



Functional Area: Patient Receivables Management – Patient Services

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Approved by: Robin Sumner, Executive Director Patient Services

A handwritten signature in black ink that reads "Robin Sumner".

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 in distinguishing true bad debt expense from financial assistance, and to increase the public's awareness of Mercy'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

Mercy 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 reserves the right to define and revise the criteria which yield a 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 policy to coincide with the start of each fiscal year.

Mercy grants financial assistance to the patient for emergency and other medically necessary care based on need. The Federal Poverty Guidelines, which consider household income, assets, and household member size (patient, spouse, and dependants), are used in determining the level of financial assistance available to the patient. The patients who qualify for financial assistance will not be asked to pay more than 50% of the patient's liability. A determination of financial assistance will be effective for a period of 6 months with a financial assistance benefit of no less than 50%.

Mercy will use financial counseling, 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 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 other languages prevalent in the area and can be requested from their provider's office, facility registration, Customer Service, or obtain on www.mercy.net.

POLICY DEFINITIONS

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.

Episode of Care – an interval of care by a health care facility or provider for a specific medical problem or condition. It may be continuous or it may consist of a series of intervals marked by one or more brief separations from care, (e.g., emergency, inpatient, outpatient).

Medically Necessary - health care services or supplies needed to diagnose or treat an illness, injury, condition, disease or its symptoms and that meet accepted standards of medicine. Medical necessity according to an individual's medical coverage is guiding under the financial assistance policy. In the event that an individual is uninsured, Medically Necessary is defined by Mercy. Medically necessary excludes non-medical services generally provided for patient convenience or under other benefits including, but not limited to dental, vision, and hearing aid services.

PROCEDURE

- I. Financial Screenings & Evaluations
 - a. Patients may be screened upon arrival for their scheduled appointment or post discharge via a Customer Service contact. Mercy is focused on identifying on 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.
 - b. 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.

- II. Financial Data Qualifications and Coverage Period
 - a. Financial assessments will include screening questions, financial asset testing, 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.
 - b. Mercy will exhaust all payment options including, but not limited to, local, state, and federal assistance programs (i.e. completing Medicaid application) and requiring patients to seek in-network care, before considering an application for financial assistance programs. 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.
 - c. Mercy uses the Federal Poverty Guidelines as outlined in Exhibit A to determine the level of charity available to the patient. Patients qualifying for charity are limited to 240 days from the first date that patient responsibility was identified on a statement to request financial assistance. There will be no look back period on open balances for charity.

- d. In the event of processing an approved account for charity, all dates of services that qualify for the charity adjustment will be reviewed to identify any personal payments for that exceed the patient's responsibility. In the event an adjustment will cause an overpayment on a particular date of service, either a refund will be issued or the credit applied to a patient responsible balance on a Mercy account within the dates of services that qualified for charity.
- e. 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.

III. Excludes

- a. Reference the attached *Exhibit C*

IV. Non Payment

- a. Mercy 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 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.
- b. Accounts referred to the Collection Agency will be subject to additional collection efforts. The patient can request an application for financial assistance to be mailed from Mercy or the collection agency, and they can call the Customer Service Department number on the statement for a financial assistance screening.
- c. 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.

EXCEPTIONS

- I. National Health Service Clinics (NHSC): Asset testing is not required for patients who are requesting Financial Assistance ONLY for services received at an NHSC. For these balances, the *NHSC-specific* application should be submitted by the patient. Patients requesting Financial Assistance consideration for Mercy services received outside the NHSC location as well will not be required to fill out both NHSC and standard Mercy applications, rather only standard Mercy Financial Assistance approval process should be followed (traditional Financial Assistance *Application, may be taken over phone etc*).
 - a. For patients submitting both NHSC and Non-NHSC balances for consideration, the financial assistance discount percentage determined by the Mercy Financial Assistance screening and approval process will be applied to both NHSC and Non-NHSC balances.
 - b. In the event a patient is granted charity through a NHSC application process, and later receives services outside the NHSC location, Mercy will apply the NHSC charity percentage determination to the appropriate Mercy balances for the remainder of the approved period, unless a significant variance in approval percentage is noted.

- c. If a Non-NHSC balance does not qualify for Financial Assistance, the NHSC balance will be considered separately.
- II. Community Clinic Services: Other Community Clinic financial assistance programs supersede the Mercy Professional Services Financial Assistance Program Policy. Reference local community policies.
- III. JFK Clinic: Financial assistance guidelines for JFK patients defined in Exhibit B. Patients wishing to apply for charity related to services received at a JFK clinic, will need to fill out the JFK Clinic Patient Financial Assistance Application rather than the standard Mercy Financial Assistance Application.
- IV. International Charity Policy: The International Charity Policy supersedes this policy. See International Charity Policy.
- V. Patient Financial Status – Patients who are incarcerated or homeless and confirmed no other liable party can be billed, will be deemed 100% charity. In addition, bankruptcy accounts and deceased without an estate are deemed 100% charitable upon confirmation of court/legal documents, unless in some states the spouse is liable for the deceased’ account.
- VI. Services specified as ‘Excluded’ in Exhibit C

