

# ***East Mountain Hospital***

*Belle Mead, NJ 08502 (908) 281-1000*

## **Financial Assistance Policy**

### ***INTRODUCTION:***

In connection with its mission to promote the health of the community it serves, and subject to the availability of resources, East Mountain Hospital will from time to time provide Financial Assistance / Compassionate Care in the form of discounted or free care and services to uninsured or underinsured patients who are unable to pay for these healthcare services.<sup>1</sup> In order to do so, East Mountain Hospital has established this Financial Assistance Policy (FAP) to ensure that the decision to provide financial assistance is based upon uniform, objective criteria, and to ensure that processes and procedures exist for identifying and assisting patients who may be in need of such financial assistance.

### ***PURPOSE:***

To inform patients of the availability of financial assistance, provide an opportunity for patients to apply and qualify for financial assistance and comply with IRC Section 501(r) which includes in part the following requirements:

1. Maintaining a Financial Assistance Policy,
2. Providing emergency medical care pursuant to EMTALA,
3. Setting limits on amounts billed to individuals eligible for financial assistance, and
4. Limiting extraordinary collection activity in advance of determination of an individual's eligibility for financial assistance

### ***DEFINITIONS:***

- “Compassionate Care or Financial Assistance” refers to financial assistance to uninsured or underinsured patients who may prove financial hardship for any deductible, co-pay, or balance not covered by their government or commercial insurance benefits, in which case they may qualify for financial assistance based on the patient’s “available household resources” as compared to federal guidelines. Financial Assistance and Compassionate Care may be used interchangeably and have the same meaning in this policy.
- “Uninsured” means the patient has no level of insurance or third party assistance to assist with meeting his payment obligations.
- “Underinsured” means the patient has some level of insurance or third party assistance but still has certain out of pocket expenses that may exceed his financial obligations.

---

<sup>1</sup> Insured patients who are unable to meet any co-payment and deductible requirements are to be evaluated for a waiver of these obligations under the Corporate Policy on Direct-to-Consumer Marketing and Patient Waivers of Co-payments and Deductible.

- “Available Household Resources, (AHR)” is the sum of all income and assets earned or held by the patient and all family relatives if the patient resides with an adult relative (that is, a relative by blood, marriage or adoption), such relative(s) shall be part of the patient’s Household, and the income and assets of such relative(s), in addition to the patient’s income and assets shall be included in the determination of total AHR, whether or not the patient is claimed as a dependent on that relative(s) income tax returns. Further details of the financial categories noted herein are described further in the Application for Financial Assistance.

***POLICY:***

1. Notice of Availability of Financial Assistance. East Mountain Hospital provides its patient’s access to Financial Assistance subject to specific personal financial conditions and resources. All patients will be informed of the availability of Financial Assistance. This is accomplished via signs throughout the hospital campus and pertinent information on the East Mountain Hospital website; and during the admissions process or before discharge, the Plain Language Summary (PLS) of this policy is provided to the patient, family, and/or guarantor as practicable.

If after admission, the patient, family and/or the guarantor desires further details, they may obtain a copy of the Financial Assistance Policy and/or the Application for Financial Assistance by contacting a patient service representative (EMH staff will contact the patient service representative advising them of the patients interest in obtaining information on financial assistance), or after discharge, by contacting Patient Financial Services at 908-281-1526 or 908-281-1554 or may obtain such information on the East Mountain Hospital website.

2. Applicability. Compassionate Care and Financial Assistance pursuant to this Policy shall refer to financial assistance in the provision of medically-necessary health care services and supplies by employed Licensed Independent Practitioner (LIP’s) of East Mountain Hospital to qualifying patients. Compassionate Care shall not apply to services rendered by non-employed physicians or other providers and suppliers who bill patients separately for their services and supplies at East Mountain Hospital.

3. Qualifying for Financial Assistance/Compassionate Care. Any patient seeking Financial Assistance must fully complete the *Application for Financial Assistance (the “Application”)*, which includes providing relevant personal and family financial documentation as outlined in the *Application*. Decisions to consider qualification will be based on the total Available Household Resources (AHR) as compared to the United States Department of Health and Human Services Federal Poverty Guidelines (US DHHS FPG) on a sliding scale basis. AHR includes patient and family financial resources including: all sources of income, balances in checking, savings, investments and mutual fund accounts, and certain real estate other than primary residence as further defined in the *Application*. The *Application* further details the resources that will be considered in the evaluation and decision to provide Financial Assistance, which is solely based on information and documentation provided by the patient, family or guarantor.

