



## Financial Assistance Policy

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Next Review Date:	06/30/17
Section:	Administrative - Medical Center, Business and Finance
Sponsor:	Senior Vice President, Finance and CFO
Executive Approval:	President and CEO

### **Purpose:**

Mount Nittany Health which encompasses Mount Nittany Medical Center and Mount Nittany Physician Group ("Mount Nittany Health") is committed to providing the highest quality healthcare services to our community. Mount Nittany Health is committed to a service excellence philosophy that strives to meet or exceed patient expectations. All patients will receive a uniform standard of care throughout all of our facilities, regardless of social, cultural, financial, religious, racial, gender or sexual orientation factors. Mount Nittany Health strives to ensure that all patients receive essential emergency and other medically necessary healthcare services regardless of their ability to pay.

### **Policy:**

In accordance with this Financial Assistance Policy ("FAP"), Mount Nittany Health is committed to providing financial assistance to persons who have healthcare needs and are uninsured, underinsured, ineligible for a government assistance, or otherwise unable to pay, for medically necessary care based on their individual financial situation. Mount Nittany Health provides services on the basis of an Open Admission Policy. All persons who present themselves for emergency or other medically necessary healthcare services shall be admitted and treated; they shall be registered as patients of the Medical Center and shall receive those necessary services as prescribed by the patient's physician. In no case shall any prospective patient of Mount Nittany Health be denied necessary health care services on the basis of his/her ability to pay.

Mount Nittany Health will provide, without discrimination, care for all emergency medical conditions to individuals regardless of their financial assistance eligibility or ability to pay. It is the policy of Mount Nittany Health to comply with the standards of the Federal Emergency Medical Treatment and Active Labor Transport Act of 1986 ("EMTALA") and the EMTALA regulations in providing a medical screening examination and such further treatment as may be necessary to stabilize an emergency medical condition for any individual coming to the emergency department seeking treatment.

Financial assistance is not considered to be a substitute for personal responsibility. Patients are expected to cooperate with the Mount Nittany Health procedures for obtaining financial assistance applications, other forms of payment or 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 means of assuring access to health care services, for their overall personal health and for the protection of their individual assets.

Financial assistance is only available for emergency or other medically necessary healthcare services. Not all services provided within Mount Nittany Health's hospital facility are covered under this FAP. Please refer to Appendix A for a list of providers that provide emergency or other medically necessary healthcare services within the Mount Nittany Health hospital facility. This appendix specifies which providers are covered under this FAP and which are not. The provider listing will be reviewed quarterly and updated; if necessary.

### **Definitions:**

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

*Amounts Generally Billed ("AGB"):* Pursuant to Internal Revenue Code Section 501(r)(5), in the case of emergency or other medically necessary care, FAP-eligible patients will not be charged more than an individual who has insurance covering such care.

*AGB Percentage:* A percentage of gross charges that a hospital facility uses to determine the AGB for any emergency or other medically necessary care it provides to an individual who is eligible for assistance under the FAP.

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

*Extraordinary Collection Actions ("ECAs"):* All legal or judicial processes, including, but not limited to, garnishing wages, placing liens on property and reporting to credit agencies. ECAs include sale of an individual's debt to another party, lawsuits, liens on residences, arrests, body attachments, or other similar collection processes.

*Financial Assistance:* Healthcare services that have or will be provided but are never expected to result in cash inflows. Financial assistance provides a patient with free or discounted emergency or other medically necessary healthcare if they meet the established criteria and are determined to be eligible.

*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 the 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 for the provision of financial assistance.

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

- Income earnings, unemployment compensation, worker's 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 resources.

- Noncash benefits such as food stamps and housing subsidies do not count;
- Determined on before-tax basis;
- Excludes capital gains or losses; and
- If a person lives with a family, includes the income of all family members (Non-relatives, such as housemates, do not count).

*Federal Poverty Level:* A measure of income level issued annually by the Department of Health and Human Services. Federal poverty levels are used to determine eligibility for financial assistance.

*Gross Charges:* The hospital facility’s full, established price for medical care that is consistently and uniformly charged to patients before applying any contractual allowances, discounts or deductions.

*Medically necessary services:* Healthcare services that a physician, exercising prudent clinical judgment, would provide to a patient for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are: (a) in accordance with the generally accepted standards of medical practice; (b) clinically appropriate; and (c) not primarily for the convenience of the patient.

*Plain Language Summary (“PLS”):* A written statement which notifies an individual that Mount Nittany Health offers financial assistance under this FAP and provides additional information in a clear, concise and easy to understand manner.

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

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

**Financial Assistance Eligibility Criteria:**

Patients with family gross income less than or equal to 250% of FPL are eligible for 100% financial assistance.

Patients who family income exceeds 250% of the FPL may be eligible to receive discounted rates on a case-by-case basis based on their specific circumstances, such as catastrophic illness or medical indigence, at the discretion of Mount Nittany Health.

