



**Functional Area:** Health Services  
**Number -Title:** C\_3002\_Mercy Medical Supply Financial Assistance Program\_7.1.18  
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**Approved by:** Mark Milakis

*Mark Milakis*

## **PURPOSE**

To identify and provide assistance to patients that are financially or medically indigent and demonstrate an inability to pay for the services provided to them or their dependents. This program is designed to aid Mercy Medical Supply in distinguishing true bad debt expense from financial assistance, and to increase the public's awareness of Mercy Medical Supply's financial assistance program. The financial Assistance Program is intended for use by those Patients who are truly unable to pay for emergency and medically necessary care and who qualify under eligibility guidelines and evaluation processes defined in this policy.

## **POLICY**

This Policy is applicable only to patients that receive services and supplies provided by Mercy Medical Supply.

Mercy Medical Supply affirms and maintains its commitment to meet the health and medical needs of our communities in a manner consistent with our Mission, Vision, and Core Values.

Mercy Medical Supply reserves the right to define and revise the criteria which yield determination of financial assistance. Financial assistance levels will be reviewed annually with the release of the Federal Income Poverty Guidelines and updated in the Mercy Medical Supply policy to coincide with the start of each fiscal year.

Mercy will ask patient to exhaust all alternate payment options, including but not limited to, local, state, and federal assistance programs (i.e. completing Medicaid application or obtaining available insurance) and requiring patients to seek in-network care, before considering an application for financial assistance.

Mercy Medical Supply grants financial assistance to the patient for emergency and other medically necessary care based on need as defined by Medicare or Medicaid. The Federal Poverty Guidelines, which consider household income, assets, and household member size (patient, spouse, and dependents), are used in determining the level of financial assistance available to the patient.

Patients that present with an authorized prescription for their medical supply item will be eligible for Financial Assistance up to 200% of the Federal Poverty Level. Patients that do not present

with an authorized prescription will not be eligible for Financial Assistance, but will be eligible for a 20% uninsured discount. Mercy Medical Supply will use point of service screening, patient attestations, and/or financial asset testing as soon as practical during the intake and/or billing process to identify patients that qualify for financial assistance. Mercy Medical Supply will provide information regarding the Financial Assistance Program in the community via the patient's statements, signage and brochures in patient access areas and/or in the area of treatment. The Financial Assistance application and policy are available in both English and Spanish and can be requested from the Mercy Medical Supply office, Customer Service, or obtained on [www.mercy.net](http://www.mercy.net) under the Financial Assistance tab.

## **POLICY DEFINITIONS**

***Insurance***-Any coverage for services billed to Medicare, Medicaid, or 3<sup>rd</sup> Party payer.

***Authorized Prescription***- A prescription by a physician who has the authority within their field of practice to prescribe the supply/equipment to be fulfilled and determined to be medically necessary by medical supply staff.

***Patient*** - the individual receiving medical treatment. The patient's financial position shall be the basis for determination of financial need. However, in the event the patient is an unemancipated minor, the household income of the guarantor shall be the basis for such determination.

## **PROCEDURE**

### Financial Screenings & Evaluations

Patients may be screened upon arrival for their scheduled appointment or post discharge via a Customer Service contact. Mercy Medical Supply is focused on identifying low propensity to pay patients to ensure financial assistance is offered, including a review of unpaid delinquent balances prior to the account being forwarded to the collection agency.

In addition to the assessments above, the patient may request an application to apply for assistance at any time. Requests for financial assistance will apply to current episodes of care and unpaid open balances. Patients will be notified of eligibility for financial assistance through a letter, and approved for 6 months from the date of the approval.

### Financial Data Qualifications and Coverage Period

Financial assessments will include screening questions, and/or documentation needed to validate current household income, assets, and size of the household. The household income does not include child support, student loans, or student grants. Based on the screening results and information provided by the patient, additional documentation may be requested to validate the patient's financial status.

Mercy Medical Supply will exhaust all payment options including, but not limited to, local, state, and federal assistance programs before considering an application for financial assistance (i.e. completing Medicaid application). Financial assistance will only apply to the patient's liability

portion of the charge after all other third party payments are applied. Financial assistance will not be granted if account(s) are related to a personal injury claim, lawsuit, workers compensation or probate of estate as examples.

Mercy Medical Supply uses the Federal Poverty Guidelines as outlined in Exhibit A to determine the level of charity available to the patient. Financial Assistance is available for a period of 6 months, and at the end of that term, a patient can request reevaluation or complete a new charity application. Upon review, patient may be granted an extension; up to another 6 month interval.

