



Wayne Memorial Hospital

An Affiliate of Wayne Memorial Health System, Inc.

Financial Assistance Policy **Patient\Guarantor Collection Policy**

Policy Statement:

Wayne Memorial Hospital (WMH) is committed to providing Emergency Services and other Medically Necessary Services to all patients regardless of a patient's ability to pay for such services.

Purpose:

This Financial Assistance Policy ("Policy") establishes the policy to be followed by WMH in:

- (1) Determining the eligibility for Financial Assistance for those patients receiving Emergency Services and other Medically Necessary Services.
- (2) Calculating amounts charged to a patient for Financial Assistance.
- (3) Facilitating the patient application process for Financial Assistance.

In addition, this Policy outlines Wayne Memorial Hospital's billing and collection practices utilized to determine a patient's eligibility for Financial Assistance prior to engaging in Extraordinary Collection Actions (ECA's) in the event of non-payment.

Definitions:

Amounts Generally Billed (AGB) – Amounts generally billed by WMH for Emergency Services or Medically Necessary Services to individuals who have insurance covering such care, determined in accordance with Treas. Rec. Sec. 1.501(r)-5(b).

Application Period – Period of time commencing at the beginning of a patient's continuum of care through 365 days after the provision of the patient's first post-discharge billing statement.

Covered Services - Emergency Services and other Medically Necessary Services provided by WMH.

Emergency Services – Care or treatment provided by WMH for an "emergency medical condition," as such term is defined as EMTALA.

EMTALA – Emergency Medical Treatment and Active Labor Act (42 U.S.C. § 1395dd; 42 C.F.R. § 489.24)

Extraordinary Collection Actions (ECA's) – Extraordinary collection actions as defined in Treas. Rec. Sec. 1.501(r)-5(b).

Federal Poverty Guidelines – Federal poverty guidelines as published annually by the U.S. Department of Health and Human Services. See <http://aspe.hhs.gov/poverty/index.cfm> for the current guidelines.

Financial Assistance – The amount of reduction in Gross Charges for WMH patients who are eligible for financial relief per this Policy.

Gross Charges – The full established price for medical care services that WMH consistently and uniformly charges patients before applying any contractual allowance, discounts or deductions.

Household Income – The annualized gross income for a patient and all members of their household that are being claimed on the same federal income tax return.

Insured Patients – Individuals with any governmental, commercial, managed care or private health insurance.

Medically Necessary Services – Reasonable and necessary services required for the diagnosis or treatment of an illness, injury or pregnancy-related condition that are performed in accordance with recognized standards of care at the time of service and that are not primarily for the convenience of the patient or the patient's physician or other health care provider.

Excluded Services: - Elective services including, but not limited to cosmetic procedures, bariatric surgery, vasectomy, etc., are not eligible for financial assistance.

Third-Party Liability Claims – Any claim a patient may have against another individual, insurer or entity responsible for covering the patient's cost of medical services.

Uninsured Patients – Individuals who do not have governmental, commercial, managed care or private health insurance or whose insurance benefits have been exhausted.

Covered Services:

Only Covered Services provided by Wayne Memorial Hospital are considered eligible patient care under this Policy. WMH does not have the authority to offer Financial Assistance with respect to charges from physicians or other healthcare professionals who are not employed by WMH. They are listed on the last page of this document.

Financial Assistance Disqualification:

Financial Assistance is not available for patients who fail to reasonably comply with applicable insurance payer requirements, including, but not limited to, obtaining authorizations, referrals or other requirements for claim adjudication.

Financial Assistance is not available when a related Third-Party Liability Claim is available to the patient. Exceptions are determined by Wayne Memorial Hospital on a case-by-case basis, based upon the particular facts and circumstances.

Financial Assistance will be denied if a patient or patient's responsible party/guarantor provides false information regarding his/her income, household size, assets, liabilities, expenses or other resources available that might indicate a financial means to pay for Covered Services.

Eligibility Criteria and Determination of Financial Assistance Amount:

Patients are encouraged to apply for Medical Assistance (Medicaid) and then provide the eligibility determination notice while simultaneously applying for Financial Assistance.

Patients are eligible to apply for Financial Assistance for Covered Services under this Policy at any time during the Application Period. Each patient's Household Income is evaluated in light of the relevant facts and circumstances, such as reported income, assets, liabilities, expenses or other resources available to the patient or patient's responsible party, when determining the level of Financial Assistance that an applicant qualifies for under this Policy.

Taking all of these other factors into account, the following Household Income criteria is used to determine what amount, if any, of the outstanding patient account balance related to Covered Services for a patient will be written off as Financial Assistance:

- (1) Uninsured Patients with Household Income at or below 200% of the then-current Federal Poverty Guidelines are eligible for a full, 100% write-off of Wayne Memorial Hospital Gross Charges related to Covered Services.
- (2) Uninsured patients with Household Income at or below 300% of the then-current Federal Poverty Guidelines but greater than 200% of the then-current Federal Poverty Guidelines are eligible for a 50% write-off of Wayne Memorial Hospital Gross Charges related to Covered Services.
- (3) Insured Patients with Household Income at or below 300% of the then-current Federal Poverty Guidelines are eligible for a write-off of any WMH remaining patient responsibility balance after insurance has paid on Covered Services under this policy. Based on the sliding scale detailed in (1) and (2) above the remaining balance write-off will be 100% or 50% write-off.

