

**McCready Health  
Administrative Policies and Procedures**

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**SUBJECT: Financial Assistance**

**FILE: Index Tab  
Organizational Ethics**

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**I. Policy**

McCready Health is committed to providing charity care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, McCready Health strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

Charity is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with McCready Health's procedures for obtaining charity or other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services, for their overall personal health, and for the protection of their individual assets.

In order to manage its resources responsibly and to allow McCready Health to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient charity.

**II. Definitions**

For the purpose of this policy, the terms below are defined as follows:

**Charity Care:** Healthcare services that have or will be provided but are never expected to result in cash inflows. Charity care results from a provider's policy to provide healthcare services free or at a discount to individuals who meet the established criteria.

**Family:** Using the Census Bureau definition, 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 a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

**Family Income:** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- a. Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, 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;
- b. Non-cash benefits (such as food stamps and housing subsidies) do not count;
- c. Determined on a before-tax basis;
- d. Excludes capital gains or losses; and

- e. If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

### **III. Procedures**

#### **A. Services Eligible Under this Policy.**

For purposes of this policy, "charity" refers to healthcare services provided without charge or at a discount to qualifying patients. The following healthcare services are eligible for charity:

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

#### **B. Eligibility for Charity.**

Eligibility for charity 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 shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation. McCready Health shall determine whether or not patients are eligible to receive charity for deductibles, co-insurance, or co-payment responsibilities.

Patients eligible for programs, such as PAC, already determined by the HSCRC to be presumptively eligible for Financial Assistance will be considered eligible for the McCready Financial Assistance program at 100% without additional screening.

#### **C. Determination of Financial Need.**

1. Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
  - a. Include an application process, in which the patient or the patient's guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
  - b. Include the use of external publicly available data sources that provide information on a patient's or a patient's guarantor's ability to pay (such as credit scoring);
  - c. Include reasonable efforts by McCready Health to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;
  - d. Take into account the patient's available assets, and all other financial resources available to the patient; and
  - e. Include a review of the patient's outstanding accounts receivable for prior services rendered and the patient's payment history.
2. It is preferred but not required that a request for charity and a determination of financial need occur prior to rendering of services. However, the determination may be done at any point in the collection cycle.

The need for payment assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient for charity becomes known.

3. McCready Health's values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of charity. Requests for charity shall be processed promptly and McCready Health shall notify the patient or applicant in writing within 30 days of receipt of a completed application.

**D. Presumptive Financial Assistance Eligibility.**

There are instances when a patient may appear eligible for charity care discounts, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with charity care assistance. In the event there is no evidence to support a patient's eligibility for charity care, McCready Health could use outside agencies in determining estimate income amounts for the basis of determining charity care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

1. State-funded prescription programs;
2. Homeless or received care from a homeless clinic;
3. Participation in Women, Infants and Children programs (WIC);
4. Food stamp eligibility;
5. Subsidized school lunch program eligibility;
6. Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend-down);
7. Low income/subsidized housing is provided as a valid address; and
8. Patient is deceased with no known estate.

**E. Patient Charity Guidelines.**

Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination, as follows:

1. Patients whose family income is at or below 150% of the FPL are eligible to receive free care;
2. Patients whose family income is above 150% but not more than 250% of the FPL are eligible to receive services at a sliding fee schedule according to the following guidelines:

Family Size	2019 FPL	100%	75%	50%	25%	Full Pay
1	12,490	18,735	22,857	26,978	31,225	31,226
2	16,910	25,365	30,945	36,526	42,275	42,276
3	21,330	31,995	39,034	46,073	53,325	53,326
4	25,750	38,625	47,123	55,620	64,375	64,376
5	30,170	45,255	55,211	65,167	75,425	75,426
6	34,590	51,885	63,300	74,714	86,475	86,476
7	39,010	58,515	71,388	84,262	97,525	97,526
8	43,430	65,145	79,477	93,809	108,575	108,576

For families over 8 add \$4,420 for each additional person

3. Patients whose family income exceeds 250% of the FPL but less than 500% may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, resulting in a Financial Hardship at the discretion of McCready Health. A Financial Hardship for the purposes of this policy means medical debt incurred by a family over a 12 month period that exceeds 25% of family income. "Medical debt" means out of pocket expenses, excluding co-payments, coinsurance, and deductibles, for medical costs billed by a hospital.

**Financial Hardship Chart**

Family Size	2019					
	FPL	100%	75%	50%	25%	Full Pay
1	12,490	31,225	41,592	51,958	62,450	62,451
2	16,910	42,275	56,310	70,346	84,550	84,551
3	21,330	53,325	71,029	88,733	106,650	106,651
4	25,750	64,375	85,748	107,120	128,750	128,751
5	30,170	75,425	100,466	125,507	150,850	150,851
6	34,590	86,475	115,185	143,894	172,950	172,951
7	39,010	97,525	129,903	162,282	195,050	195,051
8	43,430	108,575	144,622	180,669	217,150	217,151

**F. Communication of the Charity Program to Patients and the Public.**

Notification about charity available from McCready Health, which shall include a contact number, shall be disseminated by McCready Health by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, urgent care centers, admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as McCready Health may elect. Information shall also be included on facility websites and in the Conditions of Admission form. Such information shall be provided in the primary languages spoken by the population serviced by McCready Health. Referral of patients for charity may be made by any member of the McCready Health staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for charity may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.

**G. Relationship to Collection Policies.**

McCready Health management shall develop policies and procedures for internal and external collection practices that take into account the extent to which the patient qualifies for charity, a patient's good faith effort to apply for a governmental program or for charity from McCready Health, and a patient's good faith effort to comply with his or her payment agreements with McCready Health. For patients who qualify for charity and who are cooperating in good faith to resolve their hospital bills, McCready Health may offer extended payment plans to eligible patients, will not impose wage garnishments or liens on primary residences, will not send unpaid bills to outside collection agencies, and will cease all collection efforts.

**H. Regulatory Requirements.**

In implementing this Policy, McCready Health 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 Policy.