

**Policy Title:** Financial Assistance Policy and Procedure**Policy #:** F-415**Last Review Date:** February 8, 2022**Date of Origin:** March 1, 2004**Policy:**

ChristianaCare, Union Hospital is committed to providing programs that facilitate access to care for vulnerable populations including the provision of financial assistance (charity care) to the uninsured, underinsured, those ineligible for governmental insurance programs, or where the ability to pay is a barrier to accessing emergency or medically necessary care.

**Purpose:**

ChristianaCare, Union Hospital is a not-for-profit entity established to provide safe, high quality health and wellness services to the residents of Cecil County and neighboring communities. Accordingly, the hospital is committed to providing emergency and medically necessary services to patients, without discrimination, regardless of the patient's financial assistance eligibility.

This policy is to ensure that a consistent and equitable process is followed in granting financial assistance to appropriate patients while respecting the individual's dignity.

This policy is designed in accordance with the federal Patient Protection and Affordable Care Act (PPACA), Section 501(r)(4) of the Internal Revenue Service Code and Code of Maryland Regulations (COMAR) 10.37.10.26.A

**Scope:**

*Select applicable:*

- Christiana Care Health Services and the Medical Dental Staff**
  - Christiana Hospital
  - Wilmington Hospital
  - Union Hospital
- Christiana Care Home Health and Community Services**
- Christiana Care Health Initiatives**

**Definitions:**

**Asset Testing:** A measure of a patient's ability to meet financial obligations using monetary liquid assets.

**Emergency Care:**

Emergency care is immediate care which is necessary to prevent serious jeopardy to a patient's health, serious impairment to bodily functions, and/or serious dysfunction of any bodily organ or part of the body as could reasonably be expected by the prudent layperson. See also 42 US Code § 1395dd.

**Financial Counselor:**

A financial counselor is an employee of ChristianaCare, Union Hospital who provides assistance to patients seeking information regarding patient billing, financing, health coverage options including financial assistance.

**Financial Hardship:**

A financial hardship as defined in COMAR 10.31.26.A is medical debt, incurred by a family over a 12-month period that exceeds 25 percent of the family income.

**Free Care:**

Free care or a 100% medical debt adjustment is available to patients with household income between 0% and 200% of the Federal Poverty Level (FPL) and who otherwise meet the requirements to receive financial assistance under this policy.

**Gross Charge:**

Gross charge is the full amount of the bills for a medical service.

**Homelessness:**

Homelessness is an “individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations and an individual who is a resident in transitional housing” (42 U.S.C. § 254b).

**Household Income:**

As provided in the cost assistance guidelines under PPACA, the amount equal to the Modified Adjusted Gross Income (MAGI) of the head of household and spouse plus the Adjusted Gross Income (AGI), of anyone claimed as a dependent based on most recent tax return with additional updates as appropriate.

**Household Size:**

Household size is defined per Internal Revenue Service guidelines and generally includes the tax filer, spouse and tax dependents.

**Medical Debt**

A medical debt is the amount a patient is responsible for paying after all discounts, deductions, and reimbursements are applied to the gross charges for services provided.

**Medically Necessary Services:**

A medically necessary service is care rendered to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset of a worsening of conditions that could endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate handicap, or result in overall illness or infirmity and based on generally accepted standards of medicine in the community.

**Presumptive Eligibility for Financial Assistance:**

Presumptive eligibility for financial assistance is provided for a patient who is the beneficiary/recipient of means-tested social programs as defined in COMAR 10.37.10.26 and as listed in this policy.

**Reduced-Cost Care:**

Reduced-cost care is a pro-rated medical debt adjustment available to patients with household income between 200% and 400% of the Federal Poverty Level (FPL) and who otherwise meet the requirements to receive financial assistance under this policy.

**Underinsured Patient:**

An underinsured patient is one who has limited healthcare coverage or third-party assistance that leaves the patient with an out-of-pocket liability, and therefore may still require assistance to resolve their medical debt.

**Uninsured Patient:**

An uninsured patient is one with no insurance or third-party assistance to help resolve their medical debt.

