



# Patient Financial Assistance Program

## Mary Washington Hospital, Stafford Hospital

Level: System – Hospital

Supersedes: Patient Financial Assistance Policy; Charity care and Financial Discount Policy

### 1.0 **Statement of Purpose**

Mary Washington Healthcare (MWHC) is committed to improving the health of the people in the communities it serves. MWHC recognizes its role in providing access to Emergency Care and Medically Necessary Services through its hospital facilities, Mary Washington Hospital (MWH) and Stafford Hospital (SH) for all persons regardless of their ability to pay. In addition, MWHC also commits to provide equitable delivery of healthcare for all patients, regardless of their insurance status. This will be done in a professional and compassionate manner that respects each individual's dignity, privacy and responsibility while being consistent with the MWHC mission and financial resources.

In order to manage its resources responsibly and to provide the appropriate level of assistance to the greatest number of persons in need, MWHC's Board of Trustees has established this Patient Financial Assistance Program (Program or Financial Assistance) as the guidelines to provide free or discounted care at MWHC for Emergency Care and Medically Necessary Services to persons who demonstrate financial need and meet other eligibility criteria as enumerated in this Program or on the Patient Financial Assistance Application form (Financial Assistance Application).

Financial assistance is not considered to be a substitute for personal responsibility or appropriate insurance coverage for individuals with the financial capacity and opportunity to purchase such health insurance.

Patients are expected to cooperate with all procedures for obtaining insurance coverage or other forms of payments, and to contribute to the cost of their care based on their individual ability to pay. MWHC encourages all individuals to obtain health insurance coverage for ensuring access to healthcare services, for overall personal health, and for the protection of patient assets.

### 2.1 **Scope**

This Program applies to patients in need of Emergency Care or Medically Necessary Services, as defined in Section 8.0 of this Program. Financial Assistance will not be available for some services or procedures that do not fall under the definition of Emergency Care or Medically Necessary Services, such as elective, non-urgent scheduled services including, but not limited to, routine screenings, cosmetic surgery, etc.

**2.2 Limitations.** Patients eligible under this Program will not be charged more for emergency or other medically necessary care than the amounts generally billed (AGB)

to individuals who have insurance coverage. Deposits may apply on some services. See Section 4.2 for Limitation on Charges for additional information.

### **3.0 Responsibility**

The interpretation, administration and monitoring for compliance of this Program shall be the responsibility of the MWHC Board of Trustees and operational leadership of MWHC.

### **4.0 Policy**

This Program was established to ensure access to Emergency Care and Medically Necessary Services for all patients at MWHC. Financial Assistance provides discounts to eligible patients based on their Federal Poverty Level determination. Furthermore, this Program ensures patients eligible for Financial Assistance will not be charged more for Emergency Care and Medically Necessary Services than the AGB to individuals who have insurance covering such services. Financial Assistance consists of three unique programs: Financial Assistance for the Uninsured; Financial Assistance for the Underinsured; and Medical Subsidy Discounts.

**4.1 Emergency Medical Services.** Mary Washington and Stafford Hospitals will provide access to Emergency Care, without discrimination, to all individuals as required by the Emergency Medical Treatment and Labor Act (EMTALA), regardless of eligibility for financial assistance. A link to MWHC's EMTALA Policy is provided at the end of this document. Furthermore, MWHC prohibits actions that would discourage individuals from seeking Emergency Care, such as demanding that emergency department patients pay before receiving treatment or permitting debt collection in the emergency department or other areas of the hospital when such activities would interfere with the rendering of Emergency Care.

**4.2 Limitation on Charges.** Patients eligible under this Program will not be charged more than the amounts generally billed (AGB) to individuals who have insurance covering such care for Emergency Care or other Medically Necessary Care at MWHC. The AGB is reviewed and subject to update annually for a preceding twelve-month period and is implemented within 120 days of the last date of the claim period. The AGB is determined by the prescribed method within the applicable Department of Treasury regulations called the "look-back method. The "look-back method" establishes an amount determined by multiplying the gross charges for the care provided to an uninsured individual by one or more percentages of gross charges (termed AGB percentage). The AGB percentage is determined for each hospital facility and is based on all claims that have been paid in full to each hospital by Medicare Fee for Service and all private health insurers together as the primary payers of these claims, in each case taking into account amounts paid to the hospital in the form of co-insurance, copayments or deductibles. MWHC calculates AGB on an annual basis. Mary Washington Hospital's AGB is 35.4%; Stafford Hospital's AGB is 38%. Anyone not covered by private health insurance, Medicare, Medicaid, public assistance, a State-sponsored health plan, other government-sponsored programs, a military health plan, a motor vehicle accident, Workers' Compensation or other liability are considered uninsured and will therefore not be charged more than the AGB for Emergency Care and Medically Necessary Care.

