

**HILLSDALE HOSPITAL  
HILLSDALE, MICHIGAN**

**ADMINISTRATION**

**FINANCIAL ASSISTANCE POLICY**

**Policy Statement:**

Hillsdale Hospital ("Hospital") is committed to minimizing the financial barriers to health care that exist for certain members of our community; in particular those not adequately covered by health insurance or governmental payment programs. As such, financial aid to assist low income, uninsured or underinsured individuals with their hospital claims is available to all who qualify pursuant to this financial assistance policy ("Policy" or "FAP"). This FAP is intended to satisfy applicable State and Federal requirements relating to financial assistance, including the Code Section 501(r) Requirements. Consistent with other established policies, the Hospital shall provide, without discrimination, care for emergency medical conditions to individuals regardless of whether they are eligible for assistance under this FAP. Financial Assistance determinations are made without regard to age, sex, race, disability, sexual orientation, religion, or national origin.

**Responsibility:**

It is the responsibility of the Chief Financial Officer to insure compliance with this FAP.

**Policy Definitions:**

- *Amounts Generally Billed* or *AGB* means the amounts generally billed for emergency or other medically necessary care to individuals who have insurance covering such care, as further explained in Procedure Section 2 herein.
- *Code Section 501(r) Requirements* means the rules established in Section 501(r) of the Internal Revenue Code and the regulations promulgated thereunder, as amended from time to time.
- *Emergency Care* means immediate care that is necessary to prevent putting the patient's health in serious jeopardy, serious impairment to bodily functions, and/or serious dysfunction of any organs or body parts.
- *Financial Assistance* means the cost of services rendered for which the patient shall not be held liable.
- *Gross Charges* means the full amount charged by the Hospital for items and services before any discounts, contractual allowances, or deductions are applied.
- *Medically Necessary Care* means care that is determined to be medically necessary following a determination of clinical merit by the admitting physician or other licensed physician.
- *Patient(s)* means those persons who receive emergency or medically necessary care at the Hospital and the person who is financially responsible for the care of the patient.

- *Presumptive Eligibility* means the process by which the Hospital may use previous eligibility determinations and/or information from sources other than the individual to determine eligibility for financial assistance.
- *Uninsured* means those patients with no insurance or third-party assistance to help resolve their financial liability to healthcare providers.
- *Underinsured* means those patients who have limited healthcare coverage, or coverage that leaves the patient with an out of pocket liability (not including co-insurance), and therefore may still require financial assistance.

**Procedure:**

**1. Financial Assistance Eligibility**

- Services that are eligible for Financial Assistance are limited to Emergency Care and Medically Necessary Care. Elective procedures will not be eligible for Financial Assistance.
- Generally, the full amount of the Hospital's charges, based on the Hospital's charge master, will be determined to be Financial Assistance for a Patient whose gross family income is at or below 100% of the current federal poverty level. The following sliding fee schedule is used to determine the amount that shall be written off for Patients with incomes between 101% and 300% of the current federal poverty level:

**INCOME AS A PERCENTAGE  
OF FEDERAL POVERTY LEVEL PERCENTAGE DISCOUNT**

0 – 100% Federal Poverty Level	100% Discount
101 – 150% Federal Poverty Level	80% Discount
151 – 200% Federal Poverty Level	60% Discount
201 – 250% Federal Poverty Level	40% Discount
251 – 300% Federal Poverty Level	20% Discount

- In the case of Emergency Care or other Medically Necessary Care, Hospital will limit the amounts charged to individuals eligible under this FAP to not more than AGB. In the case of all other medical care covered under the FAP, Hospital will charge eligible individuals less than the gross charges for such care.
- Notwithstanding the foregoing, the following restrictions apply:
  - Financial Assistance is generally secondary to all other financial resources available to the Patient, including group or individual medical plans, worker's compensation, Medicare, Medicaid or medical assistance programs, other state, federal, or military programs, third party liability situations (e.g., auto accidents or personal injuries), or any other situation

in which another person or entity may have a legal responsibility to pay for the costs of medical services. All such financial resources must be exhausted.

- As of the date of services, a single person may not have liquid assets (cash, savings and checking accounts, CDs, stocks and bonds, etc.) of more than \$7,500.00. A family is not allowed more than \$15,000.00. If the available balances exceed this amount, Patient (or guarantor) may “spend down” the assets by paying toward medical expenses until the limit is reached.
- Only accounts in good standing will be eligible for Financial Assistance.

