



Corporate Policies

Title:	Corporate Financial Assistance Policy	Section:	
Purpose:	To ensure uniform management of the MedStar Health Corporate Financial Assistance Program across all MedStar Health Hospitals and Hospital-based Physician Practices.	Number:	
Forms:		Effective Date:	01/01/2022

Policy

1. As one of the region’s leading not-for-profit healthcare systems, MedStar Health is committed to ensuring that uninsured and underinsured patients meeting eligibility criteria, and patients determined eligible for presumptive eligibility within the communities we serve who lack financial resources have access to medically necessary hospital services. MedStar Health hospitals and hospital based-physician practices will:
 - 1.1 Treat all patients equitably, with dignity, respect, and compassion.
 - 1.2 Serve the emergency health care needs of everyone who presents to our MedStar Health hospitals and hospital-based physician practices regardless of a patient's ability to pay for care.
 - 1.3 Assist those patients who are admitted through our admission process for non-urgent, medically necessary care who cannot pay for the care they receive.
 - 1.4 Balance needed financial assistance for some patients with broader fiscal responsibilities in order to keep its hospitals’ doors open for all who may need care in the community.
2. MedStar Health will not withhold financial assistance or deny a patient’s application for financial assistance on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, gender identity, genetic information, or on the basis of disability. In addition, MedStar Health will not use a patient’s citizenship or immigration status as an eligibility requirement for financial assistance.

Scope

1. In meeting its commitments, MedStar Health hospitals and hospital-based physician practices will work with their patients seeking emergency and medically necessary care to gain an understanding of each patient’s financial resources. Based on this information, MedStar Health hospitals and hospital-based physician practices will make eligibility determinations for financial assistance for patients who reside within the communities that we serve. In determining eligibility for financial assistance, MedStar Health hospitals and hospital-based physician practices will:
 - 1.1 Determine whether the patient has health insurance.
 - 1.2 Determine whether the patient is presumptively eligible for Free or Reduced-Cost Care.
 - 1.3 Determine whether uninsured patients are eligible for public or private health insurance.
 - 1.4 To the extent possible, offer assistance to uninsured patients if the patient chooses to apply for public or private health insurance.
 - 1.5 To the extent practicable, determine whether the patient is eligible for other public programs that may assist with health care costs.
 - 1.6 Use information in the possession of the hospital, if available, to determine whether the patient is qualified for Free or Reduced-Cost Care under the hospital’s financial assistance policy.

Definitions

1. **Free Care**

100% financial assistance for medically necessary care provided to uninsured and underinsured patients with household income at or below 200% of the federal poverty level (FPL). Free Care is calculated at the time of service or updated, as appropriate, to account for any changes in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided.

2. **Reduced-Cost Care**

Partial financial assistance for medically necessary care provided to uninsured and underinsured patients with household income between 201% and 400% of the FPL. Reduced-cost care is calculated at the time of service or updated, as appropriate, to account for any changes in financial circumstances of the patient that occurs within 240 days after the initial hospital bill is provided.

3. **Underinsured Patient**

An “Underinsured Patient” is defined as an individual who elects third party insurance coverage with high out of pocket insurance benefits or a patient with Medicare coverage resulting in large patient account balances.

4. **Financial Hardship**

Medical Debt, incurred by a household over a 12-month period, at the MedStar Health hospitals and hospital-based physician practices that exceeds 25% of the family household income. This means test is applied to uninsured and underinsured patients with income below 500% of the Federal Poverty Guidelines.

5. **MedStar Health Uniform Financial Assistance Application**

A uniform financial assistance data collection document. The Maryland State Uniform Financial Assistance Application will be used by all MedStar Health hospitals and hospital-based physician practices regardless of the hospital or practice geographical locations. The Uniform Financial Assistance Application is written in simplified language; and does not require documentation that presents an undue barrier to a patient’s receipt of financial assistance.

