



# Mt. Washington Pediatric Hospital

Where Children Go to Heal & Grow®

An affiliate of University of Maryland Medical Center & Johns Hopkins Medicine

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Owner: Sheldon Stein: President/CEO  
Policy Chapter: Leadership  
References:

## Patient Financial Assistance

### 1. POLICY

- a. This policy applies to Mt. Washington Pediatric Hospital ("MWPH"). MWPH is committed to providing financial assistance to children who have health care needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual and family financial situation.
- b. It is the policy of MWPH to provide Financial Assistance based on indigence or high medical expenses for patients whose families meet specified financial criteria and request such assistance. The purpose of the following policy statement is to describe how applications for Financial Assistance should be made, the criteria for eligibility, and the steps for processing applications.
- c. MWPH will publish the availability of Financial Assistance on its website and will post notices of availability at appropriate intake locations as well as the Inpatient Welcome Center. Notice of availability will also be sent to patients on patient bills. Signage in key patient access areas will be made available. A Patient Billing and Financial Assistance Information Sheet will be provided to patients/families receiving inpatient services with their welcome packet and made available to all patients/families upon request.
- d. Financial Assistance may be extended when a review of a patient's individual and family financial circumstances has been conducted and documented. This may include the patient's existing medical expenses, including any accounts having gone to bad debt, as well as projected medical expenses.
- e. MWPH retains the right in its sole discretion to determine a patient's or family's ability to pay.

### 2. PROGRAM ELIGIBILITY

- a. Consistent with our mission to deliver compassionate and high quality healthcare services and to advocate for children, MWPH strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.
- b. Physician charges related to dates of service are included in MWPH's financial assistance policy. Both hospital and physician charges will be considered during the application process.
- c. Specific exclusions to coverage under the Financial Assistance program include the following:
  - i. Services provided by healthcare providers not affiliated with MWPH (e.g., home health services)
  - ii. Patients whose insurance program or policy denies coverage for services by their insurance company (e.g., HMO, PPO, Workers Compensation, or Medicaid), are not eligible for the Financial Assistance Program without approval of senior leadership.

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1. Generally, the Financial Assistance Program is not available to cover services that are denied by a patient's insurance company; however, exceptions may be made considering medical and programmatic implications.
    - iii. Unpaid balances resulting from non-medically necessary services
  - d. Patients may become ineligible for Financial Assistance for the following reasons:
    - i. Refusal of family to provide requested documentation or providing incomplete information.
    - ii. Have insurance coverage through an HMO, PPO, Workers Compensation, Medicaid, or other insurance programs that deny access to MWPH due to insurance plan restrictions/limits.
    - iii. Failure of parent/guardian/guarantor to pay co-payments as required by the Financial Assistance Program.
    - iv. Failure of parent/guardian/guarantor to keep current on existing payment arrangements with MWPH.
    - v. Failure of parent/guardian/guarantor to make appropriate arrangements on past payment obligations owed to MWPH (including those patients who were referred to an outside collection agency for a previous debt).
    - vi. Refusal of parent/guardian/guarantor to be screened or apply for other assistance programs prior to submitting an application to the Financial Assistance Program.
  - e. Parent/guardian/guarantor of patients who become ineligible for the program will be required to pay any open balances and may be submitted to a bad debt service if the balance remains unpaid in the agreed upon time periods.
  - f. Parents/guardians/guarantors who indicate they are unemployed and have no insurance coverage shall be required to submit a Financial Assistance Application unless they meet Presumptive Financial Assistance (See Section 3 below) eligibility criteria. If patient qualifies for COBRA coverage, parent's/guardian's/guarantor's financial ability to pay COBRA insurance premiums shall be reviewed by appropriate personnel and recommendations shall be made to Senior Leadership. Families with the financial capacity to purchase health insurance shall be encouraged to do so, as a means of assuring access to health care services and for their overall personal health.
  - g. Coverage amounts will be calculated based upon the family's income as a % of the federal poverty guidelines and will generally follow the sliding scale included in Attachment A, with MWPH reserving the right to increase aid where it is deemed necessary. Families with combined income of less than 200% of the guidelines generally qualify for free care; families with combined income of between 200% and 300% generally qualify for discounted care.

