



<b>DEPARTMENT:</b> Business Office	<b>POLICY DESCRIPTION:</b> Financial Assistance
<b>EFFECTIVE DATE:</b> 09/14	<b>REVISION DATE:</b> 01/21, 05/21, 09/24, 03/26
<b>LAST REVIEW DATE:</b> 03/26	
<b>APPROVED DATE:</b> 02/21, 06/21, 09/24	

**PURPOSE:**

The purpose of this policy is to ensure that Carroll County Memorial Hospital (CCMH) provides financial assistance to eligible patients who are unable to pay for medically necessary care. Financial Assistance is generally secondary to all other financial resources available to the patient including; Insurance; Government programs such as but not limited to VA benefits, Medicare, Medicaid, Medicaid CHIP, Healthcare exchange plans; third-party liability.

**SCOPE:**

This policy pertains to all business office staff. CCMH is dedicated to the health and well-being of all we serve. We are committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, or otherwise unable to pay for necessary healthcare services based on their individual financial situation.

CCMH will provide, without discrimination, care for medically necessary conditions to individuals regardless of their eligibility for financial assistance or for government assistance. Additionally, CCMH agrees not to discriminate in the provision of services to an individual based on: the individual’s inability to pay; whether payment for those services would be made under Medicare, Medicaid, or Children’s Health Insurance Program (CHIP); the individual’s race, color, sex, national origin, disability, religion, age, sexual orientation, or gender identity.

**DEFINITIONS:**

- a. **Amounts Generally Billed (AGB):** The average amount for emergency or other medically necessary patient services, using Medicare fee-for-service rates. CCMH calculates AGB using the “look-back method” as defined in section 501 (r) (5) (b) (3) of the Internal Revenue Code. CCMH will limit amounts billed for emergency or other medically necessary care provided, to individuals eligible for assistance, to amounts not to exceed the AGB. CCMH will update the AGB annually. For the FY2025 the AGB discount is 43%. The AGB will be updated annually within 120 days of CCMH fiscal year end.
- b. **Assets:** Cash or assets, which can easily converted to cash (CDs and money market accounts). Assets include but are not limited to checking accounts, savings accounts, stocks, bonds, Certificates of Deposits, cash and equity in property owned, excluding the primary residence.
- c. **Bad Debt:** Charges resulting from treatment for services provided to a patient and/or guarantor who, having the financial resources to pay for healthcare services, has demonstrated by his/her actions and unwillingness to comply with the contractual arrangements to resolve a bill or satisfy their outstanding obligations.
- d. **Bankrupt:** A legally declared inability or impairment of ability of an individual or organizations to pay their creditors. Creditors may file a bankruptcy petition against a debtor

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	<p>("involuntary bankruptcy") in an effort to recoup a portion of what they are owed. However, in the majority of cases, bankruptcy is initiated by the debtor (a "voluntary bankruptcy" that is filed by the bankrupt individual or organization).</p> <ul style="list-style-type: none"> <li>e. Catastrophic Medical Assistance: Financial assistance may be offered to those with catastrophic healthcare bills. For example, patients may qualify for full or partial financial assistance if, in any given three-month window, their medical bills exceed 20% of their annual gross income plus assets.</li> <li>f. Family Size: Family is defined as: a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family. CCMH will also accept non-related household members when calculating family size.</li> <li>g. Financial Assistance: Financial assistance is defined as medical services provided at no charge or at a reduced charge to patients who are uninsured or underinsured and unable to pay based on income level, financial analysis, demographic indicators and/or further healthcare needs based on diagnosis. Financial assistance does not include: bad debt, contractual allowances from government programs, and contractual allowances from insurance or uninsured patient discounts. <ul style="list-style-type: none"> <li>i. Two types of Financial Assistance offers exist at CCMH <ul style="list-style-type: none"> <li>1. Full Financial Assistance: Those patients who will qualify for fully discounted services.</li> <li>2. Partial Financial Assistance: Those who are eligible to receive partial discounts.</li> </ul> </li> <li>ii. Applicant assessment <ul style="list-style-type: none"> <li>1. FPL will be assessed using only income and family size.</li> </ul> </li> </ul> </li> <li>h. Elective Care: The patient's condition permits time for medical services to be scheduled and the care is not medically necessary.</li> <li>i. Emergency Care: The patient requires immediate medical intervention due to a severe, life-threatening, or potentially disabling condition. Generally, the patient is seen and/or admitted through the emergency room.</li> <li>j. Income: Income includes: gross wages; salaries; tips; income from business and self-employment; unemployment compensation; workers' compensation; Social Security; Supplemental Security Income; veteran's payments; survivor benefits; pension or retirement income; interest' dividends' royalties; income from rental properties, estates, and trusts; alimony; child support; assistance from outside the household; and other miscellaneous sources.</li> <li>k. Line of Credit (LOC): An arranged amount of standing credit that a bank's customer may draw upon at any time. <ul style="list-style-type: none"> <li>1. Medically Necessary: Defined as accepted health care services and supplies provided by health care entities, appropriate to the evaluation and treatment of a disease, condition, illness or injury and consistent with the applicable standard of care.</li> </ul> </li> </ul>
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- m. Patient: The terms "patient" and "person" are used throughout this Policy for ease of understanding and drafting. This policy applies to the guarantor or financially responsible party of the patient's account. The term guarantor and financially responsible party is interchangeable with the terms patient and person throughout this Policy, when the guarantor or financially responsible party is different from the Patient.
- n. Retail Charges: The standard rates charged to all patients, which do not reflect any contractual allowances or discounts. These rates are commonly referred to as "gross" charges in the healthcare industry.
- o. Underinsured: A patient that is exposed to significant financial losses due to inadequate health insurance coverage.
- p. Uninsured Patient: A person who has no health insurance, or no health insurance coverage.

