

CARROLL COUNTY MEMORIAL HOSPITAL CORPORATE COMPLIANCE & POLICY

Section/No.: Administrative	Originating Department: Administration	Effective Date: 04/08/07 Revised: 10/08, 1/12, 02/19, 11/24 Reviewed: 03/2020
Title: CHARITY CARE		Page 1 of 9

Purpose:

In keeping with its heritage and mission as an organization created to provide care for the sick and injured in its area, the purpose of this policy is to provide patients with information on the Charity Care/Financial Assistance available at Carroll County Memorial Hospital (CCMH) facilities and to outline the process for determining eligibility for Charity/Financial Assistance. In addition, pursuant to IRC Section 501(r), in order to remain tax-exempt, CCMH is required to establish a Charity/Financial Assistance Policy that describes the conditions under which CCMH provides Charity/Financial Assistance to its patients.

Definitions:

Emergency Medical Care, EMTALA - Any patient seeking urgent or emergent care [within the meaning of Section 1867 of the Social Security Act (42 U.S.C. 1395dd)] at CCMH shall be treated without discrimination and without regard to the patient’s ability to pay for care. Furthermore, any action that discourages patients from seeking emergency medical care, including, but not limited to, demanding payment before treatment or permitting debt collection and recovery activities that interfere with the provision of emergency medical care, is prohibited. CCMH shall also operate in accordance with all federal and state requirements for the provision of urgent or emergent health care services, including screening, treatment, and transfer requirements under the federal Emergency Medical Treatment and Labor Act (EMTALA) and in accordance with 42 CFR 482.55 (or any successor regulation). CCMH should consult and be guided by their emergency services policy, EMTALA regulations, and applicable Medicare/Medicaid Conditions of Participation in determining what constitutes an urgent or emergent condition and the processes to be followed with respect to each.

Extraordinary Collection Actions may include any of the following actions taken in an effort to obtain payment on a bill for care:

- Selling an individual’s debt to another party except as expressly provided by federal tax law;
- Certain actions that require a legal or judicial process as specified by federal tax law; and
- Reporting adverse information about the individual to consumer credit bureaus.

Extraordinary Collection Actions do not include any lien that CCMH is entitled to assert under state law on the proceeds of a judgment or compromise owed to an individual (or his or her representative) as a result of personal injuries for which CCMH provided care. Further, filing a claim in a bankruptcy proceeding is not an Extraordinary Collection Action.

Family is defined as a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines. It includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance (noncash benefits such as

food stamps and housing subsidies included), veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. It is all determined on a before tax basis. Family income includes the income of all members of the household.

Federal Poverty Guidelines (FPG) are updated annually in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code. Current guidelines can be referenced at <http://aspe.hhs.gov/poverty-guidelines>.

Medically Necessary Care means 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.

Service area includes the counties of Carroll, Gallatin, Owen, and Trimble in Kentucky. CCMH reserves the right to add to or subtract from the list of counties in its service area.

Services eligible under this Policy refer to healthcare services provided by CCMH without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

- a) Emergency medical services provided in an emergency room setting;
- b) Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
- c) Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
- d) Medically necessary services, evaluated on a case-by-case basis at CCMH's discretion.

Underinsured means an individual with private or public insurance coverage, for whom it would be a financial hardship to fully pay the expected out-of-pocket expenses for Emergency and Other Medically Necessary Care covered by this Policy.

Uninsured means an individual having no third-party coverage by a commercial third-party insurer, an ERISA plan, a Federal Health Care Program (including, without limitation, Medicare, Medicaid, and CHAMPUS), Worker's Compensation, or other third-party assistance to assist with meeting the individual's payment obligations.

Eligibility:

Charity/Financial Assistance shall be provided to patients who meet the eligibility requirements as described herein and reside within the CCMH Service Area as defined within this policy. A patient who qualifies for Charity/Financial Assistance will not be responsible for more than the net charges for such care (gross charges for such care after all deductions and insurance reimbursements have been applied).

