

<p><b>SUBJECT:</b></p> <p style="text-align: center;"><b>Emerson Hospital</b> <b>Financial Assistance Policy (FAP)</b></p>
<p><b>APPROVALS:</b> Emerson Hospital Board of Directors</p>
<p><b>ORIGINATION DATE:</b> September 27, 2016</p>
<p><b>REVIEW / REVISION DATE:</b> September 27, 2016</p>

## POLICY

Emerson Hospital is committed to providing emergency and other medically necessary care to people who have health care needs regardless of whether they are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay. Consistent with its mission to deliver compassionate, high quality, affordable health care services and to advocate for those who are poor and underserved, while being financially responsible, Emerson Hospital strives to ensure that the people who need health care services receive those services, regardless of their financial situation.

For the purpose of this policy, the terms below are defined as follows:

- **Amounts Generally Billed or AGB:** The “amounts generally billed” or AGB refers to the amount charged for care that Emerson Hospital provides to any individual who is eligible for assistance under this Financial Assistance Plan (FAP). These charges are limited to (i) in the case of emergency or other medically necessary care, not more than the amounts generally billed to individuals who have insurance covering such care, and all as determined in accordance with Section 501(r) of the Internal Revenue Code and the Treasury Regulations thereunder.
- **AGB Percentage** means the percentage of Gross Charges that Emerson Hospital uses under Section 501(r) of the Internal Revenue Code and the Treasury Regulations thereunder to determine the AGB for any emergency or other medically necessary care it provides to an individual who is eligible for assistance under this FAP. This percentage does not apply to services not considered medically necessary, including, but not limited to cosmetic procedures, cardiac rehab maintenance programs, and selected rehabilitation service programs.
- **Gross Charges** means the Emerson Hospital full, established price for medical care that Emerson Hospital consistently and uniformly charges patients before applying any contractual allowances, discounts, or deductions.

- **FAP Definitions:** Emergency and other medically necessary health care services that have been or will be provided under the Emerson Hospital Free Care Payment Assistance Program, or free or discounted care, based on the following established definitions:
  - **Free Care:** Free or reduced charge care for patients eligible under the FAP.
  - **Free or Presumptive Eligibility Financial Assistance:** In certain circumstances, a patient may have a need for urgent medical services and appear eligible for Free Care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Emerson will utilize the MassHealth eligibility guidelines to determine presumptive eligibility. Due to the inherent nature of the presumptive circumstances, services may be provided and the patient balance may be discounted by adhering to our AGB established rates.
  - **Medically Necessary:** Any procedure reasonably determined to prevent, diagnose, correct, cure, alleviate, or avert the worsening of conditions that endanger life, cause suffering or pain, result in illness or infirmity, threaten to cause or aggravate a handicap, or cause physical deformity or malfunction, if there is no other equally effective, more conservative or less costly course of treatment available.

It is intended that this FAP comply with Section 501(r) of the Internal Revenue Code and the relevant Treasury Regulations thereunder and Emerson Hospital reserves the right to amend this FAP at anytime. A free copy of Emerson Hospital’s Financials Assistance Policy (FAP) and Emerson Hospital’s Credit and Collections Policy can be found on the hospital website at [www.emersonhospital.org](http://www.emersonhospital.org).

## ELIGIBILITY CRITERIA

Eligibility for this Emerson Hospital Financial Assistance Policy shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. Eligibility for free care is determined by rules set by the Commonwealth of Massachusetts and as further defined below.

## PARTICIPATING EMERSON HOSPITAL FINANCIAL ASSISTANCE POLICY PROVIDERS

This Emerson Hospital Financial Assistance Policy applies to emergency and other medically necessary care provided at Emerson Hospital, inclusive of care provided by Emerson-employed physicians who provide services at the hospital or in a hospital-licensed clinic. A detailed listing of participating providers can be found on the hospital’s web site at [www.emersonhospital.org/financialassistance](http://www.emersonhospital.org/financialassistance).

## HOSPITAL PROCEDURES – HOW TO APPLY FOR FINANCIAL ASSISTANCE

1. Upon registration for hospital service, and after all Emergency Medical Treatment and Active Labor Act (“EMTALA”, found at Section 1867(a) of the Social Security Act) requirements are met, patients, upon request, will be advised of their estimated financial responsibility, including an estimate of hospital fees, copay, co-insurance, and deductible prior to service delivery, as appropriate.
2. If a patient does not have insurance, or is without Federal, State or private insurance, they may request a financial assistance appointment with a Financial Counselor by contacting their office

at 978-287-3432.

