



PATIENT ASSISTANCE PROGRAM

Policy: ADM30.00, v.10

Category: Administrative/Patient Accounts

Effective: 02/01/2022

Origination Date: 05/02/2003

I. PURPOSE:

The purpose of this policy is to further the charitable mission of Mary Lanning Healthcare (MLH) by providing financially disadvantaged and other qualified patients free or discounted care when applicable.

II. POLICY:

- A. Mary Lanning Healthcare shall provide an avenue to apply for and receive free or discounted care consistent with requirements of the Internal Revenue Code and implementing regulations.
- B. Eligibility Criteria establish classes of individuals and categories of care are eligible for financial assistance under this policy.
- C. Medically Necessary Care provided by MLH and MLH-employed physicians and practitioners is covered by this policy.
 - 1. Care provided by independent community physicians and other independent service providers is not subject to this policy. Patients should contact these other providers to determine whether care is eligible for financial assistance.
 - 2. Patients may obtain a current list of providers who are and are not subject to this policy, at no charge by (i) visiting the Patient Business Services Department, (ii) by calling 402-461-5241 or (iii) by visiting the website at www.marylanning.org/patient-visitor-info/financial-assistance (updated quarterly).
- D. Patients who are deemed to be eligible for financial assistance under this policy will not be charged for care covered by this policy more than amounts generally billed (AGB) by MLH to individuals who have health insurance covering such care. Discounts granted to eligible patients under this policy will be taken from gross charges.
- E. Patients who believe they may qualify for financial assistance under this policy are required to submit an application on the MLH's financial assistance application form during the Application Period. Completed applications must be returned to:
 - 1. Mary Lanning Healthcare, Patient Business Services Department, 715 N St. Joseph Ave, Hastings, Nebraska, 68901.
- F. Patients will be provided a plain language summary of the financial assistance policy upon admission to MLH. Furthermore, all billing statements will include a conspicuous written notice regarding the availability of assistance, including the contact information identifying where the patient may obtain further information and financial assistance-related documents and the website where such documents may be found.

III. DEFINITIONS:

- A. "Uninsured": A patient who (i) has no health insurance or coverage under governmental health care programs, and (ii) is not eligible for any other third party payment such as worker's

compensation or claims against others involving accidents.

- B. "Underinsured": A patient who (i) has limited health insurance coverage that does not provide coverage for hospital services or other medically necessary services provided by MLH, (ii) has exceeded the maximum liability under his/her insurance coverage, or (iii) has a co-pay or deductible assessed under the patient's insurance contract.
- C. "Household size" The numbers of persons used for income inclusion to apply the family size to the income guidelines. To determine the household size MLH utilized the State of Nebraska DHHS Medicaid "family Size/Economic Unit Determination" policy and definitions.
- D. "Household income" The gross income of all members included in the household size (as defined above) over the twelve (12) months prior to application for assistance under this policy. Proof of income that is less than 12 months can be annualized if it is reasonable to do so. Variance in income during the most recent 12 month period prior to the application will be considered.
- E. "Medically Necessary Care" is:
 - 1. For the Uninsured, the definition of medically necessary care as applied by Nebraska Medicaid.
 - 2. For the Underinsured, the definition of medically necessary care as applied by the patient's respective insurer.
- F. "Net worth" The value (assets minus liabilities) of all members included in the "household size" (as defined above) over the twelve (12) months prior to application for assistance under this policy.
- G. "Federal Poverty Level" is established using the Federal Poverty Guidelines as updated annually by the United States government. The then current Federal Poverty Guidelines will be utilized by MLH in determining eligibility for financial assistance.

IV. RESPONSIBILITIES:

Patient Business Services

V. PROCEDURE:

A. ELIGIBILITY CRITERIA

1. Financially Indigent

- a) To qualify as Financially Indigent, the patient must be Uninsured or Underinsured and have a Household Income of equal to or less than 150% of Federal Poverty Level; provided, however, that patients who satisfy the minimum Household Income criteria but have a Net Worth in excess of 20 percent of total outstanding medical bills do not qualify as Financially Indigent.