Eligibility for Charity/Financial Assistance will be considered for those individuals who are Uninsured, Underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of Charity/Financial Assistance shall be based on an individualized determination of financial need and shall not consider any potential discriminatory factors such as age, ancestry, gender, gender identity, gender expression, race, color, national origin, sexual orientation, marital status, social or immigrant status, religious affiliation, or any other basis prohibited by federal, state, or local law.

The following eligibility criteria must be met for a patient to qualify for Charity/Financial Assistance:

- The patient must have a minimum account balance of fifty dollars (\$50.00) with CCMH. Multiple account balances may be combined to reach this amount. Patients with balances below fifty dollars (\$50) may contact a financial counselor to make monthly installment payment arrangements.

- The patient must comply with Patient Cooperation Standards as described herein.
- The patient must submit a completed Charity/Financial Assistance application.

Patient Cooperation Standards

A patient must exhaust all other payment options, including private coverage, federal, state, and local medical assistance programs, and other forms of assistance provided by third-parties prior to being approved. An applicant for Charity/Financial Assistance is responsible for applying to public programs for available coverage. The patient is also expected to pursue public or private health insurance payment options for care provided by CCMH. A patient’s cooperation in applying for applicable programs and identifiable funding sources shall be required. CCMH shall make affirmative efforts to help a patient apply for public and private programs.

Patients must cooperate fully with CCMH’s request for information with which to verify the patient’s eligibility, including appropriate identification. It is the patient’s responsibility to respond truthfully and completely to CCMH’s request for information.

Charity/Financial Assistance Determination

CCMH will provide medically necessary care, including emergency room services, to patients. For those patients eligible under this policy, based upon their family income, CCMH will discount the patient’s maximum liability based upon the following scale:

Family Size (Monthly Income)								
Discount	1	2	3	4	5	6	7	8
100%	1255	1703	2152	2600	3048	3497	3945	4393
90%	1380	1873	2367	2860	3353	3847	4340	4832
80%	1518	2060	2604	3146	3688	4232	4774	5315
70%	1670	2266	2864	3461	4057	4655	5251	5847
60%	1837	2493	3150	3807	4463	5121	5776	6432
50%	2021	2742	3465	4188	4909	5633	6354	7075
40%	2223	3016	3811	4607	5400	6196	6989	7783
30%	2446	3318	4193	5068	5940	6815	7689	8561
20%	2690	3651	4612	5574	6534	7497	8457	9417
10%	2959	4016	5073	6132	7187	8247	9303	10358

***** 100% discount is based on 2024 Federal Poverty Guidelines*****

Source: <https://aspe.hhs.gov/poverty-guidelines>

Remaining balances from eligible patients who qualify for the above discounts may be set up on payment arrangements in accordance with CCMH’s payment plan policy. If said payments are not made on the balance of the account(s), the account(s) may be sent to a collection agency for follow up per CCMH’s Bad Debt Policy.

Calculate the Amounts Generally Billed (AGB)

To calculate the AGB, CCMH uses the “Prospective” method described in section 5(b)(4) of the IRS and Treasury’s 501(r) final rule. In this method, CCMH determines AGB for any emergency or other medically necessary care provided by using the billing and coding process CCMH would use if the eligible individual were a Medicare fee-for-service beneficiary.

Procedure:**Notification About Financial Assistance**

Notification about the availability of Financial Assistance from CCMH shall be disseminated by various means, which may include, but not be limited to:

- Inclusion of the plain language summary of the Charity/Financial Assistance Policy in the patient's billing statement;
- The plain language summary is posted in the emergency room, admitting/registration areas, business office, and at other public places as CCMH may elect; and
- Publication of a summary of this Policy on CCMH's website, www.ccmhosp.com, and at other places within the communities served by CCMH, as it may elect.