**Guiding Principles:**

Scope:

This policy applies to medical debt incurred for emergency or medically necessary services, inpatient or outpatient, rendered at the hospital or its affiliates by the following owned entities:

- Union Hospital of Cecil County;
- Union Multi-Specialty Practices;
- Union Urgent Care;
- Union Diagnostic Centers;
- Open MRI of Elkton and Perryville

This policy applies to medical debt incurred for emergency or medically necessary services, inpatient or outpatient, rendered at the hospital by the following contracted physician entities:

- Doctors for Emergency Services (DFES) or previous ED physician services vendors

This policy does not apply to any other provider of care rendering services at Christiana Care, Union Hospital or its affiliates, to include but not limited to, independent physicians who provide primary or consultation services that operate as their own business entity.

- These services are generally billed separately from hospital services and are excluded.

## **Procedure:**

### **I. General Procedure**

- A. Patient shall make application for financial assistance using the Maryland State Uniform Financial Assistance Application form through a financial counselor.
1. If appropriate, the financial counselor may take the application orally.
  2. A financial counselor may request verification of income to include:
    - a) Pay stubs, unemployment benefits, Social Security checks, cash assistance checks, alimony or child support checks;
    - b) Federal and State Income Tax Returns;
    - c) Two recent bank statements or financial records;
    - d) Proof of address; patient must reside in Cecil County or one of the following surrounding counties to be eligible for charity:
      - (a) Kent County
      - (b) Harford County
      - (c) New Castle County
      - (d) Chester County
      - (e) Lancaster County
    - e) Proof of screening for either Maryland Medicaid or a Qualified Health Plan with a patient navigator (if uninsured);
    - f) Proof that employer does not offer a health plan.
  3. The patient is expected to cooperate with the timely completion and submission of all requested information.
    - a) If the patient does not provide complete verification of income within 30 days of the application, the request for financial assistance may be denied.
- B. Patients receive financial counseling, referrals and assistance to identify potential public or private healthcare programs to assist with long term needs.
1. If uninsured, the patient will be provided assistance to determine Maryland Medicaid or Qualified Health Plan eligibility through the appropriate Maryland Health Connection connector entity or other qualified health insurance marketplace.
- C. Christiana Care, Union Hospital will use a household income-based eligibility determination, asset testing to include a review of monetary assets (the first \$10,000 of monetary assets shall be excluded) and the current Federal Poverty Guidelines to determine if the patient is eligible to receive financial assistance.
1. The Federal Poverty Guidelines (FPL) are updated annually by the U.S. Department of Health and Human Services.
  2. If the patient's household income is at/or below the amount listed below, financial assistance will be granted in the form of free care (a 100% adjustment) or reduced-cost care (25%-75% adjustment to their medical debt).
    - a) Household income up to 200% of FPL 100% Adjustment
    - b) Household income between 201% & 250% of FPL 75% Adjustment

- c) Household income between 251% & 300% of FPL 50% Adjustment
- d) Household income between 301% & 400% of FPL 25% Adjustment
- 3. Patients with household income up to 500% of FPL and with a financial hardship will receive a 25% adjustment.
- 4. A payment plan is available for all individuals eligible for financial assistance under this policy and for those with household income up to 500% of FPL, if requested.
- D. Once the financial assistance application is complete, decisions regarding eligibility will be made within 15 business days with the following approvals:
  - 1. \$ 0-249.99 – approved by Financial Counselor
  - 2. 250.00 to \$ 9999.99 – approved by Financial Counseling/ Navigator, Supervisor
  - 3. \$10,000-\$19,999.99 – approved by Director, Hospital Billing & SBO
  - 4. ≥ \$20,000 – approved Corporate Director, Revenue Cycle

## **II. Presumptive Eligibility**

- A. Presumptive Eligibility for Financial Assistance: Patients who are beneficiaries/recipients of the following means-tested social services programs are deemed eligible for free care upon completion of a financial assistance application, and proof of enrollment within 30 days (30 additional days permitted if requested):
  - 1. Households with children in the free or reduced lunch program;
  - 2. Supplemental Nutritional Assistance Program (SNAP);
  - 3. Low-income-household energy assistance program;
  - 4. Women, Infants and Children (WIC);
  - 5. Other means-tested social services programs deemed eligible for free care policies by the Department of Health and Mental Hygiene (DHMH) and the Health Services Cost Review Commission (HSCRC), consistent with HSCRC regulation COMAR 10.37.10.26.
- B. Presumptive eligibility for financial assistance will be granted under the following circumstances without the completion of a financial assistance application but with proof or verification of the situation described:
  - 1. A patient that is deceased with no estate on file;
  - 2. A patient that is deemed homeless;
  - 3. A patient that presents a sliding fee scale or financial assistance approval from a Federally Qualified Health Center or Cecil County Health Department;
    - a) Financial assistance will be awarded as outlined in the approval letter provided from that agency.
  - 4. Non-billable services resulting from guardianship determinations for observation hours or inpatient days;
  - 5. A patient that has been approved for Specified Low-Income Medicare Beneficiary (SLMB) programs after verification is made through the State system.