Applicants for Financial Assistance under this Policy may be required to submit any of the following documents to verify Household Income during the Application Period:

- (1) Three most recent pay stubs at time of application
- (2) Most recent annual Federal tax return or W-2 at time of application
- (3) Employer verification
- (4) Governmental assistance documents
- (5) Social security, workers compensation or unemployment compensation determination letters
- (6) Bank statements
- (7) Current HSA statement indicating balance of unused funds. Applicant may be required to exhaust HSA balances on outstanding accounts prior to approval.
- (8) Other documents that provide proof of Household Income

Wayne Memorial Hospital may also utilize the income, asset, liability, expense and other resource data from third-party credit inquiries and publicly available data sources as evidence in determining and validating an applicant's Household Income for Financial Assistance eligibility under this Policy. Substantial liquid assets may disqualify individuals from eligibility for this program.

Amounts Generally Billed (AGB):

Amounts generally billed (AGB) means the amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care, determined in accordance with IRC Section 501(r)-5(b). A financial assistance eligible individual will not be charged more for emergency or other medically necessary care than AGB. The Hospital uses the Prospective Medicare method for calculating AGB.

Methods to Apply for or Obtain Financial Assistance:

The Application for Financial Assistance is available at the Patient Registration areas, the Financial Counselor's office or the Business Office. It can also be secured by viewing our website at www.wmh.org/financial-assistance/ or can be mailed free of charge by contacting 570-251-6580, or by sending a written request to the following address:

Wayne Memorial Hospital
Attn: Director of Revenue Cycle
601 Park Street
Honesdale, PA. 18431

Completed applications for Financial Assistance, along with proof of Household Income, should be mailed to the address listed above in this Policy. Alternatively, a patient may return a completed application, along with proof of Household income, to any patient registration area, the financial counselor or the business office.

Patients who need additional information about this Policy, or need assistance with the Financial Assistance application process, may call or visit the above location Monday thru Friday during normal business hours to speak with a WMH Patient Account Representative.

Length of Eligibility:

Eligibility determinations under this Policy are effective for Covered Services rendered up to 365 days after the final approval date of the Financial Assistance application.

Actions Taken in the Event of Non-Payment (Collections):

Reasonable efforts are taken to determine a patient's eligibility for Financial Assistance under this Policy with respect to Covered Services prior to engaging in bad debt collection efforts with respect to such patient. Such efforts include notifying a patient about this Policy, helping a patient remedy an incomplete Application for Financial Assistance, informing an applicant for Financial Assistance regarding their eligibility determination once a completed application has been received, mailing a series of five (5) patient dunning statements and potential phone calls to patient's.

If, after reasonable efforts are taken, a patient is found to either not qualify for Financial Assistance under this Policy, is unresponsive to WMH's efforts to obtain the necessary information to determine eligibility

for Financial Assistance or is unresponsive to the routine collection process of the Business Office, Extraordinary Collection Actions (ECA's) will be initiated.

ECA's may include the outsourcing of the account to a collection agency that will report the delinquent account to one or more consumer reporting agencies (credit bureaus). In addition, WMH may file lawsuits via their legal counsel or via the collection agency legal counsel along with utilizing the magisterial judgment process. WMH does not garnish wages, apply liens, execute sale of property or execute body attachments.

In the event of non-payment or the absence of any mutually agreed-upon payment arrangement, WMH will consider an account to be bad debt and may undertake ECA's after 120 days from the provision of a patient's first post-discharge dunning statement. ECA's may occur no earlier than 120 days from the provision of a patient's first post-discharge dunning statement, as outlined in Treas. Reg. Sec. 1.501(r)-6(c)(3)(i).

Patient balances are eligible for Financial Assistance evaluation during the Application Period. Upon receipt of an Application for Financial Assistance during the Application Period, the statement dunning process will continue unless the Application for Financial Assistance is approved.

Wayne Memorial Hospital provides a 30% discount to Uninsured Patients.

Exceptions to this Policy:

The Director of Revenue Cycle, Chief Financial Officer and Chief Executive Officer are granted the authority to provide eligibility and determination exceptions to this Policy on a case-by-case basis as appropriate to an individual patient's facts and circumstances. In no case will a patient be denied Financial Assistance if they meet the stated eligibility and determination requirements for Covered Services set forth in this Policy.

Provider List:

Services provided by these physician groups, **are not covered under the hospital's Financial Assistance Policy**. They must be contacted directly for discussion pertaining to Financial Assistance.

1. Adfinitas Health (Hospitalists) – call 833-364-4646 for further details about their Billing processes pertaining to Financial Assistance.
2. Wayne Memorial Community Health Center's – call 570-253-8428 for further details about the below listed provider types Billing processes pertaining to Financial Assistance.
 - Primary Care Physicians (WMCHC)
 - Pediatric Care
 - Dental Care
 - Behavioral Health
 - Women's Health Care

If you do not see a physician/physician practitioner group listed above, please contact the WMH Business Office at 570-251-6580 to verify whether or not that physician/physician group is covered under the WMH FAP.

Updated upon date of Board Approval