CCMH personnel will provide patients with an application for Charity/Financial Assistance once a patient is identified as potentially eligible for charity/financial assistance. The timing of the delivery of the application will depend upon when the identification is made and may be at the time of service, during the billing process, or during collection. The patient must complete the application for charity/financial assistance (Exhibit B) and provide all the requested information as soon as possible. This may be obtained by downloading and printing the application through the CCMH website (www.ccmhosp.com) or requesting a copy be mailed by calling 502-732-3258. Patients should mail the charity/financial assistance application to CCMH, 309 11th Street, Carrollton, KY 41008, Attn: Financial Counselor.

Documentation must include the completed application, all supporting material, a printout of the account face sheet with all patient demographics, and a financial analysis worksheet. In evaluating a patient's need for charity care, CCMH personnel may review the patient's W-2, tax return, pay stubs, bank statements, written verification of wage from employer, written verification of public welfare agency, governmental agency or other information attesting to the patient's income status. Patients must provide information relating to possible third-party liability incidents, where applicable, including accident reports and copies of vehicle insurance policies.

Completed applications should be returned to the Financial Counselor as soon as possible after receiving services. Failure to complete and return the application within 240 days of the date that CCMH first sent a post-discharge bill to the patient may result in denial of Charity/Financial Assistance. The application will then be sent to the Chief Financial Officer for approval.

Eligible patients who qualify will not be charged for emergency or other medically necessary care more than the amount generally billed to individuals who have insurance covering such care. For all other medical care, eligible patients who qualify will be charged an amount less than gross charges, as described in the scale within this policy.

Once eligibility has been determined, the patient will be notified of the determination. Patients are presumed to be eligible for financial assistance for a period of six months after notification of approval. After six months, patients may be required to reapply for financial assistance.

Exceptions:

CCMH reserves the right to grant charity/financial assistance in extraordinary circumstances to patients who do not otherwise meet the charity/financial assistance guidelines. CCMH also reserves the right to deny charity/financial assistance to patients who fail to cooperate with CCMH's efforts to verify eligibility, provide false information, refuse to apply for Medicaid or other governmental program benefits or who fail to respond to requests for information in a timely fashion.

Uninsured patients who do not qualify for charity/financial assistance, or who do not wish to be considered, may be offered a prompt pay discount for payment in full within 60 days of discharge date.

Other Discounts Available:

- a. DSH
- b. Prompt Pay Discount – to receive this discount, the patient must make payment in full within 60 days of discharge date. The patient may receive a 40% discount of total gross charges.

Collection Practices:

The actions CCMH may take in the event of nonpayment are described in a separate policy, “Bad Debt Policy”.

EXHIBIT A

CHARITY/FINANCIAL ASSISTANCE PLAIN LANGUAGE SUMMARY

Thank you for selecting Carroll County Memorial Hospital for your recent services. As part of our mission and commitment to the community, Carroll County Memorial Hospital provides charity/financial assistance to patients who qualify for assistance pursuant to our Charity and Financial Assistance Policy.

ELIGIBILITY REQUIREMENTS:

To be eligible for charity/financial assistance for medically necessary health care services, the patient must qualify for assistance under Carroll County Memorial Hospital's Charity and Financial Assistance Policy. The Federal Poverty Guidelines will be used as the basis for determining whether a person or family is eligible.

The necessity for medical treatment of any patient will be based on the clinical judgment of the health care provider without regard to the financial status of the patient. All patients will be treated for emergency medical conditions regardless of ability to pay or to qualify for financial assistance, in accordance with federal and state law.

HOW TO APPLY FOR CHARITY/FINANCIAL ASSISTANCE:

Free copies of the Charity/Financial Assistance Policy and the Charity/Financial Assistance Application can be obtained through these sources:

- In person at any of our Patient Access/Registration Departments, Financial Counseling Department, or Business Office
- Over the phone at 502-732-3258
- Online through our website (www.ccmhosp.com)
- By mail: Carroll County Memorial Hospital, Attn: Financial Counselor
309 11th Street
Carrollton, KY 41008

THE APPLICATION PROCESS:

During the application process, you will be asked to provide information regarding the number of people in your family, your monthly income, and other information that will assist the hospital with determining your eligibility for Financial Assistance. You may be asked to provide a pay stub, bank statement, or tax records to assist us with verifying your income. The patient's situation will be evaluated according to relevant circumstances, such as income, assets, or other resources available to the patient or the patient's family and the outstanding balance.