### **3. PRESUMPTIVE FINANCIAL ASSISTANCE**

- a. Patients may also be considered for Presumptive Financial Assistance Eligibility. There are instances when a patient may appear eligible for Financial Assistance, but there is no Financial Assistance form and/or supporting documentation on file. Often there is adequate information provided by the patient family or through other sources, which could provide sufficient evidence to provide the patient with Financial Assistance. In the event there is no evidence to support a patient's eligibility for financial assistance, MWPH reserves the right to use outside agencies or information in determining estimated income amounts for the basis of determining Financial Assistance eligibility and potential reduced care rates. Presumptive Financial Assistance Eligibility shall only cover the patient's specific date of service. Presumptive eligibility may be determined on the basis of individual life circumstances that may include:

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- i. Medical Assistance coverage
  - ii. Homelessness
  - iii. Family participation in Women, Infants and Children Programs ("WIC")
  - iv. Family food Stamp eligibility
  - v. Eligibility for other state or local assistance programs
  - vi. Patient is deceased with no known estate
  - vii. Family members unavailable to provide information

#### **4. MEDICAL HARDSHIP**

- a. Patients falling outside of conventional income or presumptive Financial Assistance criteria are potentially eligible for bill reduction through the Medical Hardship program.
  - i. Uninsured Medical Hardship criteria is State defined:
    - 1. Combined household income less than 500% of federal poverty guidelines
    - 2. Having incurred collective family hospital medical debt at MWPH exceeding 25% of the combined household income during a 12 month period. The 12 month period begins with the date the Medical Hardship application was submitted.
    - 3. The medical debt excludes co-payments, co-insurance and deductibles
- b. Patient balance after insurance
  - i. MWPH applies the same criteria to patient balance after insurance applications as it does to self-pay applications
- c. Coverage amounts will be calculated based upon 0 - 500% of income as defined by federal poverty guidelines and follow the sliding scale included in Attachment A with MWPH reserving the right to increase aid where it is deemed necessary.
- d. If determined eligible, patients and their immediate family are certified for a 12 month period effective with the date on which the reduced cost medically necessary care was initially received
- e. Individual patient situation consideration:
  - i. MWPH reserves the right to consider individual patient and family financial situation to grant reduced cost care in excess of State established criteria.
  - ii. The eligibility duration and discount amount is patient-situation specific.
  - iii. Patient balance after insurance accounts may be eligible for consideration.
  - iv. Cases falling into this category require management level review and approval.
- f. In situations where a patient is eligible for both Medical Hardship and the standard Financial Assistance programs, MWPH is to apply the greater of the two discounts.
- g. Parent/guardian/guarantor is required to notify MWPH of their potential eligibility for this component of the financial assistance program.

#### **5. ASSET CONSIDERATION**

- a. Assets are generally not considered as part of Financial Assistance eligibility determination unless they are deemed substantial enough to cover all or part of the patient/family responsibility without causing undue hardship. Individual patient/family financial situation such as the ability to replenish

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the asset and future income potential are taken into consideration whenever assets are reviewed.

- b. Under current legislation, the following assets are exempt from consideration:
- i. The first \$10,000 of monetary assets for individuals, and the first \$25,000 of monetary assets for families.
  - ii. Up to \$150,000 in primary residence equity.
  - iii. Retirement assets, regardless of balance, to which the IRS has granted preferential tax treatment as a retirement account, including but not limited to, deferred compensation plans qualified under the IRS code or nonqualified deferred compensation plans. Generally this consists of plans that are tax exempt and/or have penalties for early withdrawal.

## **6. APPEALS**

- a. Patients whose financial assistance applications are denied have the option to appeal the decision.
- b. Appeals can be initiated verbally or in writing.
- c. Patients are encouraged to submit additional supporting documentation justifying why the denial should be overturned.
- d. Appeals are documented. They are then reviewed by the next level of management above the representative who denied the original application.
- e. The escalation can progress up to the V.P. of Finance who will render a final decision.
- f. A letter or email (according to family preference) of final determination will be submitted to each patient who has formally submitted an appeal.

## **7. PATIENT REFUND**

- a. Patients applying for Financial Assistance up to 2 years after the service date who have made account payment(s) greater than \$5 are eligible for refund consideration
- b. Collector notes, and any other relevant information, are deliberated as part of the final refund decision. In general, refunds are issued based on when the patient was determined unable to pay compared to when the payments were made.
- c. Patients documented as uncooperative within 30 days after initiation of a financial assistance application are ineligible for refund.

## **8. JUDGEMENTS and EXTRAORDINARY COLLECTION ACTIONS**

- a. With approval from the Director of Patient Accounting or CFO, Extraordinary Collection Actions (ECAs) may be taken on accounts that have not been disputed or are not on a payment arrangement. These actions will occur no earlier than 120 days from submission of first bill to the patient and will be preceded by notice 30 days prior to commencement of the action. Availability of financial assistance will be communicated to the patient and a presumptive eligibility review will occur prior to any action being taken.
  - i. Legal action may be initiated in order to collect on the debt:
    - a. If a patient is later found to be eligible for Financial Assistance after a judgment has been obtained, MWPH shall seek to vacate the judgment.
  - ii. Financial Assistance may be withdrawn if:
    - a. Parent/guardian/guarantor fails to pay co-payments as required by the Financial Assistance Program.

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- b. Parent/guardian/guarantor fails to keep current on existing payment arrangements with MWPH.
  - iii. Parent/guardian/guarantor fails to make appropriate arrangements on past payment obligations owed to MWPH (including those patients who were referred to an outside collection agency for a previous debt).

