

**Policy Title:** **Union Hospital Financial Assistance Policy and Procedure**

**Policy #:** F-415

**Effective Date:** **June 20, 2025**      **Date of Origin:** **March 1, 2004**

**Policy:**

ChristianaCare, Union Hospital is committed to providing programs that facilitate access to care for vulnerable populations including the provision of financial assistance (charity care) to the uninsured, underinsured, those ineligible for governmental insurance programs, or where the ability to pay is a barrier to accessing emergency or medically necessary care. This policy sets forth the eligibility requirements and the procedures for obtaining financial assistance in compliance with applicable federal, state, and local laws.

**Policy Oversight:**

The Chief Financial Officer of ChristianaCare Health Services is authorized on behalf of and in the name of this Corporation to sign and execute those documents reasonably necessary for the transaction of business by this Corporation, including the Financial Assistance Policy.

**Purpose:**

ChristianaCare, Union Hospital is a not-for-profit entity established to provide safe, high-quality health and wellness services to eligible patients. Accordingly, the hospital is committed to providing emergency and medically necessary services to patients, without discrimination, regardless of the patient's financial assistance eligibility.

This policy is to ensure that a consistent and equitable process is followed in granting financial assistance to qualified patients while respecting each individual's dignity.

This policy is designed in accordance with the federal Patient Protection and Affordable Care Act (PPACA), Section 501(r)(4) of the Internal Revenue Service Code and Code of Maryland Regulations (COMAR) 10.37.10.26.A

**Scope:**

*Select applicable:*

- Christiana Care Health Services and the Medical Dental Staff**
  - Christiana Hospital     Wilmington Hospital     Union Hospital
- Christiana Care Home Health and Community Services**
- Christiana Care Health Initiatives**

**Definitions:**

**Emergency Care:**

Emergency care is immediate care which is necessary to prevent serious jeopardy to a patient's health, serious impairment to bodily functions, and/or serious dysfunction of any bodily organ or part of the



body as could reasonably be expected by the prudent layperson. See also 42 US Code § 1395dd.

**Financial Hardship:**

A financial hardship as defined in COMAR 10.37.10.26.A-2 is medical debt, incurred by a family over a 12- month period that exceeds 25 percent of Household Income.

**Free Care:**

Free care or a 100% medical debt adjustment is available to patients with household income between 0% and 400% of the Federal Poverty Level (FPL) and who otherwise meet the requirements to receive financial assistance under this policy.

**Gross Charge:**

Gross charge is the full amount of the bills for medical services.

**Homeless:**

Homeless means an “individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations and an individual who is a resident in transitional housing” (42 U.S.C. § 254b).

**Household Income:**

Gross household income includes earnings, unemployment compensation, workers’ compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, pension or retirement income, interest, dividends, rent, business income, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household and other miscellaneous sources of income.

**Household Size:**

Household size is defined per Internal Revenue Service guidelines and generally includes the tax filer, spouse, and tax dependents.

**Medical Assistance**

Medical Assistance is a state-issued program that helps people with limited income and resources to pay for medical costs. This program is also known as Medicaid.

**Medical Debt**

A medical debt is the amount a patient is responsible for paying after all discounts, deductions, and reimbursements are applied to the gross charges for services provided.

**Medically Necessary Service:**

A medically necessary service is care rendered to a patient in order to diagnose, alleviate, correct, cure, or prevent the onset of a worsening of conditions that could endanger life, cause suffering or pain, cause physical deformity or malfunction, threaten to cause or aggravate handicap, or result in overall illness or infirmity and based on generally accepted standards of medicine in the community.

**Presumptive Eligibility for Financial Assistance:**

Presumptive eligibility for financial assistance is provided for a patient who is the beneficiary/recipient of means-tested social programs as defined in COMAR 10.37.10.26 and as listed in this policy.

**Reduced-Cost Care:**

Reduced-cost care is a pro-rated medical debt adjustment available to patients with household income between 400% and 500% of the Federal Poverty Level (FPL), with a financial hardship, who otherwise meet the requirements to receive financial assistance under this policy.