**POLICY:**

**1. Eligibility**

- a. Who Qualifies?
  - i. Eligibility is based on income, and family size. CCMH will use Federal Poverty Level (FPL) guidelines published in the Federal Register.
- b. Patients who qualify presently or have qualified previously for this program will not be disqualified from future consideration.
- c. Sliding Fee Scale:
  - 0–200% FPL → 100% discount
  - 201–250% FPL → 85% discount
  - 251–300% FPL → 70% discount
  - 300–400% FPL → 60% discount

**2. Application Process**

- a. Application Availability:
  - i. Financial Assistance applications can be obtained through the Business Office at 1502 North Jefferson Carrollton, MO 64633
  - ii. CCMH's website: <https://www.carrollcountyhospital.org/patients/financial-assistance-policy>.
- b. Application Period:
  - i. CCMH will accept and process Financial Assistance applications for 240 days from the date of the first post-discharge billing statement related to the care provided.
    - 1. To be considered complete, applications must be legible, signed (written, electronic, or verbal), dated, and must include applicable and requested attachments. If married, the patient must provide the requested information for both the patient and spouse.
    - 2. Approval of Financial Assistance is valid for one year from date of approval.

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- ii. No extraordinary collection actions (ECAs) will be initiated before 120 days from the first post-discharge billing statement.
    - iii. Applications submitted during the 240-day period will be reviewed, and all collection activity will remain suspended until a determination is made.
    - iv. Applications received after 240 days are not automatically eligible, but CCMH may consider them on a case-by-case basis.
    - v. Automatic consideration will be applied for eligible patients identified through presumptive eligibility criteria, HPSA location, or CHNA-identified underserved status.
  - c. Application Review Timeline
    - i. Determinations on complete applications will be made within 30 days.
    - ii. If incomplete, CCMH will notify the applicant in writing within 30 days, identifying any missing documentation.
    - iii. All collection activity remains suspended during review.
    - iv. Notices will clearly state the decision, amount of assistance granted, and appeal options.
  - d. Verification of Income
    - i. Verification of income and family size is required for any Financial Assistance request. Income verification includes:
      - 1. Proof of Income
        - a. IRS Tax Return from most recent year and all applicable schedules
        - b. W-2 from most recent tax year for each working adult in the household
        - c. Social Security Benefit Verification Letter from the most recent year for each person receiving Social Security benefits.
        - d. Statement of weekly unemployment benefits
        - e. Paystubs from the most recent three months for each working adult in the household.
        - f. Self-declaration of income
    - e. Notification and Communication:
      - i. Applicants will receive written communication regarding approval, denial, or need for additional information. Notices include information on the appeal process and hospital assistance staff. Notification also includes guidance for presumptively eligible patients and underserved populations.
- 3. Non-Covered Services
  - a. Services Not Authorized or Not Medically Necessary - As a nonprofit hospital, CCMH is committed to providing compassionate, high-quality care and ensuring that financial barriers do not prevent access to medically necessary services. However, to preserve the Hospital's ability to continue serving the community, certain services may be excluded from Financial

