

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 1 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
APPROVED BY:	BOARD OF DIRECTORS	REVIEWED: 11/25/2019

**OBJECTIVE:**

Magnolia Regional Medical Center is committed to providing care to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government program, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Consistent with its mission to deliver compassionate, high-quality, affordable healthcare services and to advocate for those who are poor and disenfranchised, Magnolia Regional Medical Center strives to ensure that the financial capacity of people who need health care services does not prevent them from seeking or receiving care.

**DEFINITIONS:**

For the purpose of this policy, the terms below are defined as follows:

**Charity Care:** Healthcare services that have been or will be provided but are never expected to result in cash inflows. A Charity care discount will be applied to provide healthcare services free or at a discount to individuals who meet the established criteria based on the Financial Assistance Policy.

**Family:** Using the Census Bureau definition, a group of two or more people who reside together and who are related by birth, marriage, or adoption. According to Internal Revenue Service rules, if the patient claims someone as a dependent on their income tax return, they may be considered a dependent for purposes of the provision of financial assistance.

**Family Income:** Family Income is determined using the Census Bureau definition, which uses the following income when computing federal poverty guidelines:

- o Includes earnings, unemployment compensation, workers’ compensation, Social Security, Supplemental Security Income, public assistance, veterans’ payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources;
- o Noncash benefits (such as food stamps and housing subsidies) do not count;
- o Determined on a before-tax basis;
- o Excludes capital gains or losses; and
- o If a person lives with a family, includes the income of all family members. Non-relatives, such as housemates, generally do not count. However, if Magnolia Regional Medical Center determines the applicant’s basic needs (food, rent or utilities) are being met by a non-relative, that non-relatives income may be counted.

**Uninsured:** The patient has no level of insurance or third party assistance to assist with meeting his/her payment obligations.

**Underinsured:** The patient has some level of insurance or third-party assistance but still has out-of-pocket expenses that exceed his/her financial abilities.

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 2 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
APPROVED BY:	BOARD OF DIRECTORS	REVIEWED: 11/25/2019

**Amounts Generally Billed (AGB):** Internal Revenue Service Section 501(r) requires hospitals to limit the amounts charged for emergency and medically necessary care provided to individuals eligible for financial assistance to no more than the amounts generally billed (AGB) to insured individuals. Magnolia Regional Medical Center uses the “lookback method” per IRS regulations in calculating a discount percentage for AGB.

**Emergency medical conditions:** Defined within the meaning of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

**Medically necessary:** As defined by Medicare; services or items reasonable and necessary for the diagnosis or treatment of illness or injury, and the Internal Revenue Service in *Section 501(r)(5) Limitation on Charges/Medically Necessary Care*.

**POLICY:**

Magnolia Regional Medical Center will provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility for financial assistance or for government assistance.

Accordingly, this written policy:

- Includes eligibility criteria for financial assistance – free and partial discounted care.
- Describes the basis for calculating amounts charged to patients eligible for financial assistance under this policy.
- Describes the method by which patients may apply for financial assistance. Describes how the hospital will widely publicize the policy within the community served by the hospital.
- Limits the amounts that the hospital will charge for emergency or other medically necessary care provided to individuals eligible for financial assistance to amount generally billed (received by) the hospital for commercially insured and Medicare patients.

Financial Assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with Magnolia Regional Medical Center’s procedures for obtaining other forms of payment or financial assistance, and to contribute to the cost of their care based on their individual ability to pay. Individuals with the financial capacity to purchase health insurance shall be encouraged to do so as a means of assuring access to health care services and for their overall personal health.

In order to manage its resources responsibly and to allow Magnolia Regional Medical Center to provide the appropriate level of assistance to the greatest number of persons in need, the Board of Directors establishes the following guidelines for the provision of patient financial assistance.