**Underinsured Patient:**

An underinsured patient is one who has limited healthcare coverage or third-party assistance that leaves the patient with an out-of-pocket liability, and therefore may still require assistance to resolve their medical debt.

**Uninsured Patient:**

An uninsured patient is one with no insurance or third-party assistance to help resolve their medical debt.

## Guiding Principles:

Scope: This policy applies to medical debt incurred for emergency care or medically necessary services, inpatient or outpatient, rendered at the hospital or its affiliates by the following owned entities:

- Union Hospital of Cecil County;
- Union Multi-Specialty Practices;
- Union Urgent Care;
- Union Diagnostic Centers;
- Open MRI of Elkton and Perryville.

This policy applies to medical debt incurred for emergency care or medically necessary services, inpatient or outpatient, rendered at the hospital by any contracted group providing services in ChristianaCare Union Hospital Emergency Department.

This policy does not apply to any other provider of care rendering services at ChristianaCare, Union Hospital or its affiliates, including, without limitation, independent physicians who provide primary or consultation services that operate as their own business entity.

- These services are generally billed separately from hospital services and are excluded.

## Procedure:

### I. General Procedure

- A. Patient shall submit an application for financial assistance using the Maryland State Uniform Financial Assistance Application form through a designated ChristianaCare representative.
  1. A ChristianaCare representative may request verification of income to include:
    - a) Pay stubs, unemployment benefits, Social Security checks, cash assistance checks, alimony or child support checks;
    - b) Federal and state income tax returns;
    - c) Three recent bank statements or financial records;
    - d) Proof of address; patient must reside in Cecil County, MD or one of the following surrounding counties to be eligible for charity:
      - (a) Kent County, MD
      - (b) Harford County, MD
      - (c) New Castle County, DE
      - (d) Kent County, DE
      - (e) Sussex County, DE
      - (f) Chester County, PA
      - (g) Delaware County, PA
      - (h) Lancaster County, PA
      - (i) Salem, NJ
    - e) Proof of screening for either Maryland Medicaid or a Qualified Health Plan with a patient navigator (if uninsured);
  2. The patient is expected to cooperate with the timely completion and submission of all requested information.
    - a) If the patient does not provide complete verification of income within 30 days of the application, the request for financial assistance may be denied.
- B. Patients receive financial counseling, referrals, and assistance to identify potential public or private healthcare programs to assist with long term needs.

1. If uninsured, the patient will be provided with assistance to determine Maryland Medicaid or Qualified Health Plan eligibility through the appropriate Maryland Health Connection connector entity or other qualified health insurance marketplace.
- C. ChristianaCare, Union Hospital will make an eligibility determination based upon the patient's Gross Household Income and the current Federal Poverty Guidelines to determine if the patient is eligible for financial assistance.
1. The Federal Poverty Guidelines (FPL) are updated annually by the U.S. Department of Health and Human Services.
  2. If the patient's household income is at/or below 400% of FPL, financial assistance will be granted in the form of free care (a 100% adjustment).
  3. Patients with household income between 401% and 500% of FPL and with a financial hardship will receive a 25% adjustment.
  4. To the extent a patient is eligible for reduced care pursuant to this policy, and the balance is not eliminated in its entirety, the patient will be eligible for a payment plan.
- D. Once the financial assistance application is complete, decisions regarding eligibility will be made within 15 business days with the following approvals:
1. \$ 0 to 9,999.99 – approved by designated ChristianaCare representative
  2. \$ 10,000 to \$ 24,999.99 – approved by Manager
  3. \$ 25,000 to \$ 149,999.99 – approved by Director
  4. \$ 25,000 to \$ 149,999.99 – approved by Corporate Director, Revenue Cycle
  5. \$ 150,000 or above – approved by Vice President