## **2. Determining the Financial Assistance Amount**

- Once eligibility for Financial Assistance has been established, Hospital will not charge Patients who are eligible for Financial Assistance more than the amounts generally billed, or ABG, to insured patients for emergency or medically necessary care (the “AGB limitation”).
- AGB will be calculated using the look-back method described in the 501(r) Requirements. Hospital calculates an AGB percentage based on all claims allowed by Medicare and all private commercial insurers over the preceding 12-month period, divided by the associated gross charges for those claims. The current AGB is 48.0%.

## **3. Applying for Financial Assistance**

- Upon receipt of a notice of balance due or anticipation of the same, a patient, patient guarantor, or legally authorized agent may make application for Financial Assistance if the criteria is met.
- Patient shall apply for Financial Assistance consideration by completing the Application for Financial Assistance within 270 days after the date of the first statement. No accounts over 270 days will be considered for the Financial Assistance discount unless otherwise required by the 501(r) Requirements. Requests for the application should be directed to the Financial Counselor at 517-437-5222 or 517-437-1723, or may be obtained by visiting the Financial Counselor office in the lobby of the Hospital. The FAP as well as the Application for Financial Assistance may be downloaded at the Hospital's website at [www.hillsdalehospital.com](http://www.hillsdalehospital.com).
- The Application for Financial Assistance must be completed in its entirety, which includes attaching the following documents:
  - Denial letter from Medicaid
    - Medicaid denial letter must accompany the Application for Financial Assistance. Medicaid application requirement may be waived due to religious beliefs of the patient.
  - Most recent W-2 and Federal and State tax return
  - Proof of all unearned income, Social Security, Pensions, etc.
  - Last three (3) paycheck stubs from employment for guarantor and spouse

- Copy of checking account statement
- Copy of savings account statement
- Copy of driver's license
- Copy of social security card
- Copy of current utility bill
- Application and required attachments shall be forwarded to the Financial Counselor for review.
  - Financial Counselor shall review the request and financial statement for completeness.
  - Additional documentation supporting expenses/income may be requested.
  - Application may be reviewed with the Social Worker/Case Worker for additional input and/or documentation for extenuating circumstances.
  - The Financial Counselor shall forward all such requests to the Chief Financial Officer with all supporting documentation and the recommendation for action.
  - The Chief Financial Officer shall make the final determination. When reviewing the request and all supporting documentation, the Chief Financial Officer shall take into account the following factors: (1) the acuity of the treatment received at the Hospital; (2) the priority of cases under determination; and (3) the Hospital's resources. The patient shall be advised in writing of the determination by the Financial Counselor. The notice shall clearly state approval or rejection of Application for Financial Assistance.
  - Accounts determined to qualify for Financial Assistance shall be discounted according to the income table, using the designated adjustment codes by the Financial Counselor.
  - Any remaining balance on accounts approved for Financial Assistance will not be billed at a rate higher than AGB after the Financial Assistance discount has been applied.
  - Accounts not qualifying after notice to the Patient/guarantor will proceed through a collection process per the procedure outlined within the Patient Accounts Department. Because the Hospital makes many efforts to communicate to Patients about the financial assistance program during the registration and billing processes, extraordinary collections actions will not occur on an account where the patient was not aware of the process for applying for Financial Assistance.
  - Financial Assistance will be re-evaluated every 180 days for visits after the initial approval. However, the need for Financial Assistance may be re-evaluated at any time additional information relevant to the eligibility of the Patient becomes known.

#### **4. Presumptive Eligibility**

There are instances when a Patient may be eligible for Financial Assistance but the Patient has not completed a Financial Assistance Application or has not supplied enough supporting documentation to support a determination of eligibility for Financial

Assistance. If a patient fails to supply sufficient information to support Financial Assistance eligibility, Hospital, at its discretion, may refer to or rely on external sources and/or other program enrollment resources to determine that a Patient is eligible for 100% Financial Assistance. Examples include:

- Medicaid Eligible Patients. Balances for a patient who is currently eligible for full Medicaid coverage, but was not on the date of service.
- Patient is homeless.
- Patient with a collection agency score segment of uncollectible.
- Deceased Patient with no estate assets.
- Patient who is currently subject to bankruptcy proceedings.
- Patient is eligible for food stamps.
- Patient receives free care from a community clinic and is referred to hospital for further treatment.
- Patient with out of state Medicaid eligibility currently residing outside of Michigan.

#### **5. Notification of Approval or Denial for Financial Assistance**

As provided in the Billing and Collection Policy, Patients will be notified within a reasonable period of time from the date Hospital receives an application as to whether the application was approved or denied. If the application was approved, the notice will include the amount of assistance approved. If the application was denied, the denial reason will be provided. For incomplete applications, Patients will be provided with a list in writing of the information and/or documentation still needed to complete the application and where to submit the missing information.