**4.3 Billings and Collections.** MWHC may use reasonable efforts and any extraordinary collections actions to obtain payment of bills. Extraordinary collection actions include referring medical debt to a collection agency. MWHC will publicize information on its Financial Assistance program on its organizational website, signage within the facility, Patient Point Booklet, or as referenced below in 4.4 of this Policy. MWHC will

not initiate extraordinary collections actions until at least one-hundred-twenty (120) days from the date of the first post-discharge billing statement. MWHC will give at least thirty (30) days' notice to the patient before initiating any extraordinary collection actions, and such notice will inform the patient of potential extraordinary collections actions if the patient does not submit a Financial Assistance Application or pay the amount due by a specified deadline. Patients may apply for Financial Assistance at any point in the collection cycle, but generally not more than 240 days after the receipt of the first post-discharge billing statement related to such care unless the application period has been otherwise extended. Modifications of ability to pay may be adjusted should financial or insurance status change. MWHC will not engage in extraordinary collection actions before making reasonable efforts to determine whether the individual is eligible for Financial Assistance under this Program. Reasonable efforts include distributing a plain language summary of this Program and a Financial Assistance Application prior to discharge, as well as including a plain language summary with at least one billing statement and informing patients about Financial Assistance during all oral communications with patients against whom extraordinary collections actions are intended. MWHC may provide a written notice that informs the individual of any extraordinary collection actions it or an authorized party may take in case of a non-payment by a specified deadline after the aforementioned reasonable efforts have been made. The entity at MWHC charged with final responsibility for determining whether MWHC has taken reasonable efforts to determine if a patient is eligible under this Program before initiating extraordinary collections actions is the Vice President of Revenue Cycle. Please refer to the [Bad Debt Policy](#) for further information.

**4.4 Publicizing the Patient Financial Assistance Program.** MWHC will publicize the existence of Financial Assistance to the community by listing this Program, as well as other Financial Assistance documents, on MWHC's website. The publications will include a contact number and will be disseminated by various means, such as including notices in patient bills and by posting conspicuous notices in emergency rooms, admitting and registration departments, hospital business offices, and/or patient financial services offices located on facility campuses, as well as at other public places MWHC may elect. Information regarding the existence of this Program and of Financial Assistance shall also be included on facility websites and in the Patient Rights and Responsibilities form. In addition, MWHC staff will communicate with identified community advocates and stakeholders to ensure understanding of Financial Assistance. Information communicating the existence of Financial Assistance shall be provided in the primary languages spoken by the population serviced by MWHC.

**4.5 Eligibility for Discounts.** Patients eligible under this Program may be eligible for discounted care. Discounts are applied to gross charges billed to the patient, and in no case will a patient be charged more than amounts generally billed (AGB) to patients with insurance for such Emergency Care or Medically Necessary Care. Financial counselors and Business Office personnel are available to help patients identify financial options and assistance programs. Financial assistance is generally secondary to all other financial resources available to the patient, including insurance, government programs, third-party liability and available assets. External, publicly available data sources providing information on the ability of a patient or a guarantor to pay may be used in determinations of eligibility for Financial Assistance.