2. Medically Indigent

- a) To qualify as Medically Indigent, the patient must have medical bills from MLH in excess of 12 percent (12%) of the greater of the patient's Household Income or Net Worth.

3. Failure to Apply for Medicaid

- a) Patients who may be eligible for Medicaid, Medicare or other governmental medical assistance programs and fail to apply for such programs within thirty (30) days of MLH's request are not considered eligible for financial assistance under this policy.

4. Non-Assignment

- a) Regardless of the eligibility criteria set forth above, a patient who is a participant or beneficiary of an employee benefit plan, insurer or other non-governmental payor, with which MLH has no contractual agreement either directly or through a network relationship, governing access to and payment for MLH goods and services and for whom MLH has not or does not accept assignment shall not be eligible for financial assistance under this Policy.

5. Categories of Care Eligible for Financial Assistance

- a) Provided that the patient qualifies as either Financially Indigent or Medically Indigent, the following classes of care are eligible for financial assistance under this policy:
 - Emergency medical care
 - Medically necessary care
- b) Regardless of a patient's status as Financially Indigent or Medically Indigent, cosmetic procedures are not eligible for financial assistance under this policy.

B. LIMITATION ON CHARGES & CALCULATION OF AMOUNT OWED

1. Calculation of Amounts Generally Billed

- a) The "Amount Generally Billed" or "AGB" is the amount MLH generally bills to insured patients. MLH utilizes the prospective method to establish AGB. Accordingly, the AGB equals the amount Medicare would allow for the care provided if the patient was a Medicare fee-for-service beneficiary, including all co-pays and deductibles.

2. Amount of Financial Assistance/Discount

- a) Except as set forth below, patients who qualify for financial assistance as Financially Indigent are eligible for 100% financial assistance on their balances. Co-Payment amounts and deposits set forth in MLH policy ADM31.00 Co-Payments - MLH are not eligible for financial assistance for those patients who qualify as Financially Indigent unless (i) the patient is treated at Community Health Center or Hastings Family Care and the patient's Household Income is equal to or less than 100% of FPL, or (ii) the patient's total out of pocket responsibility, including the Co-Payment or deposit amounts set forth in MLH policy ADM31.00 Co-Payments - MLH, results in a charge of greater than AGB.. If a patient qualifies under (i) above, the patient shall receive 100% financial assistance, including waiver of the Co-Payment or deposit amount set forth in MLH policy ADM31.00 Co-Payments - MLH. If a patient qualifies under (ii) above, the patient shall receive financial assistance in an amount necessary to result in the patient's total out of pocket responsibility equaling AGB for the care provided.
- b) Patients who qualify for financial assistance as Medically Indigent will be

responsible for their medical bills up to 12% of the greater of their Household Income or Net Worth. Any remaining amount will be considered financial assistance under this policy.

- c) If after financial assistance is provided and applied to the patient balance, the patient's total out of pocket responsibility results in a charge of greater than AGB, the patient shall be provided additional financial assistance such that the patient is not personally responsible for more than AGB, and amounts shall be returned to the patient as further set forth in this policy. In determining whether an eligible patient has been charged more than AGB, MLH considers only those amounts that are the personal obligation of the patient. Amounts received from third party payors are not considered charged or collected from the patient.