After submitting the application, the hospital will review the information and notify you in writing regarding your eligibility. If you have any questions during the application process, you may contact the Financial Counselor at 502-732-3258.

EXHIBIT B

CHARITY/FINANCIAL ASSISTANCE APPLICATION

Charity/Financial Assistance Application Instructions:

1. Complete the financial assistance application.
2. Include all monthly income and expenses in the spaces provided.
3. Provide proof of income, including:
 - a. 3 months of pay stubs for household members
 - b. Copies of benefit awards letters or 1099 forms showing Social Security, Disability, Worker's Compensation, or Veteran's Administration benefits;
 - c. Copies of benefit award letters or 1099 forms showing Unemployment, Retirement*, or Pension benefits;
 - d. Copies of benefit award letters showing child support or alimony benefits;
 - e. Copies of benefit award letters for noncash benefits, including food stamps and housing subsidies.
 - f. Verification of self-employment status and income received:
 - i. Receipts from clients,
 - ii. Signed Federal income taxes from the most recent filing year which include the appropriate schedule showing income from self-employment, S-corp, or other such entity.
4. Sign and return the financial assistance application.

If you have no income, you will need to complete a zero-income form, as well as provide an explanation for how you meet your daily living expenses.

*If you have questions or need assistance completing this application, please call 502-732-3210 or visit the Financial Counselor, located at 309 11th Street, Carrollton, KY 41008, Monday through Friday, 8:00 A.M. to 4:30 P.M.

Mail the completed application and documents to:

Carroll County Memorial Hospital
Attn: Financial Counselor
309 11th Street
Carrollton, KY 41008

Once we have received all of the information and documentation requested, we will notify you by mail of your eligibility for participation in the Charity/Financial Assistance Program within 60 days.

EXHIBIT C

**CARROLL COUNTY MEMORIAL HOSPITAL
NOTIFICATION FORM
ELIGIBILITY DETERMINATION FOR FINANCIAL ASSISTANCE**

Carroll County Memorial Hospital has conducted an eligibility determination for financial assistance for:

PATIENT'S NAME ACCOUNT NUMBER DATE(S) OF SERVICE

The request for financial assistance was made by the patient or on behalf of the patient on _____.
This determination was completed on _____.

Based on the information supplied by the patient or on behalf of the patient, the following determination has been made: *(select one below)*

Your request for financial assistance has been **approved** for services rendered on _____.
After applying for the financial assistance reduction, the amount owed is \$_____.

Your request for financial assistance is **pending approval**. However, the following information is required before any adjustment can be applied to your account:

Your request for financial assistance has been **denied** because:

REASON: _____

The granting of financial assistance is conditioned on the completeness and accuracy of the information provided to the hospital. In the event the hospital discovers you were injured by another person, you have additional income, you have additional insurance, or provided incomplete or inaccurate information regarding your ability to pay for the services provided, the hospital may revoke its determination to grant Financial Assistance and hold you and/or third parties responsible for the hospital's charges.

If an application has been submitted for another health coverage program at the same time that you submit an application for Financial Assistance, neither application shall preclude eligibility for the other program.

If you have any questions on this determination, please contact:

Financial Counselor 502-732-3258

EXHIBIT D

PROVIDERS COVERED AND NOT COVERED BY POLICY

All services performed and billed by CCMH will be **covered** under this policy.

The providers listed are **covered** under this Policy:

- A) All providers employed by CCMH Corporation that practice at Carroll County Memorial Hospital, and Carroll County Memorial Hospital clinics (including, but not limited to Carroll County Family Practice, Bedford Family Practice, Warsaw Family Practice, and Carrollton Surgical Practice).
- B) The Providers of Concord Company of TN, PLLC (Carroll County Memorial Hospital Emergency Department providers)

The providers listed are **not covered** under this Policy:

- A) Any provider not listed above