- a. **Financial Assistance for the Uninsured.** Uninsured patients may qualify for Financial Assistance based on their need for Emergency Care and Medically Necessary

Services at MWHC and based on demonstrated financial need. All uninsured patients must demonstrate that they have exhausted all opportunities for third party coverage, including being evaluated for Medicaid. Patients must cooperate with the Financial Assistance Application process and provide all required documentation to be considered. In addition, eligibility guidelines will apply and assist in qualifying patients measured by national annual household income levels:

- I. Uninsured patients are presumed to be eligible with Annual Household Income at or below 200% of the Federal Poverty Level; such uninsured patients will be eligible for 100% Financial Assistance;
  - II. Uninsured patients with Annual Household Income of 201% through 500% of the Federal Poverty Level on any remaining balance may be eligible for 70% Financial Assistance.
- b. Financial Assistance for the Underinsured. Patients with health insurance may be eligible for financial assistance based on their need for Emergency Care and Medically Necessary Services at MWHC and based on demonstrated financial need. Personal balances to be covered by health savings account, medical savings account, or flexible spending accounts are not eligible for discounts. In addition, presumptive eligibility guidelines will apply and assist in qualifying eligible patients.
- I. Underinsured patients are presumed to be eligible with annual household income at or below 200% of the Federal Poverty Level; such uninsured patients will be eligible for 100% Financial Assistance;
  - II. Underinsured patients with Annual Household Income of 201% through 500% of the Federal Poverty Level on any remaining balance may be eligible for 70% Financial Assistance.
- c. Patient households at or below 500% of the Federal Poverty Level will have an annual maximum out of pocket cap on an account of 5% of their household income.
- d. Patients who incur a large debt, as described in this section, at MWHC as a result of a catastrophic event or a chronic condition over a twelve-month period may be eligible for medical subsidy discounts. Both insured and uninsured patients with a self-pay balance for MWHC medical expenses that exceeds a threshold of twenty-five percent (25%) of their annual household income with no available assets to cover this medical debt may be eligible. Patients who qualify will have their accounts adjusted to twenty-five percent (25%) of their annual household income to be paid over three years. Patients must cooperate with the Financial Assistance Application process and provide all required documentation to be considered.
- e. Uninsured patients who do not qualify for Financial Assistance would be eligible for a 50% discount.

## 5.1 Financial Assistance Application Process

- a. Anyone wishing to apply for Financial Assistance with MWHC will be given a Financial Assistance Application which includes instructions on how to apply and required documentation. Instructions for how to obtain the Financial Assistance Application are located at the end of this document.

- b. Financial assistance will not be considered without a completed Financial Assistance Application. MWHC will utilize sufficient and like information can be obtained following the [Presumptive Eligibility Criteria Guideline](#). In extenuating circumstances to include but not limited to financial hardships, MWHC may offer Financial Assistance at its own determination.
- c. The provision of Emergency Care and Medically Necessary Services should never be delayed pending assistance determination.
- d. Requests for Financial Assistance may be made at any point before, during, or after the provision of care, but preferably no later than 240 days after the receipt of the first post-discharge billing statement related to such care. Financial Assistance requests may be proposed by sources other than the patient, such as the patient's physician, family members, community or religious groups, social services, or hospital personnel.
- e. Consideration for Financial Assistance will occur once the applicant supplies a completed, signed Financial Assistance Application with all required supporting documents listed in the instructions of the application to MWHC Financial Counseling.
- f. MWHC will make every attempt to make Financial Assistance determinations within 45 days of receiving a completed Financial Assistance Application.
- g. Consideration for Financial Assistance may include a review of annual household income, household size, available assets, credit history, existing debt, and other indicators of ability to pay. These are merely guidelines; each individual situation should be reviewed independently. MWHC reserves the right to make determinations in extenuating circumstances.
- h. Acceptable forms of proof of income includes the following: 2 most recent pay stubs; 2 most recent bank statements; most recent federal tax return; official statement of social security, disability or unemployment income; pension/annuity verification; child or spousal support documentation; educational assistance for living expenses; interest, dividends, rents, royalties, income from estates or trusts. In the absence of income, a notarized letter of support from individuals providing for the patient's basic living needs will be accepted.
- i. MWHC will keep all applications and supporting documentation confidential. MWHC reserves the right to provide internal and external auditors for the Centers for Medicare and Medicaid Services documentation to support compliance with federal regulations.
- j. MWHC may, at its own expense, request a credit report to further verify the information on the application.
- k. Incomplete Financial Assistance Applications may be denied and returned with a statement of what information is needed and how to re-apply.
- l. MWHC will not deny assistance due to a patient's failure to provide information or documentation if such information or documentation is not indicated as required in this Program or in the Financial Assistance Application.