## II. Presumptive Eligibility

- A. Presumptive Eligibility for Financial Assistance: Patients who are beneficiaries/recipients of the following means-tested social services programs are deemed eligible for free care upon completion of a financial assistance application:
1. Households with children in the free or reduced lunch program
  2. Supplemental Nutritional Assistance Program (SNAP)
  3. Low-income-household energy assistance program
  4. Women, Infants and Children (WIC)
  5. A patient that has been approved for Specified Low-Income Medicare Beneficiary (SLMB) programs after verification is made through the State system.
  6. Other means-tested social services programs deemed eligible for free care policies by the Department of Health and Mental Hygiene (DHMH) and the Health Services Cost Review Commission (HSCRC), consistent with HSCRC regulation COMAR 10.37.10.26.
- B. Presumptive eligibility for financial assistance will be granted under the following circumstances without the completion of a financial assistance application but with proof or verification of the situation described:
1. A patient that is deceased with no estate on file;
  2. A patient that is deemed homeless;
  3. A patient that presents a sliding fee scale or financial assistance approval from a Federally Qualified Health Center or Cecil County Health Department, in which case financial assistance will be awarded as outlined in the approval letter provided from that agency;
  4. Non-billable services resulting from guardianship determinations for observation hours or inpatient days.
  5. Medicaid-eligible patients who receive services before their coverage starts may receive financial assistance for services for up to one year before their effective coverage date.

### **III. Eligibility Period**

- A. Once eligibility for financial assistance has been established, the patient shall remain eligible for free or reduced-cost, emergency care, and medically necessary care for one year from approval date and will be retroactive for one year prior to approval date. If a patient returns to ChristianaCare, Union Hospital for treatment during their eligibility period, he/she may be asked to provide additional information to ensure that all eligibility criteria have been met.
- B. At the conclusion of the eligibility period, the patient must re-apply for financial assistance.
- C. If a patient is determined to be eligible for financial assistance, payments made by the patient exceeding \$5.00 and applied against the patient's balance within the prior year will be refunded.

### **IV. Reconsideration of Denial of Free or Reduced-Cost Care**

- A. A patient who is denied financial assistance under this policy has the right to request reconsideration of that denial.
- B. Upon request from the patient, the Corporate Director, Revenue Cycle will review all components of the application and make the final determination of eligibility.

### **V. Medical Debt Determination (Limit on Charges)**

- A. Financial assistance eligible individuals receiving emergency care or medically necessary care will be charged less than gross charges for services. Gross charges will be reduced using one of the following methods:
  - 1. The 501(r)(4) Amount Generally Billed ("AGB") method for all services provided by affiliates other than the hospital.
    - a) In August of each year, the Amount Generally Billed percentage will be calculated utilizing the look-back method with Medicare fee-for-service claims from the previous fiscal year.
  - 2. The COMAR 10.37.10.26.A method for all services provided by the hospital.
    - a) The hospital mark-up percentage as provided annually in the HSCRC rate order.
- B. Each August, the applicable percentage described in Section V.A of this policy will be updated on the Maryland Uniform Financial Assistance Application cover sheet and applied as a deduction to gross charges.
  - 1. A financial assistance adjustment will be applied prior to the final determination of the patient's medical debt.

### **VI. Balances Eligible for and Excluded from Financial Assistance**

- A. All self-pay balances, including self-pay balances after insurance payments, including copays, co-insurance and deductibles, may be eligible for consideration for Financial Assistance with the following exceptions:
  - 1. Balances covered by health insurance.
  - 2. Balances covered by a government or private program other than health insurance.
  - 3. Balances for patients that would qualify for Medical Assistance, individual or family health coverage through the Maryland Health Connection or equivalent insurance marketplace, or through an employment-based health plan, but do not apply.
    - a) Applications received during a non-enrollment period, either through the Maryland Health Connection or through employment-based health care, that were not otherwise screened on a previous account, and that are deemed ineligible for Maryland Medicaid, may be allowed to apply on a case-by-case basis.

4. Balances on cosmetic surgery and other procedures that are considered elective and without which the patient's general health would not be adversely affected.
5. Balances for patients who falsify information on, or related to, the application.
6. ChristianaCare, Union Hospital reserves the right to evaluate and approve applications with special or extenuating circumstances on a case-by-case basis as approved by the Chief Financial Officer or designee.