6. **MedStar Health Patient Information Sheet**

A plain language summary that provides information about MedStar Health’s Financial Assistance Policy, and a patient’s rights and obligations related to seeking and qualifying for Free or Reduced Cost medically necessary care. The Maryland State Patient Information Sheet format, developed through the joint efforts of Maryland Hospitals and the Maryland Hospital Association, will be used by all MedStar Health hospitals and hospital-based physician practices regardless of the hospital or practice geographical locations. The MedStar Health Patient Information Sheet will include a section that allows for a patient to initial that the patient has been made aware of the financial assistance policy.

7. **AGB – Amount Generally Billed**

Amounts billed to patients who qualify for Reduced-Cost Sliding Scale Financial Assistance.

8. **Medical Debt**

“Medical Debt” means out-of-pocket expenses, excluding co-payments, coinsurance, and deductibles, for medical costs billed by a hospital.

9. Payment Plans

“Payment Plans” are payment plans offered on a Medical Debt owed for services rendered to patients who are not eligible for Free Care in accordance with guidelines as may be established and amended by appropriate regulatory agencies and further described in the MedStar Billing and Collection Policy.

Responsibilities

1. MedStar Health will widely publicize the MedStar Health Financial Assistance Policy by:
 - 1.1 Providing access to the MedStar Health Financial Assistance Policy, Financial Assistance Applications, and MedStar Health Patient Information Sheet on all hospital websites and patient portals.
 - 1.2 Providing hard copies of the MedStar Health Financial Assistance Policy, MedStar Health Uniform Financial Assistance Application, and MedStar Health Patient Information Sheet to patients upon request.
 - 1.3 Providing hard copies of the MedStar Health Financial Assistance Policy, MedStar Health Uniform Financial Assistance Application, and MedStar Health Patient Information Sheet to patients upon request by mail and without charge.
 - 1.4 Providing notification and information about the MedStar Health Financial Assistance Policy by:
 - 1.4.1 Offering copies as part of all registration or discharges processes and answering questions on how to apply for assistance.
 - 1.4.2 Providing written notices on billing statements.
 - 1.4.3 Displaying MedStar Health Financial Assistance Policy information at all hospital registration points, including the business office, informing patients of their rights to apply for financial assistance and who to contact at the hospital for additional information.
 - 1.4.4 Translating the MedStar Health Financial Assistance Policy, MedStar Health Uniform Financial Assistance Application, and the MedStar Health Patient Information Sheet into primary languages that constitute the lesser of 1000 individuals or 5% of the overall population within the city or county in which the hospital is located as measured by the most recent census.
 - 1.5 MedStar Health will provide public notices yearly in local newspapers serving all hospital target populations.
 - 1.6 Providing samples documents and other related material as attachments to this Policy:
 - 1.6.1 Appendix #1 – MedStar Health Uniform Financial Assistance Application
 - 1.6.2 Appendix #2 – MedStar Health Patient Information Sheet
 - 1.6.3 Appendix #3 – Translated language listing for all significant populations with Limited English Proficiency (documents will be available upon request and on hospital websites and patient portals).
 - 1.6.4 Appendix #4 – Hospital Community Served Zip Code listing
 - 1.6.5 Appendix # 5 – MedStar Health Financial Assistance Data Requirement Checklist
 - 1.6.6 Appendix #6 – MedStar Health Financial Assistance Contact List and Instructions for Obtaining Free Copies and Applying for Assistance
 - 1.6.7 Appendix #7 – MedStar Health FAP Eligible Providers
 - 1.7 The MedStar Health Patient Information Sheet shall be provided to the patient, the patient’s family, or the patient’s authorized representative:
 - 1.7.1 Before discharge;
 - 1.7.2 With the hospital bill;
 - 1.7.3 On request; and
 - 1.7.4 In each written communication to the patient regarding collection of the hospital bill.