## **III. Eligibility Period**

- A. Once eligibility for financial assistance has been established, the patient shall remain eligible for free or reduced-cost, emergency and medically necessary care during the 12-month period beginning on the date on which the initial episode of care occurred. If a patient returns to Christiana Care, Union Hospital for treatment during their eligibility period, he/she may be asked to provide additional information to ensure that all eligibility criteria have been met.
- B. At the conclusion of the eligibility period, the patient must re-apply for financial assistance.
- C. If a patient enrolled in a health plan drops coverage without a qualified life change event taking place, the patient will not be able to apply for financial assistance.

1. If a qualified life event takes place, the patient will be able to apply for financial assistance if they are denied Medicaid and have been rescreened per Section V of this policy.
- D. If within a two-year period after the date of service, the patient is found to have been eligible for free care on that date of service (using the eligibility standards applicable to that date of service) the patient shall be refunded amounts received from the patient/guarantor exceeding \$5.00.
  1. If documentation demonstrates lack of cooperation by the patient providing information to determine eligibility for financial assistance, the two-year period may be reduced to 30 days from the date of initial request for information.
- E. If a patient has received reduced-cost, medically necessary care due to a financial hardship, the patient or any immediate family member of the patient living in the same household shall remain eligible for reduced-cost, medically necessary care during the 12-month period beginning on the date on which the initial episode of care occurred.

#### **IV. Reconsideration of Denial of Free or Reduced-Cost Care**

- A. A patient who is denied financial assistance under this policy has the right to request reconsideration of that denial.
- B. Upon request from the patient, the Chief Financial Officer, or designee, will review all components of the application and make the final determination of eligibility.

#### **V. Medical Debt Determination (Limit on Charges)**

- A. Financial assistance eligible individuals receiving emergency or medically necessary care will be charged less than gross charges for services. Gross charges will be reduced by one of the following percentages:
  1. The 501(r)(4) Amount Generally Billed (“AGB”) method for all services provided by affiliates other than the hospital.
    - a) In August of each year, the Amount Generally Billed percentage will be calculated utilizing the look-back method with Medicare fee-for-service claims from the previous fiscal year.
  2. The COMAR 10.37.10.26.A method for all services provided by the hospital.
    - a) The hospital mark-up percentage as provided annually in the HSCRC rate order.
- B. Each August, the applicable percentage described in V.A of this policy will be updated on the Maryland Uniform Financial Assistance Application cover sheet and applied as a deduction to gross charges.
  1. A financial assistance adjustment will be applied prior to the final determination of the patient’s medical debt.

#### **VI. Balances Eligible for and Excluded from Financial Assistance**

- A. All self-pay balances, including self-pay balances after insurance payments, including copays, co-insurance and deductibles, may be eligible for consideration for Financial Assistance with the following exceptions:
  1. Balances covered by health insurance.
  2. Balances covered by a government or private program other than health insurance.
  3. Balances for patients that would qualify for Medical Assistance, individual or family health coverage through the Maryland Health Connection or equivalent insurance marketplace, or through an employment-based health plan, but do not apply.
    - a) Applications received during a non-enrollment period, either through the Maryland Health Connection or through employment-based health care, that

were not otherwise screened on a previous account, and that are deemed ineligible for Maryland Medicaid, may be allowed to apply on a case-by-case basis.

- b) If the patient chooses not to elect health benefits offered by employer, or as an eligible dependent, or through the Maryland Health Connection, the patient will be deemed ineligible for financial assistance, but may be evaluated on a case-by-case basis for hardship or circumstances justifying lack of employer or Maryland Health Connection coverage.
- 4. Balances on cosmetic surgery and other procedures that are considered elective and without which the patient's general health would not be adversely affected.
- 5. Balances for patients who falsify information on, or related to, the application.
- 6. ChristianaCare, Union Hospital reserves the right to evaluate applications with special or extenuating circumstances on a case-by-case basis as approved by the Chief Financial Officer or designee.