#### **6. Billing and Collection - Actions in the Event of Non-Payment**

Balances on services owed by patient/patient's guarantor shall be collected pursuant to Hospital's Billing and Collection Policy. A statement of amount owed will be mailed to the address on record within 30 days of account being determined to be self pay. Continued communication with patient/guarantor will be made until account is paid in full or sent to a collection agency in accordance with Hospital's Billing and Collection Policy, which includes subsequent billings, collection letters, and telephone calls. If the account is left unpaid after the mailing of four statements and two collection letters, the balance due will be put into the queue for submission to a collection agency. The collection agency may report the debt activity to consumer credit reporting agencies or credit bureaus. Debt collection actions are outlined in the Billing and Collection Policy, which may be obtained free of charge by contacting the Financial Counselor at 517-437-5222 or 517-437-1723.

#### **7. Medical Provider List**

Appendix A contains a list of providers ("Medical Provider List") that provide emergency or medically necessary care at Hospital facilities and updated from time to time by the Chief Financial Officer of the Hospital. The current Medical Provider List and can be

accessed online via [www.hillsdalehospital.com](http://www.hillsdalehospital.com), or by contacting the Financial Counselor (see below for contact information).

## 8. Communication to the Public

The Hospital will widely publicize the FAP in the following ways:

- The FAP, the Application for Financial Assistance, and a plain language summary will be available upon request and without charge, both by mail and in public locations in the Hospital, including, at a minimum, in the emergency room (if any) and admissions areas. Such information shall also be available on the Hospital's website.
- The Hospital shall post conspicuous notices regarding the availability of financial assistance to low-income, uninsured or underinsured patients. These notices shall be posted in the emergency department and admissions area and may also be posted in other visible locations throughout the Hospital such as the billing office and other outpatient settings.
- Every posted notice regarding the FAP shall contain brief instructions on how to apply for Financial Assistance or a discounted payment. The notices also shall include a contact telephone number that a Patient or family member can call to obtain more information.
- The Hospital shall ensure that appropriate staff members are knowledgeable about the existence of the FAP. Training shall be provided to staff members (i.e., billing office, financial department, etc.) who directly interact with Patients regarding their hospital bills.
- When communicating to Patients regarding the FAP, Hospital will attempt to do so in the primary language of the Patient, or his/her family, if reasonably possible, and in a manner consistent with all applicable federal and state laws and regulations.
- The Hospital shall share the FAP with appropriate community health and human services agencies and other organizations that assist such Patients.
- The Hospital shall include a copy of the FAP in the Admission/Discharge packet supplied to all inpatients.
- The Hospital shall offer a plain language summary of the Financial Assistance Policy to all outpatients at the time of admission.
- The Hospital shall include conspicuous information regarding the availability of Financial Assistance and how to obtain a copy of the FAP on the billing invoices.



**Hillsdale Hospital  
Financial Assistance Policy**

**Appendix A**

**Medical Provider List**

Related Entities or Departments: The FAP is applicable for all health care services provided by the Hospital, including the following entities and departments:

- Dempster W. Muffitt Center for Psychiatric Care
- Hillsdale Home Oxygen
- Hillsdale Home Care
- Three Meadows Physical Therapy
- Three Meadows Laboratory
- Reading Health Clinic
- HCHC Pain Clinic
- Hillsdale Health & Wellness
- Litchfield Medical Clinic
- Physician professional services of Daniel Baxter, D.O., Dale McCririe, D.O., Norris March, D.O., Alex Janusz, D.O., Molly Parker, D.O., Parthiv Patel, D.O., Kwasi Boakye, M.D., H.F. Brainard, M.D., and Ravinder Sharma, M.D.

Independent Providers Covered by the FAP: The following health care providers delivering emergency or other medically necessary care in the hospital facility have indicated that they follow the Hospital's FAP:

- Agility Health
- Michigan Emergency Physicians, LLP (dba Michigan Hospitalist Physicians)
- Northern Michigan Emergency Physicians, LLP
- Anesthesia Staffing Consultants
- Premier Radiology

Related Entities or Departments Not Covered by the FAP: The following health care providers delivering emergency or other medically necessary care in the hospital facility do not follow the Hospital's FAP:

- “Mac” McGuire Skilled Nursing Facility
- MacRitchie Skilled Nursing Facility

Independent Providers Not Covered by the FAP: The following health care providers delivering emergency or other medically necessary care in the hospital facility have indicated that they do not follow the Hospital's FAP:

- Satya Chaparala, M.D.
- Sparrow Hospital Pathology