3. Registration Staff will offer a copy of the Plain Language Summary (“PLS”) of this FAP and a Financial Assistance Coordinator telephone number to assist in completing an application in order to determine eligibility according to the Massachusetts guidelines based on the patient’s self-reported income level. See Appendix 1 for Plain Language Summary (PLS).
4. Patients whose self-reported income falls below 300% of the applicable Federal Poverty Guidelines will be directed to the Financial Counseling department for income verification and determination of eligibility for MassHealth, other government programs, or Free Care.
  - a. Determination of eligibility for financial assistance will be made in accordance with the Commonwealth of Massachusetts MassHealth application. Emerson uses MassHealth guidelines to determine eligibility for Emerson financial assistance. See Appendix 3 for more details on the MassHealth Application.
  - b. If an applicant submits a MassHealth application form online or on the telephone directly with a MassHealth representative’s assistance then the applicant should inform the Emerson Financial Counselor that this step has been completed. Otherwise, upon receipt of all required documentation (as requested in the MassHealth application form), the Financial Counselor will make a determination of eligibility for MassHealth. If the counselor deems the applicant eligible, the counselor will assist in the completion of the MassHealth application which is then forwarded to the Commonwealth of Massachusetts MassHealth for final approval and applicant enrollment.
  - c. If an applicant is not deemed eligible for MassHealth, they will be evaluated for a potential enrollment for a Free Care subsidy. Applications shall be processed promptly and the applicant informed of approval status by MassHealth.
  - d. If an applicant is not deemed eligible for a Free Care subsidy, in whole or in part, the applicant will be provided a written and dated statement of the reasons for the denial by MassHealth. In addition, this statement shall state that the applicant may reapply for the MassHealth or Free Care Programs if their financial situation or family status has changed.
  - e. An applicant who believes his or her financial circumstances have changed so as to make him or her eligible for assistance, can request a review of income eligibility at any time for future discounted or free hospital services.
  - f. Applicant questions or to request a copy of the MassHealth Application can be directed to the Financial Counselors at 978-287-3432
5. For new enrollees, a MassHealth application must be received and processed by MassHealth within 10 days of a past medical visit in order to be considered for payment within Emerson’s Financial Assistance Program. See Appendix 3 for more detail on the MassHealth Application Form including how to submit the application electronically or via a telephone call with the assistance of a MassHealth representative. Appendix 3 also has instructions on how to download a free online copy or how to request a free paper copy of this application form directly from Emerson Hospital.

## **FREE CARE ELIGIBILITY GUIDELINES**

A Massachusetts resident whose family income that is documented as equal to or less than 150% of the Federal Poverty Income Guidelines who:

1. Has no health coverage or have coverage that pays only for part of the bill; **and**
2. Is ineligible for any private or governmental sponsored coverage (such as MassHealth or a

Managed Care Organization); **and**

3. Meets **both** the income and assets eligibility criteria listed below.
4. Free Care does not cover physicians' fees that are considered under a separate entity from the Hospital.

### **INCOME CRITERIA**

To be eligible for FULL free care, the patient's gross family income, before taxes, must be at, or below, the levels in Column I of the exhibit in Appendix 2. Individuals or a family, whose gross family income, before taxes, is between the levels in Column I and II, may qualify for partial free care.

Patients will be asked to provide proof of income, residency, identity, and if you have insurance of any kind to help pay for your care. Patients will be screened by the Commonwealth of Massachusetts for Mass Health, Connector Care, or Health Safety Net Assistance prior to being eligible for financial assistance.

### **AMOUNTS GENERALLY BILLED (AGB) DISCOUNTED CARE GUIDELINE**

Consistent with Internal Revenue Code Section 501(r), patients who have no health insurance and are not eligible for MassHealth will only be billed at the AGB discounted rate for emergency and other medically necessary care.