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 3 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
APPROVED BY:	BOARD OF DIRECTORS	REVIEWED: 11/25/2019

**PROCEDURES:**

**Services Eligible Under This Policy** For purposes of this policy, “financial assistance” refers to healthcare services provided by Magnolia Regional Medical Center without charge or at a discount to qualifying patients. The following healthcare services are eligible for financial assistance:

- Emergency medical services provided in an emergency room setting;
- Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
- Non-elective services provided in response to life-threatening circumstances in a non-emergency room setting; and
- Medically necessary services recognized as the prevailing standard of care and consistent with generally accepted professional medical standards;
- Eligible services may be evaluated for medical necessity on a case by case basis at Magnolia Regional Medical Center’s discretion.
- Only services provided by participating providers are eligible for financial assistance under this policy. See Appendix A for a list of “Participating and Non-participating Providers”.

**Eligibility for Financial Assistance.** Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government health care benefit program, and who are unable to pay for their care, based upon a determination of financial need in accordance with this Policy. The granting of financial assistance shall be based on an individualized determination of financial need, and shall not take into account age, gender, race, social or immigrant status, sexual orientation or religious affiliation.

**Method by Which Patients May Apply for Discounted Care.**

- Financial need will be determined in accordance with procedures that involve an individual assessment of financial need; and may
  - Include an application process, in which the patient or the patient’s guarantor are required to cooperate and supply personal, financial and other information and documentation relevant to making a determination of financial need;
  - Include the use of external publically available data sources that provide information on a patient’s or a patient’s guarantor’s ability to pay (such as credit scoring);
  - Include reasonable efforts by Magnolia Regional Medical Center to explore appropriate alternative sources of payment and coverage from public and private payment programs, and to assist patients to apply for such programs;

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 4 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
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- Include a review of the patient’s outstanding accounts receivable for prior services rendered and the patient’s payment history.
- It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering of non-emergent medically necessary services. However, the determination may be done at any point in the collection cycle. The need for financial assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than 6 months prior, or at any time additional information relevant to the eligibility of the patient for financial assistance becomes known.
- Magnolia Regional Medical Center’s values of human dignity and stewardship shall be reflected in the application process, financial need determination and granting of financial assistance. Requests for financial assistance shall be processed promptly and Magnolia Regional Medical Center shall notify the patient or applicant in writing within 30 days of receipt of a complete application including requested supporting documentation.
- Financial Assistance applications require approval by the Business Office Director.

**Presumptive Financial Assistance Eligibility.** There are instances when it appears that a patient may be eligible for discounted care, but there is no financial assistance form on file due to a lack of supporting documentation. Often there is adequate information provided by the patient or through other sources, which could provide sufficient evidence to provide the patient with financial assistance. In the event there is no evidence to support a patient’s eligibility for discounted care, Magnolia Regional Medical Center could use outside agencies in determining estimated income amounts for the basis of determining discounted care eligibility and potential discount amounts. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100% write off of the account balance. Presumptive eligibility may be determined on the basis of individual life circumstances including but not limited to:

- Dual-Eligible Beneficiaries – Medicare beneficiaries who also qualify for Medicaid and evidence of compliance with “Must Bill” requirements.
- Participation in Public Benefit Programs –Guarantor or Patient shall provide proof of participation when patient received services. (ex: SNAP, CHIP)
- Medicaid Patients – exceed benefits, non-covered services or diagnosis is not covered
- Homeless or received care from a homeless clinic
- Declaration of Bankruptcy – within last 12 months; documentation provided
- Patient or Guarantor is deceased with no known estate
- Address Verified in Low Income or Subsidized Housing Area
- Uncollectible Accounts Under Certain Circumstances - returned from Collection Agency for any of above reasons; uninsured with no payments on accounts

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 5 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
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**Eligibility Criteria and Amounts Charged to Patients.**