DISTRIBUTION

- I. Collection Agencies
- II. Financial Leadership
- III. MRM Leadership
- IV. Business Risk and Compliance

EXHIBITS

- A. Current Year Federal Poverty Guidelines – Current Fiscal Year Financial Assistance Levels
- B. JFK Clinic-Financial Assistance Adjustment Guidelines
- C. Excluded Services Listing

ATTACHMENTS

- I. Financial Assistance Application Spanish and English
- II. Patient/Guarantor Letters
 - A. Cover Letter
 - B. Preapproval Letter
 - C. Partial Assistance (Letter 1)
 - D. Approval Letter

EXHIBIT A

Mercy Professional Services Charity Guidelines

Based on 2016 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- \$11,880	\$0.00- \$16,020	\$0.00- \$20,160	\$0.00- \$24,300	\$0.00- \$28,440	\$0.00- \$32,580	\$0.00- \$36,730	\$0.00- \$40,890	\$0.00- \$45,050	\$0.00- \$49,210	\$0.00- \$53,370	\$0.00- \$57,530
II	101% - 150%	90%	9002023	\$11,881- \$17,820	\$16,021- \$24,030	\$20,161- \$30,240	\$24,301- \$36,375	\$28,441- \$42,660	\$32,581- \$48,870	\$36,731- \$55,095	\$40,891- \$61,335	\$45,051- \$67,575	\$49,211- \$73,815	\$53,371- \$80,055	\$57,531- \$86,295
III	151% - 200%	80%	9002024	\$17,821- \$23,760	\$24,031- \$32,040	\$30,241- \$40,320	\$36,376- \$48,600	\$42,616- \$56,880	\$48,871- \$65,160	\$55,096- \$73,460	\$61,336- \$81,780	\$67,576- \$90,100	\$73,816- \$98,420	\$80,056- \$106,740	\$86,296- \$115,060
IV	201% - 250%	70%	9002025	\$23,761- \$29,700	\$32,041- \$40,050	\$40,321- \$50,400	\$48,601- \$60,750	\$56,881- \$71,100	\$65,161- \$81,450	\$73,461- \$91,825	\$81,781- \$102,225	\$90,101- \$112,625	\$98,421- \$123,025	\$106,741- \$133,425	\$115,061- \$143,825
V	251% - 300%	50%	9002026	\$29,701- \$35,640	\$40,051- \$48,060	\$50,401- \$60,480	\$60,751- \$72,900	\$71,101- \$85,200	\$81,451- \$97,740	\$91,826- \$110,190	\$102,226- \$122,670	\$112,626- \$135,150	\$123,026- \$147,630	\$133,426- \$160,110	\$143,826- \$172,590

For family units with more than 12 persons, add \$4,160 to household income range for each additional person.

EXHIBIT B

**JFK Clinic – St. Louis, MO
Financial Assistance Adjustment Guidelines**

Level	% FPG	Fee	Facility	Physician	Total
I	0-100	\$5	-	\$ 5.00	\$ 5.00
II	101-150	\$13.00	\$ 3.00	\$ 10.00	\$ 13.00
III	151-200	\$25.00	\$ 5.00	\$ 20.00	\$ 25.00
IV	201-250	\$37.00	\$ 7.00	\$ 30.00	\$ 37.00
V	251-300	\$40.00	\$ 10.00	\$ 30.00	\$ 40.00

JFK CLINIC - QUALIFIED PATIENTS

Patients will qualify as an established patient at the clinic if they are uninsured. If they have access to insurance, they are no longer qualified to receive services at the JFK Clinic; including children who can qualify for Medicaid.

EXCEPTIONS

Lab Services

Patients receiving lab services on the same day as an office visit are required to pay the approved charity level copay, plus the discounted lab.

Obstetric Services

The clinic rate covers all visits, labs, ultrasounds, delivery, and post partum check. In addition, newborn charges and one visit for the baby are included. These fees are assessed yearly at a discount rate and apply to all who are established with the JFK Clinic.

Dental

Dental cleanings for the uninsured are \$30.00 for adults and \$25.00 for children. If restorative work is requested, those services are required to be prepaid. **Please use STL_1910_MHSTL_JFK Clinic_Patient Financial Assistance Application.* https://www.mercy.net/sites/default/files/vendor-resources/stl_1910_mhstl_jfkclinic_patientfinancialstatement_215.pdf

EXHIBIT C

Excluded Services

NON-HOSPITAL SERVICES

Residential Services (note: swing beds are eligible for charity)

Retail Pharmacy

Optical Shop

Private Duty Nursing

Corporate Health

Integrative Medicine

All Professional Services Not Specifically Listed as Included

NOT MEDICALLY NECESSARY

Cosmetic

Cardiac and Pulmonary Rehab Phase III

Hearing Aids

Driving Assessments