C. APPLICATION PROCESS & DETERMINATION

1. For purposes of this policy, the "Application Period" begins on the date care is provided to the patient and ends on the later of (i) the 240th day after the date the first post-discharge (whether inpatient or outpatient) billing statement is provided to the patient OR (ii) not less than 30 days after the date MLH provides the patient the requisite final notice to commence extraordinary collection actions ("ECAs").
2. Patients may obtain a copy of this policy, a plain language summary of this policy, and a financial assistance application free of charge
 - a) by calling 402-461-5241 to have a copy sent by mail
 - b) by e-mail (upon patient election) by e-mailing patientaccounts@marylanning.org
 - c) by download from MLH website, www.marylanning.org/patient-visitor-info/financial-assistance
 - d) in person at
 - the emergency room
 - any admission areas
 - patient financial services department

3. Completed Applications

- a) Upon receipt, MLH will suspend any ECAs taken against the patient and process, review and make a determination on completed financial assistance applications submitted during the Application Period as set forth below. MLH may, in its own discretion, accept complete financial assistance applications submitted after the Application Period.
- b) Determination of eligibility for financial assistance shall be made by the following individual(s): Patient Business Services and Clinic staff as defined in the scope of job responsibilities.
- c) Unless otherwise delayed as set forth herein, such determination shall be made within 14 days of submission of a timely completed application. Patients will be notified of the determination as set forth herein.
- d) To be considered "complete" a financial assistance application must provide all information requested on the form and in the instructions to the form.

- e) MLH will not consider an application incomplete or deny financial assistance based upon the failure to provide any information that was not requested in the application or accompanying instructions. MLH may take into account in its determination, (and in determining whether the patient's application is complete) information provided by the patient other than in the application. In addition, MLH may use the county assessor online property search as a resource in checking for property values.
- f) For questions and/or assistance with filling out a financial assistance application, the patient may contact patient financial services (i) by calling 402-461-5241, (ii) by e-mailing patientaccounts@marylanning.org, (iii) or in person to the Patient Business Services Department.
- g) If a patient submits a completed financial assistance application during the Application Period and MLH determines that the patient may be eligible for participation in Medicaid, MLH will notify the patient in writing of such potential eligibility and request that the patient take steps necessary to enroll in such program. In such circumstances MLH will delay the processing of the patient's financial assistance application until the patient's application for Medicaid is completed, submitted to the requisite governmental authority, and a determination has been made. If the patient fails to submit an application within thirty (30) days of MLH's request, MLH will process the completed financial assistance application and financial assistance will be denied due to the failure to meet the eligibility criteria set forth herein.

4. Incomplete Applications

- a) Incomplete applications will not be processed by MLH. If a patient submits an incomplete application, MLH will suspend ECAs and provide the patient with written notice setting forth the additional information or documentation required to complete the application. The written notice will include the contact information (telephone number and physical location of the office) of patient financial assistance. The notice will provide the patient with at least 14 days to provide the required information; provided, however, that if the patient submits a completed application prior to the end of the Application Period, MLH will accept and process the application as complete.

5. Presumptive Eligibility

- a) MLH reserves the right to provide financial assistance even though an application has not been submitted, in which case the patient will be provided the maximum possible level of financial assistance. Circumstances in which presumptive eligibility may be utilized include, but are not limited to: homelessness, participation in WIC program, food stamp eligible, low income housing eligible, patient deceased with no assets. Previously submitted financial assistance application information submitted may also be used for presumptive eligibility.

D. COLLECTION ACTIONS

1. MLH or its authorized representatives may refer a patient's bill to a third party collection agency or take any or all of the following extraordinary collection actions ("ECAs") in the event of non-payment of outstanding bills:
 - a) Reporting to credit bureaus

- b) Legal suit
 - c) Selling the account to a third party
 - d) Garnishment of wages
 - e) Denial of medically necessary care
2. MLH may refer a patient's bill to a collection agency whenever deemed necessary by the hospital. MLH (or its third party contractors) will not take ECAs against a patient or any other individual who has accepted or is required to accept financial responsibility for a patient unless and until MLH has made "reasonable efforts" to determine whether the patient is eligible for financial assistance under this policy. The Patient Business Services Department is responsible to determine whether MLH has engaged in reasonable efforts to determine whether a patient is eligible for financial assistance.