Emerson Hospital limits the amount charged for emergency and other medically necessary care provided to patients who are eligible for financial assistance under this policy to not more than gross charges for the care multiplied by the AGB percentage. The AGB Percentage is determined using a "look-back method." Under this method, Emerson Hospital determines the AGB for any emergency or other medically necessary care it provides to FAP-eligible individuals by multiplying Emerson's Gross Charges for the care by the AGB Percentage. Emerson will calculate the AGB Percentage at least annually by dividing the sum of the amounts of all its claims for emergency and other medically necessary care that have been allowed by Medicare fee-for-service and all private health insurers that pay claims to Emerson during a prior 12-month period by the sum of the associated Gross Charges for those claims.

The 2016 AGB Discount below is based on the methodology described in Emerson's Financial Assistance Policy. The Amount Generally Billed Percentage ("AGB Percentage") below, expressed as a percentage of Gross Charges, is the amount charged for care Emerson provides to any individual who is eligible for assistance under the FAP. The AGB Discount reflects the discount from Gross Charges for the care.

AGB Discount	AGB Percentage
62%	38%

- Example: If a patient has an emergency room visit of \$500 given the above example, the adjusted patient balance, or billed amount, would be \$190.

## **PUBLIC ACCESS TO AGB**

Individuals can find the Emerson Hospital AGB discount on our website. A patient may also call financial counseling to determine their cost through the Emerson Hospital Estimate Line 978-287-3106.

## **BILLING AND FOLLOW-UP PROCEDURES**

Following the delivery of services, Patient Financial Services will send patients a bill for services and information related to our FAP advising patients of their financial options. If a valid insurance carrier has been identified, the patient bill will be sent to the carrier for payment. Patients calling Patient Financial Services about an account with an eligible date of service, requesting financial assistance, will be advised of our FAP process and asked if he/she wishes to be screened.

Eligible patients will be referred to Financial Counselors for applying for Free Care or low income insurance verification.

## **CREDIT AND COLLECTIONS PROCEDURE**

It is the policy of Emerson Hospital that patients meet their financial obligation, ensuring that quality patient care continues to be rendered to all current and future patients. In general, resolution of outstanding collections for patients with insurance (Medicaid, Medicare, Worker's Compensation and managed care) will be initially adjudicated by their respective carriers. Once all reasonable efforts have been exhausted to determine a patient balance, patient balances will be reclassified as a self-pay receivable and Emerson Hospital credit and collection procedures will be followed. During the self-pay phase, a patient billing notice advising the patient of their outstanding obligation, along with financial assistance options, will be sent to the patient at 30-day intervals. Included in these notices will be the actions to be taken by Emerson Hospital in the event of nonpayment and the entire outstanding obligation may be referred to an outside collection agency. Any amounts paid by the patient above the amount required under the FAP, will be refunded to the patient.

Extraordinary Collection Actions may include, but are not limited to the following: placing liens on an individual's property, foreclosure of a person's property, commencing a civil action against an individual, reporting adverse information to credit agencies or bureaus, deferring or denying medically necessary care because of nonpayment for previously provided care that is covered under the FAP and garnishing an individual's wages. These actions require approval from the Director of Patient Account Services and Senior Vice President & Chief Financial Officer. Extraordinary Collection Measures are governed by the following time periods:

1. Notification period: The Hospital shall notify the individual about the Collection, Payment, and Financial Assistance Policy before initiating any extraordinary collection actions to obtain payment and refrain from initiating extraordinary collection actions for at least 120 days from the date the patient is provided the first post-discharge billing statement for medical care.
2. Application Period: An individual has 240 days from the date they are provided with the first post discharge billing statement to submit an application.
3. Waiting time for extraordinary collection actions: Emerson Hospital must provide the patient with a minimum of thirty (30) days' notice before engaging in any extraordinary collection actions.

Emerson Hospital does not engage in the following Extraordinary Collection Actions (ECAs):

- Sell Emerson Hospital bad debt to third parties
- Seizing or attaching a person's bank account
- Causing the individual's arrest

## **PAYMENT PLAN POLICIES**

Emerson Hospital engages a 3<sup>rd</sup> party vendor to assist in the collection of amounts owed by patients, including those on payment plans.

Patients who contact Emerson Hospital to request a payment plan will be directed to the Patient Financial Services Department to arrange a payment plan of up to 18 months. For Clinic-Based Physician Billing, the patient will be directed to Emerson Hospital's outside billing vendor to arrange a payment plan up to 18 months.

