

FINANCIAL ASSISTANCE POLICY: RURAL HEALTH CLINICS

DEPARTMENT: Commonwealth Financial Resources	POLICY DESCRIPTION: Guidelines for granting financial assistance at Rural Health Clinics.
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EFFECTIVE DATE: November 2022	REVISION DATES: April 2023, August 2024
REVIEW RESPONSIBILITY: Director, CFR	REFERENCE NUMBER: N/A

PURPOSE

In order to provide the members of the communities we serve with the care they need while staying within the parameters of reason, law, regulation and fiscal responsibility, Commonwealth Financial Resources (CFR) will process and grant Financial Assistance to Patients of Commonwealth Health Corporation (CHC) Rural Health Clinics (RHCs). The purpose of this policy is to identify ways that CHC makes quality health care available, affordable and accessible to all, regardless of the ability to pay, ability to qualify for Financial Assistance, or the availability of third-party coverage. This policy provides the basic framework for granting Financial Assistance that will apply to each RHC that is owned and/or operated by CHC.

This Financial Assistance Policy (FAP) is intended to comply with Section 501(r) of the Internal Revenue Code and the related regulations. This policy describes (1) methods for applying for Financial Assistance; (2) the eligibility criteria for Financial Assistance; and (3) the basis for calculating amounts charged to patients. A separate Patient Billing and Collections Policy, available online at <https://medcenterhealth.org/cfr/billing-policies>, addresses what collection actions the CHC RHCs may take in the event of non-payment, including civil collection actions and reporting to consumer credit reporting agencies for Patients that do not qualify for Financial Assistance.

The specific RHCs that are covered by this Financial Assistance Policy are listed below and may be updated from time to time. These RHCs are owned and operated by CHC.

- Med Center Health Primary Care Auburn
- Med Center Health Primary Care Caverna
- Med Center Health Primary Care Fountain Run
- Med Center Health Primary Care Franklin
- Med Center Health Primary Care Munfordville
- Med Center Health Primary Care Russellville
- Med Center Health Primary Care Scottsville

DEFINITIONS

- Application Period means the time period under which a Patient can apply for Financial Assistance. The Application Period begins on the date care is provided and ends on the 240th day after the first post discharge billing statement is provided to the Patient.
- Extraordinary Collection Action (ECA) means any action against an individual related to obtaining payment of a self-pay balance that requires a legal or judicial process (including wage garnishment), involves reporting adverse information about the Patient to consumer credit reporting agencies or credit bureaus, sale of the Patient's debt to a third party, and/or deferring care.
- Financial Assistance means the free or discounted services provided to Patients who have been determined to be eligible for such adjustments under this Financial Assistance Policy (FAP) and detailed in the Sliding Fee Schedule attachment.
- Financial Assistance Policy (FAP) means CHC's Financial Assistance Policy which includes eligibility criteria, the basis for calculating charges, the method for applying the policy, the

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measures to publicize the policy, and sets forth the Financial Assistance program available to patients who meet certain guidelines.

- E. Household means the group of persons related to the Patient by birth, marriage, or adoption who either: (i) live together; (ii) are dependents who are supported by parents, guardians, or others related by birth, marriage, or adoption. The total number of persons meeting this definition shall be the number of the members in the Household.
- F. Income means gross wages; salaries; tips; income from business and self-employment; unemployment compensation; worker's compensation; Social Security; Supplemental Security Income; veteran's payments; survivor benefits; pension or retirement income; interest; dividends; royalties; income from rental properties, estates, and trusts; alimony; child support; assistance from outside the Household; and other miscellaneous sources.
- G. Patient means the person receiving medical care or the person who is financially responsible for the person receiving medical care (i.e. guarantor).
- H. Plain Language Summary (PLS) means a summary that notifies an individual that CHC offers assistance under this policy in language that is clear, concise, and easy to understand. The PLS may be obtained at <https://medcenterhealth.org/cfr/billing-policies/financial-assistance>.