### Non Payment

Mercy Medical Supply bills patients for their responsible portion via monthly statements. Patients are responsible for payment of their accounts. Patients receiving Financial Assistance are responsible for making payment arrangements on their remaining account balances within the statement period. If there is no payment or valid address for mailing within a 3 month statement period, the account will qualify for transfer to the collection agency. To prevent collection action, Mercy Medical Supply has financial counselors and customer service representatives available to assist in setting up payment options Monday through Friday, during business hours as noted on the statement.

Accounts referred to the Collection Agency will be subject to additional collection efforts. The patient can request consideration of financial assistance for an episode of care during the 90 day statement period at Mercy or during the first 120 days at the collection agency. The patient can request an application for financial assistance to be mailed from Mercy Medical Supply or the collection agency, or they can call the Customer Service Department number on the statement for a financial assistance screening.

Collection efforts that include legal action and liens are an option for the collection agency to pursue after 240 days following the first statement if a patient's account remains unpaid, without a payment arrangement or financial assistance application in process.

### Financial Assistance

All Mercy Medical Supply patients will begin the process at intake within Mercy Medical Supply. The intake process will include insurance verification (if applicable) where it will be determined if the patient is eligible for financial assistance.

If a patient presents an authorized prescription, has insurance, and the prescribed supply/equipment being purchased/rented results in some form of patient liability, the patient may be eligible for financial assistance per this policy.

If a patient presents an authorized prescription, does not have insurance, and the prescribed supply/equipment being purchased/rented results in some form of patient liability, the patient may be eligible for financial assistance per this policy.

If a patient presents without an authorized prescription, has insurance, and the prescribed supply/equipment being purchased/rented results in some form of patient liability, the patient may be eligible for financial assistance per this policy.

If a patient presents without an authorized prescription, does not have insurance, and the prescribed supply/equipment being purchased/rented results in some form of patient liability, the patient will not be eligible for financial assistance per this policy. However, the patient will be eligible for an uninsured discount of 20% per line item.

If a patient is eligible for Financial Assistance per this policy, Mercy Medical Supply will utilize both the FPL table and Experian Search America to identify the percentage of charity. Once identified, a presumptive charity adjustment will be applied to the patient's account.

## **INCLUDED AND EXCLUDED SERVICES**

Non-emergent services received by insured patients that are not covered *in-network* by their insurance plan will not qualify for financial assistance unless their plan offers out-of-network benefits.

## **DISTRIBUTION**

- I. Collection Agencies
- II. Financial Leadership
- III. Mercy Medical Supply Leadership
- IV. MRM Leadership
- V. Business Risk and Compliance

**EXHIBITS**

**A. 2018 Federal Poverty Guidelines – Current Fiscal Year Financial Assistance Levels**

**Exhibit A**

| <b>Mercy Medical Supply Services Charity Guidelines</b> |                    |          |                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |                      |                      |
|---|--------------------|----------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| Based on 2018 Federal Poverty Income Guidelines         |                    |          |                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                      |                      |                      |
| Family Size   |                    |          |                  | 1                   | 2                   | 3                   | 4                   | 5                   | 6                   | 7                   | 8                   | 9                   | 10                   | 11                   | 12                   |
| Level   | % of Poverty Level | Discount | Adjust Code EPIC | Range               | Range               | Range               | Range               | Range               | Range               | Range               | Range               | Range               | Range                | Range                | Range                |
| I   | 0 - 100%           | 100%     | 9002022          | \$0.00 - \$12,140   | \$0.00 - \$16,460   | \$0.00 - \$20,780   | \$0.00 - \$25,100   | \$0.00 - \$29,420   | \$0.00 - \$33,740   | \$0.00 - \$38,060   | \$0.00 - \$42,380   | \$0.00 - \$46,700   | \$0.00 - \$51,020    | \$0.00 - \$55,340    | \$0.00 - \$59,660    |
| II  | 101% - 150%        | 90%      | 9002023          | \$12,141 - \$18,170 | \$16,461 - \$24,580 | \$20,781 - \$30,990 | \$25,101 - \$37,400 | \$29,421 - \$43,810 | \$33,741 - \$50,220 | \$38,061 - \$56,630 | \$42,381 - \$63,040 | \$46,701 - \$69,450 | \$51,021 - \$75,860  | \$55,341 - \$82,270  | \$59,661 - \$88,680  |
| III   | 151% - 200%        | 80%      | 9002024          | \$18,171 - \$24,200 | \$24,581 - \$32,700 | \$30,991 - \$41,200 | \$37,401 - \$49,700 | \$43,811 - \$58,200 | \$50,221 - \$66,970 | \$56,631 - \$75,200 | \$63,041 - \$83,700 | \$69,451 - \$92,200 | \$75,861 - \$100,700 | \$82,271 - \$109,200 | \$88,681 - \$117,700 |

For family units with more than 12 persons, add \$4,320 to household income range for each additional person. \*Effective 7.1.18