For patients who are cooperating in good faith to resolve their obligations, Emerson Hospital may offer extended payment plans to eligible patients Emerson will not send unpaid bills to outside collection agencies, beyond the 3<sup>rd</sup> party vendor noted above, and will cease all other collection efforts as long as a current payment arrangement is being honored by the patient.

The agreed-upon plan will be documented in Emerson Hospital's or the physician's billing system including the patient/guarantor's address and contact information, as well as, agreed upon payment details. Monthly invoices will then be issued for the duration of the plan. Patient/guarantor's failure to make the agreed upon payments will result in the account being turned over to the collection agency as outlined above.

## **COMMUNICATION OF THE AVAILABILITY OF FINANCIAL ASSISTANCE AND/OR DISCOUNTS FOR THE SELF PAY PATIENT**

Notification about this FAP, discounted care or low income subsidy programs available from Emerson Hospital are disseminated by various means. This may include, but is not limited to, the publication of its FAP as to how to obtain an application are on the Emerson Hospital website, notices on patient bills, and by posting notices in patient accessible areas. Such information shall be provided in the primary languages spoken by the population serviced by Emerson Hospital, which represent the lesser of 5% of our PSA or 1,000 individuals. Referral of patients for financial assistance may be made by any member of the Emerson Hospital staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws. Approval of financial assistance is subject to the satisfactory compliance with each of the program's requirements as outlined in this document.

A free copy of both Emerson Hospital's Financial Assistance Policy (FAP) and Credit and Collections Policy is available on the hospital's website [www.emersonhospital.org](http://www.emersonhospital.org).

## **REGULATORY REQUIREMENTS**

In implementing this Policy, Emerson Hospital management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this policy

## **OTHER RELEVANT POLICY**

Emerson Hospital Credit and Collection Policy

## **APPENDIX 1: Financial Assistance Policy - Plain Language Summary (PLS)**

The Emerson Hospital Financial Assistance Policy (FAP) helps provide eligible patients partially or fully-discounted emergency or other medically necessary healthcare services provided at Emerson Hospital. Patients seeking financial assistance must apply for the program, which is summarized here.

**Eligible Services-** Emergency or other medically necessary healthcare services provided by Emerson Hospital and billed by Emerson Hospital. The FAP only applies to services billed by Emerson Hospital. Other services separately billed by other providers, such as physicians or outside laboratories, are not eligible under the FAP.

**Eligible Patients-** Patients receiving eligible services, who submit a complete application (including related documentation/information) as described below, and who are determined eligible for Financial Assistance by Emerson.

**How to Apply-** Emerson's FAP can be found at [emersonhospital.org/financialassistance](http://emersonhospital.org/financialassistance) and the related Application Form may be obtained/completed as follows.

**Application-** Emerson requires applicants first fill out the MassHealth Application Form prior to meeting with an Emerson Financial Counselor. The application is available free of charge by any of the following methods:

**By mail:** By writing to the following address and requesting a paper copy of the financial assistance application: Emerson Hospital, Financial Assistance, 133 ORNAC, Concord, MA 01742.

**In person:** By stopping by the Financial Assistance Department in person (Monday thru Friday, 7:30a.m.-4:00 p.m.), located at the following address: 133 ORNAC, Concord, MA 01742.

**By phone:** By calling MassHealth at 877-623-6765. Choose the option for filling out an application and a phone agent will then assist you in completing an application while you are on the phone.

**Online:** The MassHealth Application can be found at [www.mahealthconnector.org](http://www.mahealthconnector.org). You can download it to create a paper copy or else you can fill out the application electronically and submit it while you are online.

Unless you have done the phone or online submission of the MassHealth Application, the completed paper application should be signed and sent to Health Insurance Processing Center P.O. Box 4405 Taunton, MA 02780.

After submitting the MassHealth Application, you should call 978-287-3432 for an appointment to meet with an Emerson Hospital Financial Counselor. The counselor needs the documentation from your MassHealth Application to determine eligibility before meeting with you. View more information on the hospital website at: [emersonhospital.org/financialassistance](http://emersonhospital.org/financialassistance).

**Determination of Financial Assistance Eligibility-** Generally, eligible persons are eligible for financial assistance, using a sliding scale, when their Family Income is at or below 300% of the Federal Government's Federal Poverty Guidelines (FPG). Eligibility for financial assistance means that Eligible Persons will have their care covered partially or fully, and they will not be billed more than "Amounts Generally Billed" (AGB) to insured persons.

