

**MERCY MEDICAL CENTER
POLICY AND PROCEDURE
PATIENT FINANCIAL SERVICES**

FINANCIAL ASSISTANCE POLICY

POLICY#: 602-176-93

REVISED: 10/2025

I. PURPOSE

Mercy Medical Center ("MMC") provides and promotes health services for the people of Maryland of every creed, race, economic, and social condition. In the spirit of the Sisters of Mercy who are its sponsors, MMC has a special commitment to the underserved and the uninsured.

Within the limits of its financial resources, MMC provides, without discrimination, care for Emergency Medical Conditions to patients regardless of their ability to pay and regardless of their eligibility for Financial Assistance under this Financial Assistance Policy.

****It is also MMC's policy to accept, within the limits of its financial resources, all patients who require non-emergency hospital care without regard to their ability to pay for such services.**

**** These policies, however, do not preclude MMC from reviewing a patient's ability to pay, the availability of insurance benefits, or the patient's eligibility for Medical Assistance. Mercy reserves the right to require patients to apply for benefits to which they may be eligible, including but not limited to Medical Assistance, prior to offering Financial Assistance pursuant to this Policy.**

II. POLICY

This Policy governs MMC's provision of Financial Assistance to patients who are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay for Medically Necessary Care based on their individual financial circumstances as set out in more detail in the Eligibility and Benefits section below.

MMC provides free and reduced-cost Medically Necessary Care to patients based on factors such as Family Income, Monetary Assets, Medical Debt, and other criteria specific to an individual patient's situation ("Financial Assistance"). The amount of Financial Assistance generally is determined using a sliding scale for income and taking into account other considerations. Capitalized terms used in this Policy have the meanings set forth in the "Defined Terms" Section or as otherwise defined herein.

In no event shall a patient receiving Financial Assistance be required to make a payment for the covered care in excess of the charges less MMC's mark-up, nor shall such a patient be billed

charges (although bills may show itemized reductions to gross charges). In no event shall a patient receiving Financial Assistance be billed an amount for Medically Necessary Care or emergency medical procedures that is more than the amount generally billed to individuals who have insurance covering such care. The charges to which a discount may apply under this policy are the Facility/Hospital Charges (defined below), which are set by Maryland's rate regulation agency, the Health Services Cost Review Commission. If a patient is eligible for Financial Assistance under more than one of the categories set forth in Section V – Eligibility & Benefits, MMC shall provide the Financial Assistance for which the patient qualifies that is most favorable to the patient.

Actions that MMC may take in the event of non-payment are described in a separate billing and collections policy. To obtain a free copy of this policy, please contact Customer Service at 410-951-1700 or download a copy on MMC's website (see: <https://mdmercy.com/patients-and-visitors/billing-and-insurance/financial-assistance>).

Financial Assistance under this Policy is available for all emergency and Medically Necessary Care (defined below) provided by MMC. All MMC Facility/Hospital Charges are subject to this Policy.

III. SERVICES ELIGIBLE UNDER THIS POLICY

For purposes of this Policy, "Medically Necessary Care" means care that is (i) directly related to diagnostic, preventive, curative, palliative, rehabilitative, or ameliorative treatment of an illness, injury, disability, or health condition; (ii) consistent with accepted standards of good medical practice; and (iii) not primarily for the convenience of the patient, the patient's family, or the provider.

The following services are excluded from coverage under this Policy:

1. Cosmetic procedures and other non-Medically Necessary Care.
2. Non-covered benefits or services under the patient's insurance program or policy. Exceptions may be made on a case-by-case basis considering medical and other implications.
3. Services or supplies that are primarily for the patient or family's convenience, lodging, and meals.
4. Services or supplies related to third party liability claims (e.g., auto accident, workers compensation, bodily injury, or other legal claims) until all other means of coverage and payment are exhausted.
5. Experimental treatments that are not considered standard of care.

IV. NOTICE OF FINANCIAL ASSISTANCE POLICY AND APPLICATION PROCESS

MMC will make patients aware of its Financial Assistance policy by posting notices in several areas of the hospital, including the billing office, admissions office, business office, and

emergency department areas. The notice will inform patients of their right to apply for Financial Assistance and provide contact information for additional resources. MMC will also provide patients with a Financial Assistance Patient Information Sheet upon admission, when presenting the bill for services (each bill also references the Patient Information Sheet), and upon request. Patients will be asked to sign an acknowledgment that they have received the Patient Information Sheet prior to the patient's discharge. Patients may also request a copy of this Financial Assistance Policy at any time during a collection process. Upon request, translations of the policy are available in several languages and interpreter services are also available by calling Customer Service at 410- 951-1700.