#### **VII. Action in the Event of Non-Payment**

- A. ChristianaCare, Union Hospital may contract with outside collection services to pursue collection of delinquent accounts. All unpaid accounts without exception or payment arrangements are placed in outside collection after a minimum of 120 days from the initial billing statement and delivery of all scheduled patient account statements to the patient/guarantor.
- B. ChristianaCare, Union Hospital does not conduct, or permit collection agencies to conduct on their behalf, extraordinary collections efforts against individuals.

#### **VIII. Measures to Publicize this Policy**

- A. Information regarding the ChristianaCare, Union Hospital Financial Assistance Program and the availability of financial counseling is communicated broadly.
- B. Financial assistance communications include, but are not limited to, the following:
  1. Statement of availability on financial consent form
  2. Upon discharge from inpatient, observation or surgical services
  3. On billing statements/invoices
  4. On electronic or paper signs located at registration locations
- C. A patient can access this policy and a plain language summary through the following methods:
  1. Electronic copies can be accessed on the ChristianaCare, Union Hospital website at <https://www.uhcc.com/about-us/patient-financial-services/financial-assistance/>
  2. Paper copies are available:
    - a) By mail: ChristianaCare, Union Hospital  
Patient Financial Services Department  
106 Bow St. Elkton, MD 21921
    - b) By Phone: 410-392-7033
    - c) By E-mail: [financialassistance@christianacare.org](mailto:financialassistance@christianacare.org)
    - d) Upon Request at the following locations:
      - (1) Outpatient Registration Department
      - (2) Emergency Department Registration
      - (3) Patient Financial Services Department
      - (4) Customer Service Department
  3. ChristianaCare, Union Hospital informs local public and community organizations that address the health needs of the community's vulnerable and low-income populations of this policy.

**IX. Ensuring Compliance**

- A. Each August, the Director of Patient Financial Services or designee will perform an audit to include:
  - 1. A recalculation of the percentage discount from gross charges as described in Section V.A of this policy;
  - 2. A random sampling of 25 billing statements from the prior fiscal year to ensure all required information is present;
  - 3. A visit to each registration point within the hospital to ensure each location has updated financial assistance policies, applications and supporting materials;
  - 4. An audit of the website to ensure that application and policy are easily accessible;
  - 5. A review of current census data for the primary service area to ensure materials are available in additional languages spoken by greater than 5% of the population served.

**X. Plain Language Summary**

- A. Consistent with its mission to provide safe, high-quality health and wellness services to the residents of Cecil County and neighboring communities, ChristianaCare, Union Hospital and its affiliates are committed to providing free or discounted care to individuals who need emergency or medically necessary treatment and have household income below 400% of the Federal Poverty Level (FPL) Guidelines. Individuals who are eligible for financial assistance will not be charged more than the average amounts generally billed to insured patients for emergency or medically necessary care.
- B. Financial counselors are available Monday through Friday from 8:00am until 4:00pm EST to discuss the application process either in person at ChristianaCare, Union Hospital or via phone at 410-392-7033.
- C. ChristianaCare, Union Hospital will not pursue extraordinary collection actions against any individual.
- D. For a free copy of the entire Financial Assistance Policy and/or an Application for Financial Assistance in English or Spanish, patients can contact Patient Financial Services at the contacts listed in Section VIII.

**References:**

Code of Maryland Regulations (COMAR) 10.37.10.26

Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119 (2010))

Department of Treasury, Internal Revenue Service Code 501(r)(4)

US Department of Health and Human Services: Federal Register and the Annual Federal Poverty Guidelines

US Code Title 42 Chapter 6A Subchapter II Part D Subpart I § 254b – Health Centers

US Code Title 42 Chapter 7 Subchapter XVIII Part E § 1395dd – Examination and treatment for emergency medical conditions and women in labor

Maryland State Uniform Financial Assistance Application