## **6.0 Appeals**

The responsible party may appeal a Financial Assistance eligibility determination by providing additional information, such as income verification or an explanation of extenuating circumstances, to the Patient Financial Navigation Department Director within 30 days of receiving notification of denial. The director and finance executive(s) will review all appeals. The responsible party will be notified of the appeals outcome. Extraordinary collection actions on accounts will be suspended during the appeals process.

## 7.1 **Provider List**

MWHC maintains a list of physicians (“Provider List”) of all providers delivering Emergency Care or Medically Necessary Services at MWHC. The Provider List notes which providers are covered by this Program. The Provider List is available here: [MWHC Provider List](#).

The following Physician Groups and their Providers have agreed to provide the same level of Financial Assistance to patients when the patient meets the MWHC Financial Assistance criteria for their hospital bill. Patients will need to contact the respective Physician Group and provide a copy of the MWHC Financial Assistance approval letter.

- North American Partners in Anesthesia
- Fredericksburg Emergency Medical Alliance
- Pathology Associates of Fredericksburg
- Radiologic Associates of Fredericksburg

## 8.0 **Definitions**

**Annual Household Income** includes before tax earnings, unemployment compensation, workers’ compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, pension or retirement income, interest, dividends, royalties, incomes from estates, trusts, certain educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources. Annual household income does not include non-cash benefits such as food stamps or housing subsidies. If a person lives with a family, add up the income of all household family members including domestic partners unless family members are paying rent and/or are not dependents of the homeowners. Aggregate household income will include value of available assets.

**Available Assets** include all assets with the exception of the residence where a patient/or the patient’s family resides; one motor vehicle per adult, \$10,000 in cash assets including bank accounts, stocks and bonds, mutual funds and Certificate of Deposits. Retirement accounts including IRAs and 401k plans will not be reviewed.

**Copay or Copayment** is a fixed amount a patient must pay for a service set by an insurance company

**Deductible** is an amount a patient may be required to pay before an insurance company will pay for select services

**Emergency Care** are services provided for the evaluation and treatment of an illness, injury, symptom or condition so serious that a reasonable person would seek care right away to avoid severe harm (as defined by healthcare.gov).

**Episode of Care** begins when a patient recognizes and seeks care for an emerging illness, alteration in functioning, worsening symptoms, injury, or new disability. An Episode of Care ends when the condition achieves a stable endpoint, whether that is resolution of the illness, or stable functional capacity for which the treatments plan is not expected to abruptly change.

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

**Medical Expenses** are charges associated with Medically Necessary Services received at a MWHC facility either for an episode of care or over a twelve-month period of time that are used to determine eligibility for Medical Subsidy Discounts.

**Medically Necessary Services** are diagnostic and/or treatment services that are reasonably expected to reduce the effects of an illness in terms of pain and suffering, longevity, and/or functional capacity of an organ or person. The absence of such services would put the patient at a significant risk for a more severe illness outcome. Medically Necessary Services are those that are supported as effective by medical evidence through traditionally validated research, and/or by widely accepted medical practice in the community. Medically Necessary Services does not include elective, non-urgent scheduled services including but not limited to: routine screenings, cosmetic surgery, etc.

**Outpatient Visit** is direct patient care delivered in an ambulatory setting, typically in a physician's office.

**Uninsured Patients** do not have coverage and have exhausted all opportunities for coverage under private health plans, Medicare, Medicaid, public assistance, a State-sponsored health plan, other government-sponsored programs, a military health plan, the Motor Vehicle Accident or Crime Victim Fund. Persons with only Indian Health Service coverage will be reviewed for eligibility on a case-by-case basis.

## **9.0 Regulatory Requirements**

In implementing this Program, MWHC 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 Program.

## **9.1 Forms, Documents, and Links for Additional Information.**

The following documents and forms regarding financial assistance at MWHC are available in paper upon request or electronically at the following [MWHC Patient Financial Assistance Materials](#):

- Application for Patient Financial Assistance Program (English and Spanish)
- Patient Financial Assistance Program Brochure (English and Spanish)
- Financial Assistance Plain Language Summary (English and Spanish)
- [Provider List](#)
- [Bad Debt Policy](#)
- [Presumptive Eligibility Criteria Guideline](#)
- Current Year Federal Poverty Guidelines
- [EMTALA Screening and Patient Transfer](#)

Questions regarding this program may be directed to the Single Billing Office team at 540-741-1041.

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