

## **Magruder Hospital – Summary Financial Assistance Policy**

**Policy:** It is the policy of Magruder Hospital to provide emergency and medically necessary care at a discounted amount to patients who are in financial hardship and do not fall within the guidelines of HCAP. This will be for all medically necessary and emergency services provided within and billed by Magruder Hospital. Patients must follow an application process to determine eligibility, which includes standardized criteria that is reviewed annually. Services rendered by Independent Physicians at Magruder Hospital are not covered under this policy.

**Purpose:** This policy establishes Magruder Hospital's commitment to ensure patients have access to necessary health care services regardless of their ability to pay. Magruder Hospital also aims to ensure that patients and the community at large are aware that financial assistance is available. Further, this policy ensures that all appropriate collection efforts are utilized, and all patients are treated fairly and consistently within all applicable laws.

### **Definitions:**

**Emergency Medical Care:** Magruder Hospital will provide, without discrimination, care for emergency conditions to individuals regardless of their ability to pay. Magruder will provide emergency care in compliance with the Emergency Medical Treatment and Labor Act (EMTALA). No payment collection will be required prior to the patient receiving emergency care.

**Medically Necessary Services:** Basic, medically necessary hospital-level services are those defined as all inpatient and outpatient services covered under the Medicaid program in Chapter 5160-2-07.17 of the Administrative Code except for transplantation services and services associated with transplantation. Cosmetic and elective procedures or complications relating to them are not available for discount under this policy.

- **Non-compliance:** A patient or guarantor's failure to cooperate with requests for information from the Hospital, third party payer/resource, or agents of either the Hospital or third-party payer/resource.
- **Presumptive Eligibility:** The process by which Magruder Hospital may use previous eligibility determinations and/or information from sources other than the individual to determine eligibility for the Financial Assistance Program.
- **Third-Party Resource:** Any person or entity who may be responsible for payment of a patient's medical bills. This includes coverage that may extend to the patient through another person, entity, or policy. Third-party resources may include, but are not limited to the following:
  1. Health Insurance
  2. Limited Benefit Health Plans

3. High Deductible Health Plans
4. ERISA Plans
5. Workers' Compensation Coverage
6. Medical Saving Accounts and Patient Health Savings Accounts
7. Employee Benefit Plans
8. Automobile Insurance
9. Medical Payments or PIP coverage
10. Underinsured/Uninsured Motorists Coverage
11. Indemnity Insurance Plans
12. Umbrella Coverage
13. Liability Insurance
14. Third-party Liability Coverage
15. Government Benefits or Insurance
16. Any other person or entity that Magruder Hospital representatives identify
17. Other coverage for all or any part of the patient's bill.

**Family:** A "family" shall include the patient, the patient's spouse (regardless of whether they live in the home), and all of the patient's children natural or adoptive, under the age of eighteen who live in the home. If the patient is under the age of eighteen, the "family" shall include the patient, the patient's natural or adoptive parent(s) (regardless of whether they live in the home), and the parent(s)' children natural or adoptive under the age of eighteen who live in the home. If the patient is the child of a minor parent who still resides in the home of the patient's grandparents, the "family" shall include only the parent(s) and any of the parent(s)' children, natural or adoptive, who reside in the home of the minor application.

**Amounts Generally Billed (AGB) to Patients:** Magruder Hospital will limit amounts charged to patients that are approved under this policy for financial assistance to no more than the average percentage amount reimbursable by insurance. The percentage will be applied to gross charges for such care to determine the maximum amount an individual is personally responsible for paying with respect to such care.

**Look-Back Method:** Magruder will use an annual 12-month look-back period to determine AGB. This methodology is computed by dividing the sum of amounts allowed by health insurance by the sum of associated gross charges. Insurance payers include Medicare, Medicare

Advantage and all commercial/private payers and exclude Medicaid, VA, Champus, other government payers and Workers' Comp.

**Extraordinary Collection Actions (ECA):** ECA are measures taken against an individual responsible for the payment of a self-pay bill that requires a legal or judicial process and/or reporting the individual to a consumer credit agency. Magruder will not engage in ECA against individuals until all reasonable efforts have been made to determine eligibility for assistance under this policy.