- The patient and/or the patient’s guarantor (if applicable) will receive a written communication upon the review of the *Application* and supporting documentation within 45 days from receipt of the completed *Application* indicating the decision with respect to that Application and any further balances due. Questions on the outcome may be directed to the Director, Patient Financial Services (908-281-1526). The Application is available while at the hospital or on the East Mountain Hospital website.
4. Financial Assistance Discount Percentage. The amount of approved Financial Assistance will be based on a sliding scale using the documented AHR and the US DHHS FPGs, as follows: East Mountain Hospital reserves the right to modify the criteria considered in reviewing Household income and assets upon notice consistent with this Policy.

| 2015 Financial Assistance eligibility - Total Available Household resources |         |         |         |        |        |        |        |        |        |        |        |
|---|---------|---------|---------|--------|--------|--------|--------|--------|--------|--------|--------|
| FAMILY SIZE   | 0%      | 10%     | 20%     | 30%    | 40%    | 50%    | 60%    | 70%    | 80%    | 90%    | 100%   |
| 1   | 35,310  | 32,956  | 30,602  | 28,248 | 25,894 | 23,540 | 21,186 | 18,832 | 16,478 | 14,124 | 11,770 |
| 2   | 47,790  | 44,604  | 41,418  | 38,232 | 35,046 | 31,860 | 28,674 | 25,488 | 22,302 | 19,116 | 15,930 |
| 3   | 60,270  | 56,252  | 52,234  | 48,216 | 44,198 | 40,180 | 36,162 | 32,144 | 28,126 | 24,108 | 20,090 |
| 4   | 72,750  | 67,900  | 63,050  | 58,200 | 53,350 | 48,500 | 43,650 | 38,800 | 33,950 | 29,100 | 24,250 |
| 5   | 85,230  | 79,548  | 73,866  | 68,184 | 62,502 | 56,820 | 51,138 | 45,456 | 39,774 | 34,092 | 28,410 |
| 6   | 97,710  | 91,196  | 84,682  | 78,168 | 71,654 | 65,140 | 58,626 | 52,112 | 45,598 | 39,084 | 32,570 |
| 7   | 110,190 | 102,844 | 95,498  | 88,152 | 80,806 | 73,460 | 66,114 | 58,768 | 51,422 | 44,076 | 36,730 |
| 8   | 122,670 | 114,492 | 106,314 | 98,136 | 89,958 | 81,780 | 73,602 | 65,424 | 57,246 | 49,068 | 40,890 |

5. Calculation of Amounts Generally Billed (AGB) and Amount Due. Individuals eligible for Financial Assistance will not be charged more for emergency or medically necessary care than the AGB to individuals who have insurance covering such care. The Discount Percentage will be applied to the AGB. The AGB is determined annually per regulation. After applying the AGB adjustment, the resulting amount is then subject to the applicable Discount Percentage described in paragraph (3) above. Any remaining balance after applying the Discount Percentage will be billed to the patient and/or guarantor.
6. Effect of Non-Payment. Balances remaining after the application of the Discount Percentage are subject to timely payment consistent with standard hospital billing and collection practices. In the event of continued non-payment, upon 30 day written advance notification, hospital may take any and all reasonable efforts to pursue collection including use of external collection services.
7. Resource Limitation. Compassionate Care will be included in the annual budget as approved by the Board of Trustees.
8. Other Benefits Apply First. Patients may be eligible for Financial Assistance only after applicable insurance coverage and government assistance programs, including but not limited to Medicaid, have first been explored (and applied, to the extent available). Non-compliance with insurance policy guidelines (*i.e.*, appeals, referrals, and non-authorized services) or failure to

pursue available government assistance programs may preclude Financial Assistance, as determined by East Mountain Hospital in its discretion.

9. Non-Discrimination. No patient will be denied Financial Assistance pursuant to this Policy on the basis of race, creed, nationality, origin, citizenship, or immigration status. Financial assistance will be provided to the patient and his or her financial guarantor who, after an individualized examination of circumstances surrounding ability to pay, is determined to be unable to pay all or a portion of billed services or out of pocket financial responsibilities.
10. All-Inclusive Policy. No Financial Assistance shall be provided by East Mountain Hospital to uninsured or underinsured patients outside the context of this policy.
11. EMTALA Obligations Not Affected. Notwithstanding the foregoing, East Mountain Hospital will provide, through its employed Licensed Independent Practitioners without discrimination, care for Emergency Medical Conditions (within the meaning of Section 1867 of the Social Security Act (42 USC 1395dd)) to all individuals seeking such care, regardless of their ability to pay or their eligibility for financial assistance under this policy. See hospital's **[EMTALA Policy]**.
12. Policy approved by Governance. This policy and all updates are reviewed and approved by organizational leadership and Board of Trustees.