## 9. PROCEDURES

- a. MWPH admissions staff, outpatient registrars, authorization specialists, patient accounting staff and social workers are trained to offer Financial Assistance applications to those who express concern regarding their ability to pay. Applications should be submitted to the Director of Patient Accounting, the Manager of Patient Accounting, or to the V.P. of Finance.
- b. Every possible effort will be made to provide financial clearance prior to date of service. Where possible, designated staff will consult via phone or meet with patients who request Financial Assistance to determine if they meet preliminary criteria for assistance.
  - i. Each applicant must provide information about family size and income (as defined by Medicaid regulations). To help applicants complete the process, we will provide an application that will let them know what paperwork is required for a final determination of eligibility (Attachment B).
  - ii. MWPH will not require documentation beyond that necessary to validate the information on the Maryland State Uniform Financial Assistance Application.
  - iii. A letter or email (according to family preference) of final determination will be submitted to each patient that has formally requested financial assistance.
  - iv. Patients/families will have thirty (30) days to submit required documentation to be considered for eligibility. The patient may re-apply to the program and initiate a new case if the original timeline is not adhered to.
  - v. The financial assistance application process will be open up to at least 240 days after the first post-discharge patient bill is sent.
- c. In addition to a completed Maryland State Uniform Financial Assistance Application, patient families may be required to submit:
  - i. A copy of parent/guardians/guarantor's most recent Federal Income Tax Return (if married and filing separately, then also a copy spouse's tax return and a copy of any other person's tax return whose income is considered part of the family income as defined by Medicaid regulations); proof of disability income (if applicable).
  - ii. A copy of parent/guardians/guarantors' most recent pay stubs (if employed), other evidence of income of any other person whose income is considered part of the family income as defined by Medicaid regulations or documentation of how they are paying for living expenses.
  - iii. Proof of social security income (if applicable)
  - iv. A Medical Assistance Notice of Determination (if applicable).
  - v. Proof of U.S. citizenship or lawful permanent residence status (green card).
  - vi. Reasonable proof of other declared expenses.
  - vii. If parents/guardians/guarantors are unemployed, reasonable proof of unemployment such as statement from the Office of Unemployment Insurance, a statement from current source of financial support, etc ...



- viii. Written request for missing information will be sent to the patient. Where appropriate, oral submission of needed information will be accepted.
- d. A patient family can qualify for Financial Assistance either through lack of sufficient insurance or excessive medical expenses. Once a patient family has submitted all the required information, appropriate personnel will review and analyze the application and forward it to the Patient Accounting or Finance Department for final determination of eligibility based on MWPH guidelines.
  - i. If the patient's application for Financial Assistance is determined to be complete and appropriate, appropriate personnel will recommend the patient's level of eligibility.
    - 1. If the patient does qualify for financial clearance, appropriate personnel will notify the treating department who may then schedule the patient for the appropriate service.
    - 2. If the patient does not qualify for financial clearance, appropriate personnel will notify the clinical staff of the determination and the non-emergent/urgent services will not be scheduled.
      - a. A decision that the patient may not be scheduled for non-emergent/urgent services may be reconsidered upon request.
- e. Once a patient is approved for Financial Assistance, Financial Assistance coverage shall be effective for the month of determination and the following six (6) calendar months. With the exception of Presumptive Financial Assistance cases which are date of service specific eligible and Medical Hardship who have twelve (12) calendar months of eligibility. If additional healthcare services are provided beyond the approval period, patients must reapply to the program for clearance.
- f. The following may result in the reconsideration of Financial Assistance approval:
  - i. Post approval discovery of an ability to pay
  - ii. Changes to the patient's income, assets, expenses or family status which are expected to be communicated to MWPH
- g. MWPH will track patients with 6 or 12 month certification periods. However, it is ultimately the responsibility of the patient or guarantor to advise of their eligibility status for the program at the time of registration or upon receiving a statement.
- h. If patient is determined to be ineligible, all efforts to collect co-pays, deductibles or a percentage of the expected balance for the service will be made prior to the date of service or may be scheduled for collection on the date of service.

Attachment A MWPH Patient Financial Assistance Policy FPL and Sliding Scale Guidelines

Attachment B MWPH Patient Financial Assistance Policy Maryland State Uniform Financial Assistance Application

**Disclaimer Notice:** The information contained in PolicyStat (the "Information") is confidential and proprietary to Mt. Washington Pediatric Hospital (the "Hospital"). It is intended solely for the staff of the Hospital and access to this Information by anyone else is unauthorized. No part of the Information may be copied, distributed or disclosed to any third party for any reason without the express written permission of the Hospital. Mt. Washington Pediatric Hospital, 1708 West Rogers Avenue, Baltimore, Maryland, 21209-4596.

## Attachments:

[MWPH Patient Financial Assistance Policy Attachment A FPL and Sliding Scale Guidelines.pdf](#)

## Approval Signatures

Approver	Date
Sheldon Stein: President/CEO	01/2019