## **VII. Action in the Event of Non-Payment**

- A. ChristianaCare, Union Hospital may contract with outside collection services to pursue collection of delinquent accounts. All unpaid accounts without exception or payment arrangements are placed in outside collection after a minimum of 90 days from the initial billing statement and delivery of all scheduled patient account statements to the patient/guarantor.
- B. ChristianaCare, Union Hospital does not conduct, or permit collection agencies to conduct on their behalf, extraordinary collections efforts against individuals.

## **VIII. Measures to publicize this policy**

- A. Information regarding the ChristianaCare, Union Hospital Financial Assistance Program and the availability of financial counseling is communicated broadly.
- B. Financial assistance communications include, but are not limited to, the following:
  - 1. Statement of availability on financial consent form;
  - 2. Upon discharge from inpatient, observation or surgical services;
  - 3. On billing statements/invoices.
  - 4. On electronic or paper signs located at registration locations.
- C. A patient can access this policy and a plain language summary through the following methods:
  - 1. Electronic copies can be accessed on the ChristianaCare, Union Hospital Website at:
    - a) <https://www.uhcc.com/about-us/patient-financial-services/financial-assistance/>
  - 2. Paper copies are available:
    - a) By mail: ChristianaCare, Union Hospital  
Patient Financial Services Department  
106 Bow St. Elkton, MD 21921
    - b) By Phone: 410-392-7033
    - c) By E-mail: [billing@uhcc.com](mailto:billing@uhcc.com)
    - d) Upon Request at the following locations:
      - (1) Outpatient Registration Department
      - (2) Emergency Department Registration
      - (3) Patient Financial Services Department
      - (4) Customer Service Department
  - 3. Christiana Care, Union Hospital informs local public and community organizations that address the health needs of the community's vulnerable and low-income populations of this policy.

## **IX. Ensuring Compliance**

- A. Each August, the Director of Patient Financial Services or designee, will perform an audit to include:
  - 1. A recalculation of the percentage discount from gross charges as described in V.A of this policy;
  - 2. A random sampling of 25 billing statements from the prior fiscal year to ensure all required information is present;
  - 3. A visit to each registration point within the hospital to ensure each location has updated financial assistance policies, applications and supporting materials;
  - 4. An audit of the website to ensure that application and policy are easily accessible;
  - 5. A review of current census data for the primary service area to ensure materials are available in additional languages spoken by greater than 5% of the population served.

## **X. Plain Language Summary**

- A. Consistent with its mission to provide safe, high-quality health and wellness services to the residents of Cecil County and neighboring communities, ChristianaCare, Union Hospital and its affiliates are committed to providing free or discounted care to individuals who are in need of emergency or medically necessary treatment and have household income below 400% of the Federal Poverty Level (FPL) Guidelines. Individuals who are eligible for financial assistance will not be charged more than the average amounts generally billed to insured patients, for emergency or medically necessary care.
- B. Financial counselors are available Monday through Friday, from 8:00am until 4:30pm to discuss the application process either in person at Christiana Care, Union Hospital or via phone at 410-392-7033.
- C. ChristianaCare, Union Hospital will not pursue extraordinary collection actions against any individual.
- D. For a free copy of the entire Financial Assistance Policy and/or an Application for Financial Assistance in English or Spanish, patients can:
  - a) <https://www.uhcc.com/about-us/patient-financial-services/financial-assistance/>
  - 2. Send a request by mail to: ChristianaCare, Union Hospital  
Patient Financial Services Department  
106 Bow St. Elkton, MD 21921
  - 3. Request by calling 410-392-7033
  - 4. Send a request by e-mail to [billing@uhcc.com](mailto:billing@uhcc.com)
  - 5. Request in person at the following locations:
    - a) Outpatient Registration Department
    - b) Emergency Department Registration
    - c) Patient Financial Services Department
    - d) Customer Service Department

### **References:**

Code of Maryland Regulations (COMAR) 10.37.10.26

Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119 (2010))

Department of Treasury, Internal Revenue Service Code 501(r)(4)

US Department of Health and Human Services: Federal Register and the Annual Federal Poverty Guidelines

US Code Title 42 Chapter 6A Subchapter II Part D Subpart I § 254b – Health Centers

US Code Title 42 Chapter 7 Subchapter XVIII Part E § 1395dd – Examination and treatment for emergency medical conditions and women in labor

**References:**

Maryland State Uniform Financial Assistance Application