

# Financial Assistance Policy and Procedure

*Singing River Health System*

Date Revised: 2/28/18

## I. Objective

Singing River Health System is a public hospital owned by Jackson County, Mississippi. The Financial Assistance Program procedures are designed to assist individuals who qualify for less than full coverage under available Federal, State and local Medical Assistance Programs, but for whom residual "self-pay" balances exceed their own ability to pay. The underlying theory is that a person, over a reasonable period of time can be expected to pay only a maximum percentage of their disposable income towards charges incurred for healthcare expenses and while in the hospital. Any "self-pay" amount in excess of this percentage would place an undue financial hardship on the patient or their family and may be adjusted-off as Financial Assistance. Singing River Health System is committed to providing services to the community it serves. This document outlines a program to meet the following objectives:

- Facilitate access to healthcare services for the community served by Singing River Health System, without discrimination on the grounds of race, color or national origin, religion, sex, gender identity, sexual orientation, or disability.
- Assure quality healthcare for all patients regardless of their inability to meet the associated financial obligation, on a fair and equitable basis.
- Ensure compliance with applicable law, which includes fulfilling fiduciary and custodian responsibilities on behalf of our community.

## II. Policy

Consistent with our mission to provide high quality health and wellness services for the community, Singing River Health System, is committed to providing financial assistance to uninsured and underinsured individuals who are in need of emergency or medically necessary treatment and have a household income 200% or less of the Federal Poverty Guidelines (FPG).

In accordance with the Affordable Care Act (ACA), any patient eligible for financial assistance under Singing River Health System's financial assistance policy will not be charged more for emergency or medically necessary care than the amount generally billed (AGB) to insured patients.

Financial assistance is provided after patients have been found to meet all financial criteria. Singing River Health System offers both free care and discounted care, depending on individuals' family size and income.

Patients seeking assistance may first be asked to apply for other external programs (such as Medicaid or insurance through the public marketplace) as appropriate *before* eligibility under this policy is determined. Additionally, any uninsured patients who are believed to have the financial ability to purchase health insurance may be encouraged to do so to help ensure healthcare accessibility and overall well-being.

Uninsured and underinsured patients who do not qualify for free care may receive a sliding scale discount for their medically necessary services based on their family income as a percent of the Federal Poverty Guidelines. These patients are expected to pay their remaining balance for care, and may work with financial services to set up a payment plan based on their financial situation.

### III. Definitions

The following terms are meant to be interpreted as follows within this policy:

1. **Charity:** Medically necessary services rendered without the expectation of full payment to patients meeting the criteria established by this policy.
2. **Medically Necessary:** Hospital services or care rendered, both outpatient and inpatient, to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset or worsening of conditions that endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate a handicap, or result in overall illness or infirmity. Excludes cosmetic surgery, bariatric surgery, skilled nursing facility (SNF) and school routine physicals.
3. **Catastrophic Adjustment:** Any single account greater than 300% of the patient's gross income.
4. **Prompt Pay Discount:** 10% discount applied to self-pay balances when paid within 30 days.
5. **Extraordinary Collection Actions (ECAs):** A list of collection activities, as defined by the IRS and Treasury that healthcare organizations may only take against an individual to obtain payment for care *after* reasonable efforts have been made to determine whether the individual is eligible for financial assistance. These actions are further defined in Section II of this policy below and include actions such as reporting adverse information to credit bureaus/reporting agencies along with legal/judicial actions such as garnishing wages.
6. **Emergency Care:** Immediate care that is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and/or serious dysfunction of any organs or body parts.
7. **Urgent Care:** Medically necessary care to treat medical conditions that are not immediately life-threatening, but could result in the onset of illness or injury, disability, death, or serious impairment or dysfunction.
8. **Uninsured:** Patients with no insurance or third-party assistance to help resolve their financial liability to healthcare providers.
9. **Underinsured:** Insured patients whose policies do not cover all medically necessary care.
10. **Amount Generally Billed (AGB):** The amounts generally billed for emergency or medically necessary care to individuals who have insurance covering such care, determined in accordance with section 1.501(r) - 5(b).
11. **Allowed Amount:** Amount owed to Singing River Health System after gross charges are reduced by the payer's contractual adjustment.

12. **Presumptive Eligibility:** The process by which the hospital may use previous eligibility determinations and/or information from sources other than the individual to determine eligibility for financial assistance.

#### IV. Procedures

##### (A) Eligibility

The patient must be a resident of Jackson County, MS. Any Jackson County, MS resident has the opportunity to apply for financial assistance within 240 days from their discharge date without any Extraordinary Collection Actions (ECA). Proof of residency may be required as evidence by one of the following: current driver's license, car tag registration, mortgage papers, lease or rental agreement, homestead exemption receipt, voter registration card, water bill, and/or electric bill. Any documents for proof of residency must be in the applicants name or the applicant's spouse's name and contain a physical address. No post office box may be used as proof of residency.

Services eligible for financial assistance include: emergency or urgent care, services deemed medically necessary by Singing River Health System and in general, care that is needed in order to prevent death or adverse effects to the patient's health.