Emerson's Financial Assistance department reviews completed applications and determines financial assistance eligibility in accordance with Emerson's Financial Assistance Policy (the policy can be found at [emersonhospital.org/financialassistance](http://emersonhospital.org/financialassistance)). Incomplete applications are not considered, but applicants are given an opportunity to furnish the missing documentation or information. For help, assistance, or questions, please visit or call the Emerson Hospital Financial Assistance Department at 133 ORNAC, Concord, MA 01742 978-287-3432.



**APPENDIX 2:**

**Criteria for Eligibility for Full and Partial Free Care**

(Updated July 8, 2016)

Size of Family	COLUMN I (less than) Full Free Care	COLUMN II (maximum) Partial Free Care
1	\$17,820	\$35,640
2	24,036	48,060
3	30,240	60,480
4	36,456	72,900
5	42,660	85,320
6	48,876	97,740
7	55,104	110,196
8	61,344	122,676

For each additional family member add \$6,240 for full free care and \$12,480 for partial free care.

To be eligible for FULL free care, the patient's gross family income, before taxes, must be at, or below, the levels in Column I of the exhibit above. Individuals or a family, whose gross family income, before taxes, is between the levels in Column I and II, may qualify for partial free care.

Patients will be asked to provide proof of income, residency, identity, and if you have insurance of any kind to help pay for your care. Patients will be screened by the Commonwealth of Massachusetts for Mass Health, Connector Care, or Health Safety Net Assistance prior to being eligible for financial assistance.

## APPENDIX 3:

### EMERSON HOSPITAL FINANCIAL ASSISTANCE

#### APPLICATION INSTRUCTIONS:

1. Emerson Hospital utilizes the MassHealth eligibility guidelines and the **MassHealth APPLICATION FORM** to determine eligibility for Emerson's Financial Assistance Plan. A free copy of the **MassHealth APPLICATION FORM** is available directly from Emerson Hospital as follows:

- **A pdf of the MassHealth APPLICATION FORM is available online:**  
<http://www.emersonhospital.org/~media/Emerson/ForPatientsandFamilies/Massachusetts-health-coverage-application.pdf>.
- **A paper copy of the MassHealth APPLICATION FORM is ALSO available from Emerson Hospital upon request.** Call 978-287-3432 and speak with an Emerson Hospital Financial Counselor.

Patients whose self-reported income falls ABOVE 300% of the applicable Federal Poverty Guidelines generally do not qualify. See Appendix 2 in this document for eligibility criteria. Call 978-287-3432 to speak with an Emerson Hospital Financial Counselor if you seek clarification.

2. There are alternative ways that one can complete the two necessary steps: filling out a MassHealth Application Form and requesting financial assistance from Emerson Hospital.
  - a. If applying in person, ask for the assistance of an Emerson Hospital Financial Counselor, call 978-287-3432 for an appointment to do both steps.
  - b. If applying electronically go to [www.mahealthconnector.org](http://www.mahealthconnector.org) and submit per the MassHealth website instructions, and then make an appointment to discuss Emerson Hospital financial assistance with an Emerson Financial Counselor. Call 978-287-3432 for an appointment.
  - c. If mailing the form then mail to MassHealth at the address provided on the first page of the form. Call 978-287-3432 for an appointment with an Emerson Financial Counselor. Please note mailing the form means it will take longer for the form to be received and uploaded electronically by MassHealth which creates a delay. The Emerson Hospital Financial Counselor needs to have access to the information which you have provided on your MassHealth application.
  - d. For filling out the form via a telephone call, dial 877-623-6765 to reach Massachusetts Health Connector staff who will assist you. After completing the application on the phone, call 978-287-3432 for an appointment with an Emerson Hospital Financial Counselor.

Incomplete applications are not considered, but applicants are given an opportunity to furnish the missing documentation or information. For help, assistance, or questions, please visit or call the Emerson Hospital Financial Assistance Department at 133 ORNAC, Concord, MA 01742 Telephone: 978-287-3432.

**IMPORTANT NOTE:** For new enrollees, a MassHealth application must be received and processed by MassHealth within 10 days of a past medical visit in order to be considered for payment within Emerson's Financial Assistance Program.