2. MedStar Health will provide a financial assistance probable and likely eligibility determination to the patient within two business days from receipt of the initial MedStar Health Uniform Financial Assistance Application.
 - 2.1 Probable and likely eligibility determinations will be based on:
 - 2.1.1 Receipt of an initial submission of the MedStar Health Uniform Financial Assistance Application.
 - 2.2 The final eligibility determination will be made and communicated to the patient based on receipt and review of a completed application.
 - 2.2.1 Completed application is defined as follows:
 - 2.2.1.a All supporting documents are provided by the patient to complete the application review and decision process.
 - See Appendix #5 – MedStar Health Financial Assistance Data Requirement Checklist.
 - 2.2.1.b Application has been approved by MedStar Health Leadership consistent with the MedStar Health Adjustment Policy as related to signature and dollar limits protocols.
 - 2.2.1.c Pending a final decision for the Medicaid application process.
 - 2.3 On receipt of a completed application, MedStar Health will make a final eligibility determination within 14 days. During this period, any billing and collection actions will be suspended.
3. MedStar Health believes that its patients have personal responsibilities related to the financial aspects of their healthcare needs. Financial assistance and Payment Plans available under this policy will not be available to those patients who fail to fulfill their responsibilities. For purposes of this policy, patient responsibilities include:
 - 3.1 Comply with providing the necessary financial disclosure forms to evaluate their eligibility for publicly-funded healthcare programs, charity care programs, and other forms of financial assistance. These disclosure forms must be completed accurately, truthfully, and timely to allow MedStar Health's facilities to properly counsel patients concerning the availability of financial assistance.
 - 3.1.1 All patients must provide proof of residency within the defined hospital service area. Proof of residency documentation would include gas and electric bills, pay stubs, bank statements, rent statements, etc. Patient must first apply for Medical Assistance, Medical Assistance Emergency Services, and other coverage program(s) eligibility.
 - 3.2 Working with MedStar Health hospital Patient Advocates and Patient Financial Services staff to ensure there is a complete understanding of the patient's financial situation and constraints. Staff are trained to work with the patient, the patient's family, and the patient's authorized representative in order to understand:
 - 3.2.1 The patient's bill;
 - 3.2.2 The patient's rights and obligations with regards to the hospital bill, including the patient's rights and obligations with regards to reduced-cost medically necessary care due to a financial hardship;
 - 3.2.3 How to apply for State Medical Assistance Programs and any other programs that may help pay the hospital bill; and
 - 3.2.4 How to contact the hospital for assistance.
 - 3.3 Making applicable payments for services in a timely fashion, including any payments made pursuant to deferred and periodic payment schedules.
 - 3.4 Providing updated financial information to MedStar Health hospital Patient Advocates or Customer Service Representatives on a timely basis as the patient's financial circumstances may change.

- 3.5 It is a patient's responsibility, during their 12-month eligibility period, to notify MedStar Health of their existing household eligibility for Free Care, Reduced Cost-Care, and/or eligibility under Financial Hardship provisions for medical necessary care received during the 12-month eligibility period.
- 3.6 In the event a patient fails to meet these responsibilities, MedStar Health reserves the right to pursue additional billing and collection efforts. In the event of non-payment billing, and collection efforts are defined in the MedStar Health Billing and Collection Policy. A free copy is available on all hospital websites and patient portals via the following URL: www.medstarhealth.org/FinancialAssistance, or by call customer service at 1-800-280-9006.
4. Patients of MedStar Health's hospitals and hospital-based physician practices may be eligible for full financial assistance or partial sliding-scale financial assistance as set forth under this policy. The Patient Advocate and Patient Financial Services staff will determine eligibility for full financial assistance and partial sliding-scale financial assistance based on review of income for the patient and their family (household), other financial resources available to the patient's family, family size, and the extent of the medical costs to be incurred by the patient.

5. ELIGIBILITY CRITERIA FOR FINANCIAL ASSISTANCE

5.1 Federal Poverty Guidelines. Based on household income and family size, the percentage of the then-current Federal Poverty Level (FPL) for the patient will be calculated.

5.1.1 Free Care: Free Care (100% Financial Assistance) will be available to uninsured and underinsured patients with household incomes between 0% and 200% of the FPL. FPL's will be updated annually.

5.1.2 Reduced Cost-Care: Reduced Cost-Care will be available to uninsured and underinsured patients with household incomes between 201% and 400% of the FPL. Reduced Cost-Care will be available based on a sliding-scale as outlined below. Discounts will be applied to amounts generally billed (ABG). FPL's will be updated annually.