POLICY

Financial Assistance will be provided in accordance with CHC's mission and values. Financial Assistance eligibility will be considered for uninsured and underinsured Patients consistent with all eligibility guidelines specified in this policy. Patients who do not fully comply with all requirements of this Financial Assistance Policy may be denied Financial Assistance.

To be eligible for Financial Assistance, Patients must apply for Financial Assistance within the Application Period by completing the Sliding Fee Schedule Application.

Approved Sliding Fee Schedule Applications will be valid for qualifying charges incurred within six months after approval. These qualifying charges will be adjusted off the patient account consistent with this policy. Patients may reapply after the six-month approved period expires or anytime there has been a material change in Household Income.

This policy will be applied by our collection agency for accounts that have been transferred to the collection agency.

I. Services Eligible under this Policy

Financial Assistance is available for eligible individuals who seek medically necessary care from participating CHC RHCs as listed in Financial Assistance: Participating Rural Health Clinics.

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II. Methods for Applying for Financial Assistance: Patients may apply for Financial Assistance by any of the following means:

- A. Notifying CFR or CHC personnel at or prior to the time of registration that they would like to apply for Financial Assistance.
- B. Downloading and printing the Sliding Fee Schedule Application from the CHC website and mailing a completed application form to the address on the website. The link to the Financial Assistance Application is: <https://medcenterhealth.org/cfr/billing-policies/financial-assistance>.
- C. Request a Sliding Fee Schedule Application form by phone: 800-786-1581 or 270-745-1100. The Sliding Fee Schedule Application and a Plain Language Summary (PLS) of the FAP will be mailed to Patients, free of charge.

III. Eligibility Criteria and Determination:

- A. CFR's Financial Assistance guidelines are based on a percentage of the Federal Poverty Level (FPL) as published each year in the Federal Register, in or around February of each year.
- B. Eligibility will be based on documented Household Income and Household size as determined in **III. D.** below. In order to qualify for Financial Assistance based on Income level, copies of following documents must be provided:
 - a. Pay stubs (3 most recent), Social security benefits letter, alimony checks (3 most recent), etc.
 - b. Federal tax return including W-2's and all pertinent pages of the Federal tax return as determined by CFR.
- C. Persons or families who qualify for Medicaid, food stamps, and other indigent care programs or are qualified under our Financial Assistance Policy: Hospital Facilities that can be and are independently verified will be deemed to meet these Financial Assistance guidelines, as will accounts identified through tools or programs which provide reasonable assurance that the account meets our Financial Assistance guidelines. These Patients shall receive the greatest discount available through either the Financial Assistance Policy: Hospital Facilities or the discount available through this policy.
- D. Persons in the Household for purposes of determining family size for FPL shall be determined according to the Household definition given above in this policy.
- E. Financial Assistance discounts are determined in accordance with the Sliding Fee Schedule attachment. Charges will be discounted according to the discount percentage on this attachment.

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Patients will be charged the lesser of patient responsibility assessed to the Patient in the case of underinsured patients or the Sliding Fee Schedule discounted amount known as a “Nominal Fee”.

- a. Patients with Incomes at or below 100% of the FPL will receive a full 100% discount for services and will not owe a Nominal Fee.
 - b. Patients with Incomes above 100% of the FPL but at or below 200% of FPL, will be charged a Nominal Fee according to the attached Sliding Fee Schedule based on the family size and Income according to this policy.
 - c. Example: if a Patient’s Household Income and family size as determined on a completed Financial Assistance Application is determined to be 150% of the FPL, a discount of 80% of charges will be applied to the account.
 - d. The Sliding Fee Schedule will be updated during the first quarter of every calendar year with the latest FPL guidelines.
 - e. Patients will be billed this amount in accordance with our billing policies under our Patient Billing and Collection policy. Patients will not be required to pay at the time of service to receive care. Patients will not be denied services due to an inability to pay. The discounted amount is not a threshold for receiving care, and thus is not a minimum fee or co-payment.
- F. We will make reasonable efforts to determine eligibility for Financial Assistance, including making requests for items to complete incomplete applications.
- G. A Financial Assistance Application may be obtained at any hospital facility registration area, by calling Commonwealth Financial Resources at 270-745-1100 or 800-786-1581, or by visiting our website.