MMC also makes available staff who are trained to work with patients, family, and authorized representatives to understand (1) bills; (2) rights and obligations with regard to the bill, (3) how to apply for Maryland Medical Assistance Program ("MMAP"), (4) information regarding the Financial Assistance Policy, and (5) how to contact MMC for additional assistance.

A patient may apply for Financial Assistance by completing and submitting the Maryland State Uniform Financial Assistance Application ("UFAA"). Free copies of the UFAA are available to download on Mercy's website at <https://mdmercy.com/patients-and-visitors/billing-and-insurance/financial-assistance> or by calling Customer Service at 410-951-1700 or Financial Counseling at 410-332-9273 to request a copy by mail; or visiting the MMC billing office, admissions office, business office, or emergency department. For questions or assistance with completing the UFAA, please contact Financial Counseling at 410-332-9273. A patient may apply for Financial Assistance at any time up to 240 days after the patient's receipt of the initial hospital bill.

Within 14 calendar days following a patient's request for Financial Assistance, application for Medical Assistance, or both, MMC will make a determination of eligibility for Financial Assistance and communicate the determination to the patient or the patient's representative. In some instances, eligibility for Financial Assistance may be determined on the basis of a patient's circumstances, such as when a patient is a beneficiary of a means-tested social services program, as described under category 2 below. In other instances, MMC may request information from a patient or use information available from outside agencies as a basis for determining eligibility for Financial Assistance. MMC uses completed UFAA applications to make a determination of eligibility under the requirements described below. If a patient submits the UFAA without the information or documentation required for a final determination of eligibility, MMC may consider the application incomplete and send a written request for the missing information or documentation. Patients will have 30 days from the date of the written request for additional information to submit the required information needed for a final eligibility determination. If the requested information is not received within 30 days, MMC will close the case for a lack of required documentation. Patients may reapply and initiate a new review by submitting the missing information or documentation within 240 days after the initial hospital bill is received by the patient. Once a patient submits a completed UFAA and all required documentation, MMC will provide a determination of eligibility within 14 calendar days. MMC will only require applicants to produce documents necessary to validate the

information provided in the UFAA, and patients are responsible for cooperating with MMC's Financial Assistance application process.

A patient's need for Financial Assistance shall be re-evaluated at each subsequent time of service if the last financial evaluation was performed more than 12-months prior. To avoid an unnecessary duplication of MMC's determinations of eligibility for Financial Assistance, a patient who has received a Financial Assistance determination in the prior 12 months shall inform MMC of the prior determination. A patient must also notify MMC about any change in financial circumstances that occurs within 240 days after the initial hospital bill is provided or if additional information regarding the patient's eligibility becomes known.

A patient who disagrees with a determination by MMC that the patient is not entitled to Financial Assistance, or who has a change in financial circumstances within 240 days after the initial hospital bill is provided, may contact MMC using the contact information provided in the determination letter and request MMC reconsider such denial. Patients determined to be eligible for Financial Assistance within 240 days after the initial bill is provided to the patient may be eligible for a refund of payments made, depending on certain circumstances.

The Health Education and Advocacy Unit ("HEAU") is available to assist a patient or patient's representative with filing a reconsideration request by contacting: Address - Office of the Attorney General, HEAU, 200 Saint Paul Place, 16th Floor, Baltimore, Maryland 21202; Phone - (410)-528-8662; Fax - (410)-576-6571; Email - heau@oag.state.md.us; website - <https://www.marylandattorneygeneral.gov/Pages/CPD/HEAU/default.aspx>.

Patient Responsibilities

MMC patients are required to fully cooperate with all MMC processes for determining eligibility for Financial Assistance under this Policy. This includes providing necessary information and documentation as part of a Financial Assistance application to enable MMC to make an eligibility determination. Patients must apply for and comply with all processes related to seeking assistance from other insurers and third-party sources of payment (including applicable government programs and grants), as requested by MMC. Patients who are non-compliant or uncooperative in attempting to obtain insurance coverage, qualification under government programs, or payment from other third-party sources may be ineligible for Financial Assistance.

V. ELIGIBILITY & BENEFITS

Financial Assistance under this policy is available for Medically Necessary Care provided by MMC. In order to qualify for Financial Assistance, a patient must be a qualified Maryland resident who qualifies under at least one of the following categories:

Statutory and Regulatory Required Categories

1. **Full Financial Assistance.** A patient with Family Income at or below 200% of the Federal Poverty Level ("FPL"), with \$100,000 or less in household Monetary Assets qualifies for full Financial Assistance in the form of free Medically Necessary Care. A patient's Family Income will be calculated at the time of service or updated, as appropriate, to account for any change in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided.
2. **Presumptive Eligibility for Free Care.** A patient who is not eligible for the Maryland Medical Assistance Program or Maryland Children's Health Program and is a beneficiary/ recipient of a means- tested social services program, including but not necessarily limited to the following programs, is deemed eligible for Financial Assistance in the form of free Medically Necessary Care, provided that the patient submits proof of enrollment within 30 days (30 additional days permitted upon request):
 - a. Households with a child enrolled in the free or reduced-cost meal program who is eligible for the program based on the household's income;
 - b. Supplemental Nutritional Assistance Program ("SNAP");
 - c. Maryland's Energy Assistance Program;
 - d. Special Supplemental Food Program for Women, Infants, and Children; or
 - e. Other means-tested social service programs as determined by the Maryland Department of Health and the Health Services Cost Review Commission.
3. **Reduced Cost Care.** A patient with Family Income at or below 500% of FPL, with \$100,000 or less in household Monetary Assets qualifies for partial Financial Assistance in the form of reduced-cost Medically Necessary Care. The amount of financial assistance in this case is based on a sliding scale of income based on the FPL Guidelines which are updated annually. The table below provides the sliding scale discounts based on the FPL Guidelines. A patient's Family Income will be calculated at the time of service or updated, as appropriate, to account for any change in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided.

Family Income as Percentage of FPL	Reduction of Out-of-Pocket Expense
201% - 250% of FPL	75%
251% - 300% of FPL	60%

4. **Financial Hardship.** A patient with: (i) Family Income at or below 500% of FPL; (ii) with Medical Debt (defined below) incurred within the 12-month period prior to application that exceeds 25% of Family Income for the same period; and (iii) with household Monetary Assets of \$100,000 or less will qualify for partial Financial Assistance in the form of reduced-cost Medically Necessary Care. The amount of Financial Assistance in this case is based on a sliding scale of income, in accordance with the Table below.

Family Income as Percentage of FPL	Reduction of Out-of-Pocket Expense
301% - 350%	50%
351% - 400%	45%
401% - 450%	40%
451% - 500%	35%

- a. An eligible patient or any immediate family member of the patient living in the same household shall remain eligible for reduced-cost Medically Necessary Care when seeking subsequent care at MMC during the 12-month period beginning on the date on which the reduced-cost Medically Necessary Care was initially received.
- b. To avoid an unnecessary duplication of MMC's determinations of eligibility for Financial Assistance, a patient eligible for care under Paragraph 4.a shall inform the hospital of his or her eligibility for the reduced-cost Medically Necessary Care.
5. **Payment Plans.** MMC makes payment plans available to all patients who are Maryland residents upon request. Additional information regarding payment plans is available in MMC's Credit and Collections Policy, which is available on MMC's website (see: <https://mdmercy.com/patients-and-visitors/billing-and-insurance/financial-assistance>).

MMC's Expanded Eligibility Categories
(Not Covered by Maryland Statute or Regulation)

6. An unhoused patient qualifies for Financial Assistance in the form of free Medically Necessary Care.
7. A deceased patient, with no person designated as director of financial affairs, or no estate number on file at the applicable Registrars of Wills Department, qualifies for Financial Assistance in the form of free Medically Necessary Care.
8. A patient who has a remaining balance after Medical Assistance qualifies for Financial Assistance.
9. MMC may elect to grant presumptive charity care to patients based on information gathered during a self-pay collection process. Factors include propensity to pay or FPL scoring, eligibility and participation in other federal programs, and other relevant

information.

A patient who does not qualify under the preceding categories may still apply for Financial Assistance, and MMC will review the application and make a determination on a case-by-case basis as to eligibility for Financial Assistance. Factors that will be considered include:

- a. Fixed income such as Social Security, Retirement or Disability with no additional income sources available;
- b. Medical expenses; and/or
- c. Expenses related to necessities of life compared to income.

Denials of Financial Assistance

A patient may be ineligible for Financial Assistance if:

- The patient does not meet any of the eligibility criteria set forth above;
- The patient's insurance plan or program denies coverage of benefits or services due to insurance plan restrictions or limitations;
- The patient registers as voluntary self-pay for certain services (voluntarily opting out of insurance coverage or insurance billing);
- The patient refuses to be screened for other assistance programs prior to submitting an application for financial assistance;
- The patient refuses to cooperate in attempting to obtain insurance coverage; qualification under government programs, or payment from other third-party sources or grants for which the patient may reasonably qualify;
- The patient is not a qualified Maryland resident and is seeking elective, non-emergent medical care.

Changes to a Patient's Eligibility

If a patient's Family Income, Monetary Assets, expenses, family status, or other financial circumstances change, the patient must notify MMC. MMC will reconsider a patient's eligibility for financial assistance based on any changes in financial circumstances that occurs within 240 days after the initial hospital bill is provided.

Reconsideration Requests

A patient who disagrees with a determination by MMC that the patient is not entitled to Financial Assistance, or who has a change in financial circumstances within 240 days after the initial hospital bill is provided, may contact MMC using the contact information provided in the determination letter and request that MMC reconsider such denial. Reconsideration requests may be made verbally or in writing.