5.1.3 In determining the family income of a patient, a hospital shall apply a definition of household size that consists of the patient and, at a minimum, the following individuals:

5.1.3.a A spouse, regardless of whether the patient and spouse expect to file a joint federal or State tax return;

5.1.3.b Biological children, adopted children, or stepchildren; and

5.1.3.c Anyone for whom the patient claims a personal exemption in a federal or State tax return.

For a patient who is a child, the household size shall consist of the child and the following individuals:

5.1.3.d Biological parents, adopted parents, or stepparents or guardians;

5.1.3.e Biological siblings, adopted siblings, or stepsiblings; and

5.1.3.f Anyone for whom the patient's parents or guardians claim a personal exemption in a federal or State tax return.

5.2 Basis for Calculating Amounts Charged to Patients: Free Care or Reduced-Cost Care Sliding Scale Levels:

Adjusted Percentage of Poverty Level	Financial Assistance Level Free / Reduced-Cost Care	
	HSCRC-Regulated Services	Washington Hospitals, Hospital-Based Physician Practices, and non-HSCRC Regulated Services
0% to 200%	100%	100%
201% to 250%	40%	80%
251% to 300%	30%	60%
301% to 350%	20%	40%
351% to 400%	10%	20%
more than 400%	no financial assistance	no financial assistance

5.3 **MedStar Health Hospitals and Hospital-Based Physician Practices** will comply with IRS 501(r) requirements on limiting the amounts charged to uninsured patients seeking emergency and medically necessary care.

5.3.1 The MedStar Health calculation for AGB will be the amount Medicare would allow for care, including amounts paid or reimbursed and amounts paid by individuals as co-payments, co-insurance, or deductibles.

5.3.2 Amounts billed to patients who qualify for Reduced-Cost Sliding Scale Financial Assistance will not exceed the AGB.

Example:

GROSS CHARGES	MEDICARE ALLOWABLE AGB AMOUNT	**PATIENT ELIGIBLE FOR SLIDING SCALE ASSISTANCE	FINANCIAL ASSISTANCE AMOUNT APPROVED AS A % OF THE MEDICARE ALLOWABLE AGB AMOUNT	PATIENT RESPONSIBILITY
\$1,000.00	\$800.00	40%	\$320.00	\$480.00
**Sliding Scale % will vary per Section 5.2 - Basis for Calculating Amounts Charge Patients in this Policy				

5.4 MedStar Health will not collect additional fees, including interest, in an amount that exceeds the established charges for the hospital service for which the Medical Debt is owed on a bill for a patient who is eligible for Free or Reduced-Cost care under the MedStar Health Financial Assistance Policy.

6. **FINANCIAL ASSISTANCE: ADDITIONAL FACTORS USED TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE: FINANCIAL HARDSHIP.**

- 6.1 MedStar Health will provide Reduced-Cost Care to patients, both uninsured and underinsured, with household incomes between 201% and 500% of the FPL that, over a 12-month period, have incurred Medical Debt at the same hospital or hospital-based physician practice in excess of 25% of the patient’s household income. Reduced Cost-Care will be available based on a sliding-scale as outlined below.
- 6.2 A patient receiving Reduced-Cost Care for Financial Hardship and the patient’s immediate family members shall receive/remain eligible for Reduced Cost medically necessary care when seeking subsequent care for 12 months beginning on the date that the reduced-care was received. It is the responsibility of the patient to inform the MedStar Health hospital and hospital-based physician practice of their existing eligibility under a Financial Hardship during the 12-month period.
- 6.3 If a patient is eligible for Free Care / Reduced-Cost Care, and Financial Hardship, the hospital and hospital-based physician practice will employ the more generous policy to the patient.
- 6.4 Financial Hardship Reduced-Care Sliding Scale Levels:

Financial Assistance Level – Financial Hardship		
Adjusted Percentage of Poverty Level	HSCRC-Regulated Services	Washington Hospitals, Hospital-Based Physician Practices, and non-HSCRC Regulated Services
201% to 500%	Not to Exceed 25% of Household Income	Not to Exceed 25% of Household Income

