patient will be notified by mail of the need to provide additional documentation and thus granted a period of 30 days to return requested information.
  - c. If patient is approved for financial assistance, then all reasonable measures will be taken to reverse ECAs taken against patient.

**Approved by:**

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Laura Dow  
Chief Financial Officer

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Margaret Gill  
President & Chief Executive Officer

Originating Implementation Date: 1/17/90  
Originating Department: Finance  
Next Review Date: 6/2016  
Past Revised Date: 10/92, 8/95, 9/98, 7/2001, 5/2005,  
6/2013, 2/2015  
Past Reviewed Date: 7/2002, 3/2008, 5/2010, 10/2012,  
3/2013, 10/2014, 1/2015, 2/2015,  
2/2016, 2/2017  
Former Policy Number(s): Administrative Policy & Procedure  
#3007, "Financial Counseling"  
Attachment(s): Attachment A – Patient Discount  
Attachment B – Summary Document  
(Moore Wallace [Form 10182](#))  
Attachment C – Percentage Discount



**Memorial Health University Medical Center, Inc.  
Revenue Cycle  
Patient Financial Assistance Department  
2017 ICTF, Hill-Burton, and Financial Assistance Program, (FAP), Income Guidelines**

**Federal Poverty Guidelines, (FPG)**

Family Size	0 to 125%		126 to 200%		201 to 225%		226 to 250%		
1	0	15,075	15,076	24,120	24,121	27,135	27,136	30,150	*2010 \$1,100
2	0	20,300	20,301	32,480	32,481	36,540	36,541	40,600	*2011 \$1,132
3	0	25,525	25,526	40,840	40,841	45,945	45,946	51,050	*2012 \$1,156
4	0	30,750	30,751	49,200	49,201	55,350	55,351	61,500	*2013 \$1,186
5	0	35,975	35,976	57,560	57,561	64,755	64,756	71,950	*2014 \$1,216
6	0	41,200	41,201	65,920	65,921	74,160	74,161	82,400	*2015 \$1.260
7	0	46,425	46,426	74,280	74,281	83,565	83,566	92,850	*2016 \$1.288
8	0	51,650	51,651	82,640	82,641	92,970	92,971	103,300	*2017 \$1.316
	<b>ICTF</b>	<b>F</b>	<b>ICTF</b>	<b>G</b>	<b>ICTF</b>	<b>J</b>	<b>ICTF</b>	<b>J</b>	
	<b>FAP</b>	2004	<b>FAP</b>	2005	<b>FAP</b>	2006	<b>FAP</b>	2007	

Copay Breakdowns (Patient Liability):

0- 125 FPG		126-200% FPG		201-225% FPG		226-250% FPG	
<b>ICTF</b>	No Copay	<b>ICTF</b>	20% to Max of \$1,316	<b>FAP</b>	29.33% to Max of \$1,680	<b>FAP</b>	29.33% to Max of \$1,680
<b>FAP</b>		<b>FAP</b>		<b>FAP</b>		<b>FAP</b>	



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Memorial University Medical Center (MUMC) offers financial assistance for its medical care to eligible individuals and families. Based on your financial need, either reduced payments or free care may be available.

MUMC does not bill patients for patient liability amounts more than the amounts generally billed to Medicare and insurance providers.

You may be eligible for financial assistance if you:

- ✓ Have limited or no health insurance;
- ✓ Are not eligible for government assistance (for example, Medicare or Medicaid);
- ✓ Can show you have financial need;
- ✓ Are a resident of the primary service area of MUMC; and
- ✓ Provide MUMC with necessary information about your household finances.

Financial assistance is available for eligible patients who require:

- ✓ Emergency medical services;
- ✓ Non-elective services for urgent life-threatening conditions, outside the Emergency Department; and
- ✓ Other medically necessary services, on a case-by-case basis.

Filing your application

Please mail your completed application form and copies of your proof of income materials to:

MUMC Financial Assistance  
PO Box 22909  
Savannah, GA 31403

Your application must include copies of any documents that apply to you. Please attach copies, not originals, as MUMC can't return any document sent with the application. If any of the documents are missing, it will delay processing of your application and could result in your account being sent to a collection agency.

To request an application for financial assistance, please contact the MUMC financial assistance team at 912.350.7828. A copy of this summary and the application forms are available in Spanish upon request or through the Memorial Health website at:

<http://www.memorialhealth.com/about/ptrights.aspx>

If you want more information or have questions about the process, please call the financial assistance team at 912.350.7828. A member of the financial assistance team will be happy to assist you.

All of our documents are available in Spanish. To request a copy of the documents in Spanish, please contact the financial assistance team at 912.350.7828 or visit our website at:

<http://www.memorialhealth.com/about/ptrights.aspx>

You can also obtain free copies of this summary, the financial assistance policy, financial assistance application and required documentation on the Memorial Health Web Page at:

<http://www.memorialhealth.com/about/ptrights.aspx>

You may also contact the Care Navigator Program for the Chatham County Safety Net Planning Council for assistance with obtaining or completing an application for financial assistance. Their office is located at:

Chatham County Health Department  
1395 Eisenhower Dr.  
Savannah, GA 31406  
Phone: 912-356-2887

You may also visit the financial assistance office located at:

Memorial's Main Campus, Behind Main Lobby  
4700 Waters Avenue  
Savannah, GA 31404  
912-350-7828

<http://www.memorialhealth.com/about/ptrights.aspx>



Financial Assistance Summary Information



University Medical Center

Financial Assistance Department  
Explanation of Amounts Generally Billed

Memorial Health University Medical Center (MHUMC) uses the look-back method to determine the Amounts Generally Billed (AGB) to patients whom qualify for financial assistance. MHUMC reviews actual claims paid in the last year to the hospital by Medicare fee-for-service together with all private health insurers paying claims to the hospital to establish a percentage of total charges that a patient approved for financial assistance will be billed.

For 2017, that amount is 29.33 percent. Below is the information used to determine that percentage:

Financial Class	CHARGES 0 BAL ACCTS	PAYMENTS 0 BAL ACCTS
Blue Cross	97,043,180	37,606,990
MHUMC	11,294,889	3,582,223
Medicare	389,913,197	94,359,899
Commercial	37,990,559	15,245,912
Managed Care	123,680,227	42,750,859
<b>Totals</b>	<b>659,922,052</b>	<b>193,545,883</b>

<b>Percent of Charges</b>	<b>29.33%</b>
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If you are approved for MHUMC's financial assistance program, you will not be charged more than 29.33% of your total charges.

If your account is denied for Financial Assistance, your account could be placed with an external collection agency to pursue this debt. Memorial Health University Medical Center does place accounts with outside collection agencies and lists debts not paid on credit agency reports.

For further questions or if you need additional information regarding MHUMC's financial assistance program, please contact our office at 912.350.7828.