Patients who are uninsured or underinsured and have a household income at or below 150% of the Federal Poverty Guidelines (FPG) (shown in Table A) may receive free care (a 100% charity adjustment). Individuals with an annual household income above 150% but less than 200% of the Federal Poverty Guidelines (shown in Table B) are eligible to be billed at AGB. Individuals with an annual household income above 200% with any single account greater than 300% of the patient's gross income may be eligible for a catastrophic event discount and also billed at AGB.

Any financial assistance application that is approved, the adjustment will be applied to the balance after all third-party coverage has been collected. Determination of eligibility for financial assistance will be active for 6 months from the date of approval.

Determinations for financial assistance eligibility will require patients to submit a completed financial assistance application (including all documents) and may require discussion with hospital financial counselors.

Approval Authorities are as follows: The Credit Specialist may approve Financial Assistance for amounts up to \$50,000. The Collection Manager may approve amounts up to \$100,000. The Director of Revenue Integrity or Chief Financial Officer must approve amounts greater than \$100,000+.

The Federal Poverty Guideline calculations are updated annually in conjunction with the published updates by the United States Department of Health and Human Services, United States Federal Poverty Measure Guidelines. The Eligibility Criteria discount percentage will be updated annually based on the calculation set forth by the Singing River Health System prompt self-pay Discount and Section 501 of the Internal Revenue Code (instituted by the Patient Protection and Affordable Care Act) <http://aspe.hhs.gov/poverty/index.cfm>

## Financial Assistance Available at Singing River Health System

100% Financial Assistance

Amount Generally Billed (AGB)

2017 Federal		
FAMILY SIZE	Poverty Guidelines	150%
1	≤\$12,140	≤\$18,210
2	≤\$16,460	≤\$24,690
3	≤\$20,780	≤\$31,170
4	≤\$25,100	≤\$37,650
5	≤\$29,420	≤\$44,130
6	≤\$33,740	≤\$50,610
7	≤\$38,060	≤\$57,090
8	≤\$42,380	≤\$63,570

2017 Federal		
FAMILY SIZE	Poverty Guidelines	200%
1	≤\$12,140	≤\$24,280
2	≤\$16,460	≤\$32,920
3	≤\$20,780	≤\$41,560
4	≤\$25,100	≤\$50,200
5	≤\$29,420	≤\$58,840
6	≤\$33,740	≤\$67,480
7	≤\$38,060	≤\$76,120
8	≤\$42,380	≤\$84,760

Uninsured, self-pay patients who do not meet these income requirements will receive a discount of 50% on hospital facility charges for medically necessary and emergency care.

Uninsured, self-pay patients who do not meet these income requirements will receive a discount of 25% on physician charges for medically necessary and emergency care.

### (B) Notification of Eligibility Determination

- **Normal Processing Period:** Clear expectations as to the length of time required to review the application and provide a decision, should be provided at the time of application. A prompt turn-around and written decision will be provided, generally within 3 days of the hospital's receipt of completed application. If the financial assistance application is denied, patients will receive a denial letter allowing them to appeal in writing within 14 days.
- **Determining Presumptive Eligibility:** When a patient does not have adequate sources to complete a financial assistance application but there is sufficient information to support the patient's inability to pay, the patient's case will be submitted for review. If approved for assistance, a charity adjustment may be granted to all of the patient's eligible accounts.
- **Refunding Patient Payments:** If a financial assistance application is approved for 100% charity adjustment, a refund will be given for payments made prior to the date the patient applies for financial assistance.
- **Change in Status Notifications:** If the patient with an outstanding bill or payment obligation has a change in his/her financial status, the patient should promptly notify the Financial Services Department. The patient may apply for financial assistance and/or a review for change in their payment plan terms.
- **Payment Arrangements:** After the charity adjustment has been applied, any remaining patient balances will be eligible for payment arrangements in accordance with Hospital policies.

- **Charity Adjustment to patient accounts:** Once Financial Assistance eligibility determination is made, the charity adjustment may be applied to all of the patient's open and/or bad debt accounts for services prior to the approval date.
- **Charitable Committee:** Due to extenuating circumstances an application that does not meet all qualifications may be presented for reviewed and/or approval by the Charitable Committee. The Charitable Committee meets once a month to assure all pending applicants are reviewed in a timely manner

### **(C) Determining AGB for Self-Pay Adjustment**

Singing River Health System uses the "look-back" method described in section 4(b)(2) of the IRS and Treasury's 501(r) final rule.

To determine AGB, Singing River Health System uses claims data from Medicare fee-for-service and all private commercial insurers to calculate the total gross charges and allowed amounts for emergency and medically necessary care over the past year. The allowed amounts are divided by the gross charges to arrive at the AGB percentage. Singing River Health System re-calculates the percentage each year. In 2017-2018, the AGB percentage for hospital facility services is 20% and the AGB percentage for physician services is 50%.

The AGB percentage is multiplied by gross charges for emergency and medically necessary care to determine the amount owed for a service provided to a patient that qualifies under this financial assistance policy. Patient's that qualify for assistance under this policy may not be charged more than AGB for emergency or other medically necessary care.