The Health Education and Advocacy Unit (“HEAU”) is available to assist a patient or patient’s representative with filing a reconsideration request by contacting: Address – Office of the Attorney General, HEAU, 200 Saint Paul Place, 16th Floor, Baltimore, Maryland 21202; Phone - (410)-528-8662; Fax - (410)-576-6571; Email – heau@oag.state.md.us; website - <https://www.marylandattorneygeneral.gov/Pages/CPD/HEAU/default.aspx>.

Refunds

If, within 240 days after the initial bill is provided to a patient, MMC is informed that the patient was eligible for Financial Assistance on the date of service to which the bill applies (using the eligibility standards applicable on that date of service), the patient may be entitled to a refund of amounts collected from the patient or his or her guarantor exceeding \$25. In such instances, MMC may request information and documentation from the patient to determine the patient’s eligibility for financial assistance at the time of the service.

If the patient is enrolled in a means-tested government health care plan that requires the patient to pay out-of-pocket costs for hospital services, then the patient shall not be refunded any funds that would result in the patient losing financial eligibility for such health coverage.

Patients who believe they may be eligible for a refund are responsible for contacting MMC to request a refund.

Defined Terms

For purposes of this Financial Assistance Policy, the following terms have the following meanings:

Emergency Medical Conditions: A medical condition (A) manifesting itself by acute systems of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in -- 1. Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy; 2. Serious impairment to bodily functions, or 3. Serious dysfunction of any bodily organ or part, or (B) With respect to a pregnant woman who is having contractions -- 1. That there is inadequate time to affect a safe transfer to another hospital for delivery, or 2. That transfer may pose a threat to the health or safety of the woman or the unborn child.

Facility/Hospital Charges: Hospital rate regulation in Maryland was established by an act of the Maryland legislature in 1971. The law created the Health Services Cost Review Commission (“HSCRC”), an independent State agency. The HSCRC establishes hospital rates for each Maryland hospital and the rates are set on an all-payer basis, meaning all payers pay the same rates as outlined by the HSCRC. This includes the uninsured or self-pay population. The HSCRC’s rate regulatory authority applies to inpatient services (as defined by Medicare) and outpatient and emergency services at a hospital (on the campus), and cover costs such as support staff, supplies, and medications. The HSCRC does not regulate Physician Charges. **For further**

information, go to: <https://hsrc.maryland.gov/>.

Family Income: Wages, salaries, earnings, tips, interest, dividends, corporate distributions, rental income, retirement/pension income, Social Security benefits, unemployment benefits, disability benefits, Veteran benefits, alimony and other income as defined by the Internal Revenue Service ("IRS"), for the Patient and/or responsible party and all immediate family members residing in the household. Mercy considers a patient's immediate family members to include a spouse, regardless of whether the patient and spouse expect to file a joint federal or state tax return; biological, adopted, and/or step children; and any person for whom the patient claims a personal exemption in a federal or state tax return. If the patient is a child, the patient's immediate family includes any biological, adopted, and/or step parents or guardians; biological, adopted, or stepsiblings; and anyone for whom the patient's parent(s) or guardian(s) claim a personal exemption in a federal or state tax return. Mercy will consider additional individuals residing in the patient's household as part of the patient's household size for purposes of calculating Family Income on a case-by-case basis.

Federal Poverty Level ("FPL"): Guidelines for federal poverty issued each year by the U.S. Department of Health and Human Resources.

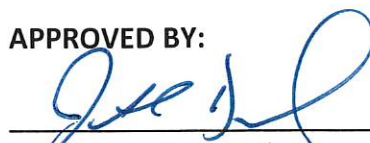
Medical Debt: Out-of-pocket expenses, including co-payments, coinsurance, and deductibles, for medical costs

Mercy Medical Center ("MMC"): This policy applies to Medically Necessary Care provided at Mercy Medical Center. All Facility/Hospital Charges are subject to this policy. Fees for physicians' Professional Charges provided at MMC are not included in the Facility/Hospital bill and are billed separately. Physicians at MMC make their own determination of Financial Assistance for non-emergent care provided at MMC.

Monetary Assets: Assets that are convertible to cash. MMC may consider only household assets in excess of \$100,000 when determining eligibility for free and reduced-cost care under this financial assistance policy. When assessing household monetary assets, MMC excludes any retirement assets that the IRS has granted preferential tax treatment as a retirement account, including deferred-compensation plans qualified under the Internal Revenue Code or nonqualified deferred-compensation plans.

Physician Charges: Physician Charges are charges separate from the Facility/Hospital Bill related to services from providers such as anesthesiologists, pathologists, oncologists, or other specialists who contribute to your care at MMC.

APPROVED BY:


Justin Deibel, Vice Chair


Terry Bednar, Director PFS