EXAMPLE: Financial Hardship Calculation		
12 - Month Medical Debt (A)	Annual Household Income	% Medical Debt to Annual Household Income
\$25,000	\$50,000	50%
25% Annual Household Income / Patient Responsibility (B)		
\$12,500		
Financial Hardship Allowance = (A) less (B)		
\$12,500		

7. METHOD FOR APPLYING FOR FINANCIAL ASSISTANCE: INCOME AND ASSET DETERMINATION.

7.1 Patients may obtain a Financial Assistance Application and other informational documents:

- 7.1.1 On Hospital Websites and Patient Portals via the following URL: www.medstarhealth.org/FinancialAssistance;
- 7.1.2 From MedStar Health hospital Patient Advocates and/or Admission / Registration Associates; or
- 7.1.3 By contacting Patient Financial Services Customer Service.
 - See Appendix #6 – Financial Assistance Contact List and Instruction for Obtaining Free Copies and How to Apply for Assistance.

7.2 MedStar Health will evaluate the patient’s financial resources **EXCLUDING**:

- 7.2.1 The first \$250,000 in equity in the patient’s principal residence.
- 7.2.2 Retirement assets for which the IRS has granted preferential treatment as a retirement account, including deferred-compensation plans qualified under the Internal Revenue Code or non-qualified deferred-compensation plans

- 7.2.3 The first \$10,000 in monetary assets e.g., bank account, stocks, CD, etc.
- 7.2.4 One motor vehicle used for the transportation needs of the patient or any family member of the patient.
- 7.2.5 Any resources excluded in the determining financial eligibility under Medical Assistance Programs under the Social Security Act.
- 7.2.6 Prepaid higher education funds in a State specific 529 Program account.

Monetary assets excluded from the determination of eligibility for Free and Reduced-Cost Care shall be adjusted annually for inflation in accordance with the Consumer Price Index.

- 7.3 MedStar Health will use the MedStar Health Uniform Financial Assistance Application as the standard application. MedStar Health will require the patient to supply all documents necessary to validate information to make eligibility determinations.
- 7.4 Financial assistance applications and support documentation will be applicable for determining program eligibility one (1) year from the application date. Additionally, MedStar Health will consider for eligibility all accounts (including bad debts) 240 days after the initial bill is provided.
- 7.5 Patients to whom discounts, payment plans, or financial assistance are extended have continuing responsibility to provide accurate and complete financial information.

8. PRESUMPTIVE ELIGIBILITY

- 8.1 Patients already enrolled in certain means-tested programs are deemed eligible for Free Care on a presumptive basis. Examples of programs eligible under the MedStar Health Financial Assistance Program include but are not limited to:
 - 8.1.1 Federal Supplemental Nutrition Assistance Program (SNAP);
 - 8.1.2 Maryland Temporary Cash Assistance (TCA);
 - 8.1.3 All Dual eligible Medicare / Medicaid Program – SLMB QMB;
 - 8.1.4 All documented Medicaid Spend Down amounts as documented by Department of Social Services;
 - 8.1.5 Patients living in a household with children enrolled in the free or reduced-cost meal program;
 - 8.1.6 State’s Energy Assistance Program;
 - 8.1.7 Federal Special Supplemental Food Program for Women, Infants, and Children (WIC);
 - 8.1.8 Patients receiving benefits from any other social service program as determined by the Department and the Commission; and
 - 8.1.9 Out of State Medicaid Programs.

MedStar Health will continually evaluate any publicly-funded programs for eligibility under the Presumptive Eligibility provision of this policy.

- 8.2 Additional presumptively eligible categories will include with minimal documentation:
 - 8.2.1 Homeless patients as documented during the registration/clinical intake interview processes.
 - 8.2.2 Deceased patients with no known estate based on medical record documentation, death certificate, and confirmation with Registrar of Wills.
 - 8.2.3 MedStar Health will utilize automated means test scoring campaigns and databases to determine presumptive financial assistance eligibility. Patients determined to have income scoring up to 200% of the FPL will be deemed presumptively eligible for Free Care.
- 8.3 Patients found to be eligible for Presumptive Eligibility, as defined in Sections 8.1 and 8.2 of this policy, are automatically waived from Program Exclusions as defined in the Exclusion section of this policy.