IV. Amounts Generally Billed

CHC will not charge an eligible individual for emergency or other medically necessary services more than the amount generally billed (AGB) to individuals who have insurance covering such care. CHC will use the Look-Back method to determine AGB, and will apply a single average percentage as the AGB. CHC calculates the AGB for each RHC separately using Medicare fee-for-service and all private health insurers paid claims for a specific 12-month period. The description of this calculation and the current AGB percentages may be found at medcenterhealth.org/cfr/billing-policies/financial-assistance/financial-assistance-with-rural-health-clinic-bills. The percentage will be updated each year at the beginning of the fiscal year for each hospital. The AGB percentage shall apply to all emergency or medically necessary covered care by eligible Patients under this Patient Financial Assistance policy.

V. Collections in the event of non-payment

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CHC will not engage in Extraordinary Collection Actions (ECA), as defined by applicable federal laws without making reasonable efforts to determine whether or not a Patient qualifies for Financial Assistance under CHC's Financial Assistance Policy. ECAs will be suspended if the Patient submits a Financial Assistance Application during the Application Period. If the individual is cooperating in good faith to pay his/her balance but nonetheless experiencing difficulty, CHC will endeavor to offer an extended payment plan. Non-payment of patient balances may result in accounts being sent to a collection agency.

Refer to CHC's Patient Billing and Collections Policy, available online at <https://medcenterhealth.org/cfr/billing-policies> for the actions the CHC facility may take in the event of nonpayment. This policy may be obtained at no cost by contacting CFR Customer Service at 1-800-786-1581 or 270-745-1100.

VI. Notification of Financial Assistance and Related Information

CHC's Financial Assistance Policy (FAP), the Sliding Fee Schedule Application and the Plain Language Summary (the "FAP Documents") shall be available and advertised to all CHC Patients as follows:

- A. The FAP, Sliding Fee Schedule Application and the Plain Language Summary are available on CHC's website, (<https://medcenterhealth.org/cfr/billing-policies/financial-assistance>), searchable by the mechanism applicable to the site generally. The FAP Documents will be printable from the website.
- B. Paper copies of the FAP, Sliding Fee Schedule Application and the Plain Language Summary are available upon request at all registration areas.
- C. All registration areas offer the PLS to Patients and have posted notifications of the Sliding Fee Discounts.
- D. Visitors to the facility are informed and notified about the FAP and Sliding Fee Discounts and availability of the FAP Documents by notices in patient bills and by posted notices at registration.
- E. CHC will make information regarding this policy available to appropriate governmental agencies and nonprofit organizations dealing with public health in CHC's service areas in order to reach those members of the community that are most likely to need Financial Assistance.
- F. The 501(r) covered policy will be translated for any segment of the population that is the lessor of 5% or 1000 individuals within the community who have limited English proficiency.

VII. Other Considerations

The Financial Assistance Policy: Rural Health Clinics is to be considered a Financial Assistance Policy (FAP) under IRS Regulation 501(r) and must meet all requirements under that Regulation.

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The Sliding Fee Schedule Application is a tool used by CHC to apply the guidelines in this policy and may be revised as needed by CFR personnel and approved by Director, CFR. They are to be approved only if they accurately implement the requirements of this policy.

The Plain Language Summary (PLS) is to summarize the requirements of this policy and will be approved by the Director, CFR.

No other discounts shall apply to accounts receiving a Financial Assistance adjustment.

The Financial Assistance Application used in conjunction with this policy is to accurately reflect the requirements of this policy and will be approved by the Director, CFR.

It is the Patient's responsibility to complete the Sliding Fee Schedule Application, provide accurate information, work with us to get the application and supporting documents to use in a timely manner and to inform us of any changes in their financial situation.

The correction of minor errors, updating the listing of Participating Entities, Federal Poverty Guidelines, location of the policies on websites, and changes to the Sliding Fee Schedule Application, PLS and worksheets do not require board approval. Unless specifically stated otherwise in this policy, such changes are to be approved by the Director, CFR.