**Federal Poverty Guidelines (FPG):** Poverty guidelines are updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).

**Financial Assistance Policy (FAP):** A hospital policy that considers income, assets, and family size to determine a discount for patients.

**Financial Assistance Program:** The program by which Magruder Hospital administers the FAP.

**Health Savings Account (HSA):** Tax-deductible savings account set up by participants in high deductible health plans. This money should be used to pay current and future medical expenses.

**Hospital Care Assurance Program (HCAP):** HCAP is the Ohio Department of Job and Family Services' mechanism for meeting the federal requirement to provide additional payments to hospitals that provide a disproportionate share of uncompensated services to the indigent and uninsured.

**Income:** Income is defined as total salaries, wages, retirement monthly withdrawals, and cash receipts before taxes. For self-employed and farm employment individuals, receipts that reflect reasonable business expenses shall be counted. Other sources of income may include but are not limited to, alimony, child support, veteran's benefits, and unemployment compensation.

**Gross Charges:** The full amount charged for items and services before any discounts, contractual allowances, or deductions are applied.

**Notice Requirements:**

- Signage regarding the Hospital's financial assistance is posted in all registration areas and the cashier's area.
- Plain Language Summaries are available at all registration areas, cashiers window, the financial counselor offices, and hospital website.
- Notice of financial assistance is available on patient statements and the hospital's website.

- Applications for financial assistance are available on the back of the first patient statement, each registration area, cashier window, financial counselor's offices and the hospital website.
- Financial assistance policies are available upon request at all registration areas, cashiers window, the financial counselor's offices and are posted on the hospital website.

**Ohio Hospital Care Assurance Program (HCAP):** As a participant in the HCAP Program, we offer emergency and other medically necessary services in our hospitals free of charge if you are a resident of Ohio and either (1) you are currently an eligible recipient of the General Assistance or the Disability Assistance Programs or (2) your income is at or below 100% of the Federal Poverty Guidelines (the FPG).

### **Application and Determination**

All applicants will be screened for Medicaid coverage and must cooperate with the Medicaid representative to be considered for financial assistance.

If you are eligible for financial assistance under our Policy, Magruder Hospital will provide financial assistance to those patients that are not eligible for the Hospital Care Assurance Program (HCAP) and whose income falls between 100% and 300% of Federal Poverty Guidelines (FPG) in effect on the date of service.

Methods available to apply for Financial Assistance: 1. Applications are available at all hospital entrances and registration areas. 2. Applications are available on hospital website. [www.magruderhospital.com](http://www.magruderhospital.com) 3. Applications are available via phone call to hospital 419-732-4004 or 419-732-4005 4. Applications are available by mail from the Financial Counselors at 615 Fulton St, Port Clinton, Oh 43452.

#### **Eligibility:**

- A completed and signed application must be submitted to the hospital financial counselors.
- Patient must be a resident of the State of Ohio.
- Patient must meet eligibility requirements based on the Date of Service
- Patient must cooperate in supplying all third-party payer information. Third party payer resources must be exhausted prior to receiving financial assistance.
- Attempting to lessen the burden on patients who cannot afford healthcare. Application for Financial Assistance can be approved on the patient's signed certification. If the Magruder Hospital representative reviewing the application has reason to believe it is fraudulent, their

reasoning must be documented on the application, and they may request proof of income at that time. Proof of income consists of:

1. Copy of most recently filed federal income tax return.
  2. Copies of pay stubs three months prior to the date of service.
- Financial assistance Notification is sent to the patient by letter, noting their approval or denial and any remaining balance due. Payment plan guidelines are provided at that time.
  - The time allotment for accepting applications is 3 years from the first statement date.
    - a. OAC 5160-2-07.17 Permits hospitals to adopt a three-year limit on applications. This date is based on the first statement date and not date of service.

The Financial Assistance Application is required for each Inpatient visit and every 90 days from the initial date of service for Outpatient visits.

Patient accounts with a remaining self-pay balance that have not complied with guidelines listed in our Bad Debt Policy may be forwarded to an outside agency for collection.