9. MEDSTAR HEALTH FINANCIAL ASSISTANCE APPEALS

- 9.1 In the event a patient is denied financial assistance, the patient will be provided the opportunity to appeal the MedStar Health denial determination.
- 9.2 Patients are required to submit a written appeal letter to the Director of Patient Financial Services with additional supportive documentation. Contact information for submission an appeal will be found on the MedStar Health denial determination letter sent to the patient.
- 9.3 Appeal letters must be received within 30 days of the financial assistance denial determination.
- 9.4 Financial assistance appeals will be reviewed by a MedStar Health Appeals Team. Team members will include the Director of Patient Financial Services, Assistance Vice President of Patient Financial Services, and the hospital's Chief Financial Officer.
- 9.5 Denial reconsideration decisions will be communicated, in writing, within 30 business days from receipt of the appeal letter.
- 9.6 The patient or the patient's authorized representative may request the assistance of the Health Education and Advocacy Unit's (HEAU) in filing and mediation of reconsideration requests. Requests for assistance should be directed to:

Health Education and Advocacy Unit
200 St Paul Place
Baltimore, Maryland 21202
Email - heau@oag.state.md.us

Telephone Number: (410) 528-1840, or 1 (877) 261-8807
Fax Number: (410) 576-6571

HEAU Website: <https://www.marylandattorneygeneral.gov/Pages/CPD/HEAU/default.aspx>

- 9.7 If the MedStar Health Appeals Panel upholds the original denial determination, the patient will be offered a Payment Plan in order to facilitate payment.

10. PAYMENT PLANS

- 10.1 Patients to whom discounts, Payment Plans, or financial assistance are extended have continuing responsibilities to provide accurate and complete financial information. In the event a patient fails to meet these continuing responsibilities, MedStar Health will pursue collections of open patient balances per the MedStar Health Corporate Billing and Collection Policy. MedStar Health reserves the right to reverse financial assistance account adjustments and pursue payment for original balances owed.

11. BAD DEBT RECONSIDERATIONS AND REFUNDS

- 11.1 In the event a patient who, within a two (2) year period after the date of service was found to be eligible for Financial Assistance on that date of service, MedStar Health will initiate a review of the account(s) to determine the appropriateness for a patient refund for amounts collected exceeding \$5. MedStar Health may reduce the 2-year period to no less than 30 days after the date the hospital requests information from a patient, or the guarantor of a patient, to determine the patient's eligibility for Free Care at the time of service, if the hospital documents the lack of cooperation of the patient or the guarantor of a patient in providing the requested information.
- 11.2 It is the patient's responsibility to request an account review and provide the necessary supportive documentation to determine Free Care financial assistance eligibility.

- 11.3 If the patient fails to comply with requests for documentation, MedStar Health will document the patient's non-compliance. The patient will forfeit any claims to a patient refund or Financial Assistance.
- 11.4 If MedStar Health obtains a judgment or reports adverse information to a credit reporting agency for a patient who was later to be found eligible for financial assistance, MedStar Health will seek to vacate the judgment or strike the adverse information.
- 11.5 If a patient is enrolled in a means-tested government health care plan that requires the patient to pay out-of-pocket for hospital services, a hospital shall provide for a refund that complies with the terms of the patient's plan

Exclusions

1 PROGRAM EXCLUSIONS

The MedStar Health Financial Assistance Program excludes the following from financial assistance eligibility:

- 1.1 Patients seeking non-medically necessary services, including cosmetic procedures.
- 1.2 Patients residing outside a hospital's defined zip code service area, except that certain waivers may be made for:
 - 1.2.1 Patient referrals within the MedStar Health System.
 - 1.2.2 Patients arriving for emergency treatment via land or air ambulance transport.
- 1.3 Patients who are non-compliant with enrollment processes for publicly funded healthcare programs, charity care programs, and other forms of financial assistance.

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