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<p>Assistance.</p> <p>b. Financial assistance is generally not available for:</p> <ol style="list-style-type: none"> <li>i. Services not medically necessary, experimental, or investigational</li> <li>ii. Services denied or non-covered by insurers, government programs, or third-party reviewers</li> <li>iii. Elective or cosmetic procedures</li> <li>iv. Non-covered services under standard plan benefits</li> </ol> <p>c. Patients may request a secondary review through the Hospital’s Patient Clinical Decision Support Team for services in which financial assistance is generally not available for.</p> <p>4. Basis for Calculating Amounts Charged</p> <ul style="list-style-type: none"> <li>• Patients eligible for financial assistance will not be charged more for emergency or medically necessary care than the Amounts Generally Billed (AGB) to individuals with insurance. CCMH calculates AGB annually using the look-back method.</li> <li>• For FY2025 the AGB discount is 43% The AGB will be updated annually within 120 days of CCMH fiscal year end.</li> </ul> <p>5. Administrative Guidelines</p> <ol style="list-style-type: none"> <li>a. Annual Review - The Financial Assistance Policy will be updated based on the current Federal Poverty Guidelines.</li> <li>b. Notification: CCMH will make the Financial Assistance Policy, application form, and plain language summary widely available: <ol style="list-style-type: none"> <li>i. Payment Policy Brochure will be available to all patients at the time of service.</li> <li>ii. Notification of the Financial Assistance Program will be offered to each patient upon admission.</li> <li>iii. Financial Assistance Program application will be included with collection notices sent out by CCMH.</li> <li>iv. An explanation of our Financial Assistance Program and our application form are available on CCMH’s website.</li> <li>v. CCMH places notification of Financial Assistance Program in the clinic waiting area.</li> <li>vi. Provided upon request by mail or in person.</li> </ol> </li> </ol> <p>6. Emergency Medical Care Policy</p> <p>CCMH provides emergency care to all individuals regardless of ability to pay.</p> <ul style="list-style-type: none"> <li>• Emergency care is provided without discrimination and regardless of insurance status.</li> <li>• CCMH prohibits actions that discourage seeking care, including demanding payment before treatment.</li> <li>• Patients presenting to the emergency department receive appropriate medical screening and stabilizing treatment as required by Emergency Medical Treatment Active Labor Act (EMTALA).</li> </ul>
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7. Extraordinary Collection Actions (ECAs)  
CCMH will make reasonable efforts to determine patient eligibility before engaging in ECAs (actions affecting credit or legal standing) per Billing & Collections Policy.
8. Special Circumstances
  - a. Presumptive Financial Assistance Eligibility
    - i. Financial assistance may be approved when reliable information indicates patient eligibility, but a formal application cannot be completed. Once determined, due to the inherent nature of the presumptive circumstances, the only discount that can be granted is a 100%. Presumptive eligibility examples include:
    - ii. Approved/Active Medicaid coverage (including out-of-state) that does not apply to the date of service.
    - iii. Homeless, indigent, or income-based public assistance recipients
    - iv. Incarcerated patients who lack personal income or financial resources while in custody
  - b. Incarcerated Patients
    - i. Incarcerated patients who lack income or financial resources may be approved for presumptive financial assistance, consistent with the eligibility criteria outlined in this policy.
    - ii. Because Missouri law does not hold correctional institutions financially responsible for care provided outside their facilities, CCMH will not bill or pursue payment from any institution unless a contractual agreement exists.
  - c. Unreachable Patients (Returned Mail or No Contact)
    - i. If CCMH is unable to contact a patient or guarantor after reasonable efforts, the account may be considered unresponsive for purposes of collection and financial assistance review.
    - ii. Reasonable efforts include, but are not limited to:
      1. Mailing billing statements and Financial Assistance notices to the last known address on file;
      2. Attempting phone contact at the number(s) provided by the patient; and
      3. Retaining documentation of any returned mail or unsuccessful contact attempts.
    - iii. If all notices are returned as undeliverable and no alternative contact information is available, CCMH will document such efforts in the patient account record and may proceed with normal account resolution in compliance with IRS §501(r)(6).
    - iv. No extraordinary collection actions (ECAs) will be taken before 120 days from the first post-discharge billing statement. If the patient remains unreachable after this period and no Financial Assistance Application has been received, CCMH may move the account forward in accordance with its bad debt and collection policies.
9. Record Retention
  - a. Information related to decisions will be maintained and preserved in a centralized confidential digital file, in an effort to preserve the dignity of those receiving free or discounted care.



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Applicants who have been approved for will be logged in CCMH’s practice management system, noting names of applicants, dates of coverages, and percentage of coverage.

**REFERENCES:** IRS §501(r)