3. No Application Submitted

- a) If a patient has not submitted a financial assistance application, MLH has taken "reasonable efforts" so long as it:
 - Does not take ECAs against the patient for at least 120 days from the date MLH provides the patient with the first post-discharge bill for care; and
 - Provides at least thirty (30) days' notice to the patient that:
 - i. Notifies the patient of the availability of financial assistance;
 - ii. Identifies the specific ECA(s) MLH intends to initiate against the patient, and
 - iii. States a deadline after which ECAs may be initiated that is no earlier than 30 days after the date the notice is provided to the patient;
 - Provides a plain language summary of the financial assistance policy with the aforementioned notice; and
 - Makes a reasonable effort to orally notify the patient about the potential availability of financial assistance at least 30 days prior to initiating ECAs against the patient describing how the individual may obtain assistance with the financial assistance application process.
 - If the patient has been granted financial assistance based on a presumptive eligibility determination, MLH has provided the patient with the notice required in the financial assistance policy.

4. Incomplete Applications

- a) If a patient submits an incomplete financial assistance application during the Application Period, "reasonable efforts" will have been satisfied if MLH:
 - Provides the patient with a written notice setting forth the additional information or documentation required to complete the application. The written notice shall include the contact information (telephone number and physical location of the office) of MLH department that can provide a financial assistance application and assistance with the application process. The notice shall provide the patient with at least 14 days to provide the required information; and

- Suspends ECAs that have been taken against the patient, if any, for not less than the response period allotted in the notice.
- b) If the patient fails to submit the requested information within the allotted time period, ECAs may resume; provided, however, that if the patient submits the requested information during the Application Period, MLH must suspend ECAs and make a determination on the application.

5. Completed Applications

- a) If a patient submits a completed financial assistance application, "reasonable efforts" will have been made if MLH does the following:
 - Suspends all ECAs taken against the individual, if any;
 - Makes a determination as to eligibility for financial assistance as set forth in the financial assistance policy; and
 - Provides the patient with a written notice either (i) setting forth the financial assistance for which the patient is eligible or (ii) denying the application. The notice must include the basis for the determination.
- b) If MLH has requested that the patient apply for Medicaid, MLH will suspend any ECAs it has taken against the patient until the patient's Medicaid application has been processed or the patient's financial assistance application is denied due to the failure to timely apply for Medicaid coverage.
- c) If a patient is eligible for financial assistance and qualifies for financial assistance other than free care, MLH will provide the patient with a revised bill setting forth: (i) the amount the patient owes for care provided after financial assistance, (ii) how the revised amount was determined; and (iii) either the AGB for the care provided or instructions on how the patient can obtain information regarding the AGB for the care provided
- d) If a patient is eligible for any type of financial assistance, MLH will:
 - Provide the patient with a refund for any amount the patient has paid in excess of the amount owed to MLH after application of this policy to the patient's account balance (unless such amount is less than \$5); and
 - Take reasonable measures to reverse any ECAs taken against the patient.

VI. REFERENCES

- A. <http://www.irs.gov/charities/charitable/article/id=236275.00.html>
- B. ADM31.00 Co-Payments - MLH

VII. COLLABORATED WITH:

- A. Andrew Kloeckner, Baird Holm, LLC
- B. MLH Board Approval



VIII. DISTRIBUTION:

- A. Patient Business Services

IX. RESCISSIONS

- A. Origination Date: 05/2003
- B. Reviews/Revisions: 07/2003, 09/2003, 04/2004, 08/2004, 03/2005, 01/2007, 01/2009, 01/2012, 01/2016, 08/2016, 6/2017, 12/2018, 02/2022
 - 1. 01/2016 - Policy updated to assure compliance with 990 regulations
 - 2. 08/2016 - Content revised under Heading - Procedure; Section - A. Eligibility Criteria

X. REVIEW AND REISSUE DATE:

- A. Three (3) years from Effective Date
- B. 02/2025

XI. FOLLOW-UP RESPONSIBILITY:

- A. Director of Business Services

XII. ATTACHMENTS:

- A. None