- Patients who meet eligibility criteria defined in this policy will not be charged for emergency or medically necessary care more than the Amount Generally Billed (AGB) to individuals who have insurance coverage. Uninsured or underinsured patients who receive emergency or medically necessary care, and who meet the criteria for financial assistance per this policy, will have charges adjusted based on the AGB percentage. If the patient/guarantor meets income criteria, additional discounts up to 100% of charges may be applied. See Definitions section above for more information regarding Amounts Generally Billed
- Services eligible under this Policy will be made available to the patient on a sliding fee scale, in accordance with financial need, as determined in reference to Federal Poverty Levels (FPL) in effect at the time of the determination. Once a patient has been determined by MRMC to be eligible for financial assistance, that patient shall not receive any future bills based on undiscounted gross charges. The basis for the amounts Magnolia Regional Medical Center will charge patients qualifying for financial assistance which includes the adjustment for AGB is detailed below:

<b>FINANCIAL ASSISTANCE SLIDING SCALE</b>					
Income as a Percent of Federal Poverty Guidelines	0%- 150%	151% - 175%	176% - 200%	201% - 225%	226% - 250%
Discount Percentage	100%	90%	80%	70%	60%

**Communication of the Financial Assistance Program to Patients and Within the Community.**

Notification about financial assistance available from Magnolia Regional Medical Center, which shall include a contact number, shall be disseminated by Magnolia Regional Medical Center by various means, which may include, but are not limited to, the publication of notices in patient bills and by posting notices in emergency rooms, in the Conditions of Admission form, admitting and registration departments, hospital business offices, and patient financial services offices that are located on facility campuses, and at other public places as Magnolia Regional Medical Center may elect. Magnolia Regional Medical Center also shall publish and widely publicize a summary of this financial assistance policy on facility websites which shall be provided in the primary languages spoken by the population serviced by Magnolia Regional Medical Center. Referral of patients for financial assistance may be made by any member of the Magnolia Regional Medical Center staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains, and religious sponsors. A request for financial assistance may be made by the patient or a family member, or associate of the patient, subject to applicable privacy laws.

**Relationship to Collection Policies.** Magnolia Regional Medical Center management shall develop policies and procedures for internal and external collection practices (including actions

SUBJECT:	FINANCIAL ASSISTANCE POLICY	PAGE: 6 of 6
DEPARTMENT:	BUSINESS OFFICE	EFFECTIVE: 10/01/2020
DEVELOPED BY:	CFO/Business Office Director	REVISED: 9/27/20
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the hospital may take in the event of non-payment, including collections action and reporting to credit agencies) that take into account the extent to which the patient qualifies for financial assistance, a patient's good faith effort to apply for a governmental program or for assistance from Magnolia Regional Medical Center, and a patient's good faith effort to comply with his or her payment agreements with Magnolia Regional Medical Center. For patients who qualify for financial assistance and who are cooperating in good faith to resolve their discounted hospital bills, Magnolia Regional Medical Center may offer extended payment plans, will not send unpaid bills to outside collection agencies, and will cease all collection efforts. Magnolia Regional Medical Center will not impose extraordinary collections actions such as wage garnishments; liens on primary residences, or other legal actions for any patient without first making reasonable efforts to determine whether that patient is eligible for discounted care under this financial assistance policy. Reasonable efforts shall include:

- Validating that the patient owes the unpaid bills and that all sources of third-party payment have been identified and billed by the hospital;
- Documentation that Magnolia Regional Medical Center has or has attempted to offer the patient the opportunity to apply for charity care pursuant to this policy and that the patient has not complied with the hospital's application requirements;
- Documentation that the patient does not qualify for financial assistance on a presumptive basis;
- Documentation that the patient has been offered a payment plan but has not honored the terms of that plan.

**Regulatory Requirements.** In implementing this Policy, Magnolia Regional Medical Center management and facilities shall comply with all other federal, state, and local laws, rules, and regulations that may apply to activities conducted pursuant to this Policy. Financial Assistance Applications will be retained for a period of seven years from the date the discount was applied as documentation to support eligibility for charity care and compliance with this policy.