#### **Example**

The hospital charge for a colonoscopy procedure is \$1,000 while the physician charge is \$200. Any patient eligible for financial assistance under this policy will not be personally responsible for paying more than \$200 for the hospital charge and \$100 for the physician charge.

Because the AGB percentages for hospital and physician are 20% and 50% respectively, no patient eligible for financial assistance will be required to pay an amount in excess of AGB, or \$300 in this example.

### **(D) Applying for Financial Assistance**

To apply for financial assistance, patients must submit a complete application with a signed consent form allowing Singing River Health System to pull their credit report. The credit report will result in a soft hit, which has no adverse effect towards the patient's credit score.

Applications can be accessed:

- In person at Singing River Hospital or Ocean Springs Hospital - Patient Access Department
- In person at Financial Services – 3151 Denny Ave., Pascagoula, MS 39581
- By phone call 228-762-8876

- By mail request to: P.O. Box 540, Pascagoula, MS 39566
- Online at [www.singingriverhealthsystem.com](http://www.singingriverhealthsystem.com)

To be considered eligible for financial assistance, patients must cooperate with the hospital to explore alternative means of assistance if necessary, including Medicare and Medicaid.

In addition to completing an application, individuals should be prepared to supply the following documentation for all persons in household:

- A complete copy of your most recent Federal Income Tax Return, including W2's and/or 1099 Form; Self-Employed must include schedule C.
- Bank statement, ACH Deposit: social security, Disability (short term/long term), retirement, alimony, child support or unemployment.
- If you receive your social security, disability, alimony, child support, retirement or unemployment by an electronic check, please provide a copy of your bank statement.
- Most Current paystub to include year-to-date wages.
- If separated, please provide a notarized letter.
- If unemployed, please submit a letter verifying length of unemployment.
- If someone is helping with your expenses such as rent or food, a letter is required.
- If your account(s) are the result of a motor vehicle accident, with possible settlement, financial assistance will be placed on hold until such time.

The following assets are considered "Exempt Assets" for purposes of this Policy, such that the value of such assets will not be considered in determining a patient's ability to pay for financial need: the patient's primary residence; personal property exempt from judgment under Section 12-1001 of the Code of Civil Procedure; or any amounts held in pension or retirement plan (however, distribution and payments from pension or retirements plans will be included as income).

If your account(s) are the result of a motor vehicle accident, with possible settlement, financial assistance will not be offered.

Individuals who would like assistance with completing the financial assistance application may contact our Financial Services Department located at 3151 Denny Avenue Pascagoula, MS 39581 or over the phone:

Financial Services  
(228) 762-8876

SRH, Financial Counselor  
(228) 809-6023

OSH, Financial Counselor  
(228) 818-6065

[MyDiscount@MYSRHS.Com](mailto:MyDiscount@MYSRHS.Com)

Financial Services office hours are Monday thru Friday 8am – 5pm

### **(E) Actions in the Event of Non-Payment**

Singing River Health System will make certain efforts to provide patients with information about our financial assistance policy before we or our outside collection agency representatives take certain actions to collect your bill.

Singing River Health System will inform Uninsured patients of our financial assistance policy and the collection activities we may pursue, please see Singing River Health System's billing and Collections Policy.

You can request a copy of this policy in person at our Financial Services office located at 3151 Denny Ave., Pascagoula, MS 39581 or by calling us at 228-762-8876 or online: [www.singingriverhealthsystem.com](http://www.singingriverhealthsystem.com)

### **(F) Presumptive Eligibility**

If patients fail to supply sufficient information to support financial assistance eligibility, Singing River Health System may refer to, or rely on, external sources and/or other program enrollment resources to determine eligibility when:

- Patient is homeless
- Patient is eligible for other unfunded state or local assistance programs
- Patient is eligible for a state-funded prescription medication program
- Patient's valid address is considered low-income or subsidized housing
- Patient receives free care from a community clinic and is referred to hospital for further treatment

Singing River Health System also uses an eligibility vendor, to help identify patients who may be eligible for financial assistance under this policy or through other public and private programs.

### **(G) Eligible Providers**

In addition to care provided by Singing River Health System, the providers listed below are also covered under this financial assistance policy:

**Jackson County Anesthesia Associates**  
228-818-1183

**Emergency Room Group - Duvasawko**  
1-877-342-7261

#### **Eligible Family Medicine Clinics**

**Hurley**  
228-588-6622

**Pascagoula**  
228-762-3466

**Ocean Springs**  
228-872-2403

**Vancleave**  
228-826-1482

Neuroscience Center  
Behavioral Health Services  
Center for CV Surgery  
Regional Cancer Center  
Inpatient Physician Services  
Pulmonary Services  
Rheumatology Services  
Pediatric Clinic (SRH – Dr. Tyler Sexton)

Care administered by any provider not listed above will not be covered under our financial assistance policy. Please contact our financial services department at 228-762-8876 if you have questions pertaining to our financial assistance policy.