## APPENDIX A

### LISTING OF PARTICIPATING AND NON-PARTICIPATING PROVIDERS

PROVIDER	SPECIALTY	PARTICIPATING
Riddle Courtney,APRN	Magnolia Family Medical Clinic -Adult Medicine	Yes
Bocan Patricia,CRNA	MVMC Surgery - CRNA	Yes
Pearce Rebecca,APRN	Murphy Clinic -Family Medicine	Yes
Tintinu Anselm,MD	Surgical Clinic - General Surgery	Yes
Murphy Fred,MD	MVMC Hospitalist, Murphy Clinic -Internal	Yes
Scow Roger,MD	Magnolia Women's Clinic -Ob/Gyn	Yes
Clark Jo Ann,APRN	Magnolia Family Medical Clinic -Pediatrics	Yes
Emergency Staffing ER Physicians,ER MD	Emergency Medicine	No
Associated Pathology Lab ,	Pathology	No
Laboratory Corporation of America (LabCore)	Laboratory	No
Radiology Associates (RAPA)	Radiology	No
Adhya Souvonik,MD	Family Medicine	No
Alexander Harriet,APRN	Family Medicine	No
Alexander Jr John,MD	Family Medicine	No
Anzalone Gary,MD	Pathology	No
Attwood Harvie,MD	Family Medicine	No
Bardella Inis,MD	Family Medicine	No
Barnett Matthew,MD	Family Medicine	No
Bryant D` Orsay,MD	Orthopedics	No
Bukhari Avesahmed,MD	Family Medicine	No
Chambliss James,MD	Family Medicine	No
Cisneros Jamie,MD	Family Medicine	No
Cross Amy,MD	Pediatrics	No
Dajani Nafisa,MD	Ob/Gyn	No
Davila David,MD	Sleep Medicine	No
Davis Ked,MD	Family Medicine	No
Davis Steven,CRNA	CRNA	No
Depper Mary,MD	Family Medicine	No
Dod Harvinder,MD	Cardiology	No
Franks Jason,MD	Internal Medicine	No
Gati Kenneth,MD	Orthopedics	No
Greer Gerald,MD	Cardiology	No
Griffin Rodney,MD	Family Medicine	No
Hamilton Alvin "Bo",CRNA	CRNA	No
Hester Joe,MD	Ophthalmology	No
Hinkle Jay,MD	Neurology	No
Hughes Dawn,MD	Ob/Gyn	No
Jennings Sasha,MD	Family Medicine	No
Lewis Johnathan,MD	Family Medicine	No
Lowery Curtis,MD	Ob/Gyn	No
Magann Everett,MD	Ob/Gyn	No
Miller James,MD	Family Medicine	No
Misko Curt,MD	Ob/Gyn	No
Monrreal Yehudi,MD	Family Medicine	No
Nalleballe Krishna,MD	Neurology	No
Onteddu Sanjeeva,MD	Neurology	No
Patrice Kelly-Ann,MD	Neurology	No



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PROVIDER	SPECIALTY	PARTICIPATING
Price Shawntel,APRN	Family Medicine	No
Rogers Dauda,MD	Family Medicine	No
Sandlin Adam,MD	Ob/Gyn	No
Shah Vishank,MD	Neurology	No
Sinha Kishalay,MD	Family Medicine	No
Spurling Andrea,APRN	Family Medicine	No
Tirumaniseti Pavana Naga,MD	Family Medicine	No
Tremwell Margaret,MD	Neurology	No
Udeh Hillary,MD	Family Medicine	No
Wells-Thomas Carlotta,DPM	Podiatry	No
Wendel Paul,MD	Ob/Gyn	No
White Tomekia,APRN	Family Medicine	No
Wilkerson Maria,APRN	Family Medicine	No
Wust Christy,APRN	Family Medicine	No
Wynn Chester,MD	Family Medicine	No
Zaghlouleh Mhd Ezzat,MD	Neurology	No