Income guidelines for eligibility are based on the size of a family:

Household / Family Size	Maximum Household Income (250% of Federal Poverty Guidelines)
1	\$29,700
2	\$40,050
3	\$50,400
4	\$60,750
5	\$71,100



6	\$81,450
For each additional person, add	\$10,350

Eligibility for financial assistance will be considered for those individuals who are uninsured, underinsured, ineligible for any government healthcare benefit program, and who are unable to pay for their care, based upon determination of financial need in accordance with this FAP. 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. Mount Nittany Health shall determine whether or not patients are eligible to receive financial assistance for deductibles, co-insurance, or co-payment responsibilities on a case by case basis.

In order to manage its resources responsibly and to allow Mount Nittany Health to provide the appropriate level of financial assistance to the greatest number of persons in need, Mount Nittany Health establishes the following guidelines for the provision of financial assistance.

*Services Eligible for Financial Assistance*

The following services are eligible for financial assistance:

1. Emergency medical services provided in an emergency room setting;
2. Services for a condition which, if not promptly treated, would lead to an adverse change in the health status of an individual;
3. Non-elective healthcare services provided in response to life threatening circumstances in a non-emergency room setting; and
4. Medically necessary healthcare services, evaluated on a case-by-case basis by the patient’s physician and/or at Mount Nittany Health’s discretion.

*Services Not Eligible for Financial Assistance*

Services normally not covered by the “original” or “traditional” Medicare plan, even if the patient is not covered by Medicare, are considered not medically necessary and are not eligible for financial assistance. Examples of services not covered by Medicare and not eligible for financial assistance include, but are not limited to:

1. Alternative Medicine: including experimental procedures and treatments, acupuncture, and chiropractic services (other than normal subluxation of the spine).
2. Cosmetic Surgery: (unless it is needed to improve the function of a malformed part of the body)
3. Dental Care
4. Hearing Aids: or the examinations for prescribing of fitting hearing aids (except for implants to treat severe hearing loss in some cases)
5. Non-Medical Services: including hospital television and telephone, a private room, cancelled or missed appointments and copies of x-rays.
6. Most non-emergency transportation, including ambulette services.
7. Some Preventive care: including most routine physical examinations and test, immunizations, and routine foot care and eye care.
8. Transportation: except for medically necessary ambulance services.



9. Vision Care: including eyeglasses (except when following cataract surgery) and examination for prescribing or fitting glasses.
10. Co-payments are not eligible unless the patient would qualify under Category A (100% of the FPG); if patient qualifies for Free Care under Category B (250% of the FPG) then patient is responsible for the copayment.

### **Basis for Calculating Amounts Charged to Patients:**

Mount Nittany Health uses the Look-Back Method to calculate its AGB percentage of 37.4%. The AGB percentage is calculated annually and is based on all claims allowed by Medicare Fee-for-Service + all Private Health Insures over a 12-month period, divided by the gross charges associated with these claims.

Any individual determined to be FAP-eligible will not be charged more than AGB for emergency or other medically necessary healthcare services pursuant to Internal Revenue Code §501(r)(5). The applicable AGB % will be applied to gross charge to determine the AGB.

Any FAP-eligible individual will always be charged the lesser of AGB or any discount available under this FAP.

### **Procedure:**

It is preferred but not required that a request for financial assistance and a determination of financial need occur prior to rendering of services. However, the determination may be done at any point in the collection cycle. The need for payment assistance shall be re-evaluated at each subsequent time of services if the last financial evaluation was completed more than a year prior, or at any time additional information relevant to the eligibility of the patient becomes known.

Mount Nittany Health will also make reasonable efforts to explore appropriate alternative sources of payment and coverage from public and private payment programs and assist patients in applying for such programs.

### **Method for Applying:**

In order to be considered for financial assistance an individual must submit a financial assistance application ("Application"). 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.

Patients who meet the eligibility criteria and wish to apply for the financial assistance offered under this FAP can obtain an Application at:

<https://www.mountnittany.org/medical-facilities/mount-nittany-medical-center/patients/billing-and-payment-options> .

A request for financial assistance may be made by the patient or a family member, close friend, or associate of the patient, subject to applicable privacy laws.



Applications may be requested by calling the Mount Nittany Medical Center Business Office at (814)234-6171 or the Mount Nittany Physician Group at (814)278-4807.

Paper copies of the Application are also available at the Mount Nittany Medical Center Business Office located at:

Mount Nittany Medical Center  
Business Office  
1800 E. Park Avenue  
State College, PA 16803

The hours of operation are Monday – Friday 8:00 am to 4:30 pm.

Please reference your FAP Application for the required documentation to be submitted with your completed Application. Required documents include, but are not limited to, documentation of family size, most current Tax Return, paycheck stubs and proof of total household income.

All completed Applications (with required documentation) should be mailed to:

Mount Nittany Health  
P.O. Box 1259  
State College, PA 16804-1259

**Determining Eligibility:**

Mount Nittany Health values of human dignity and stewardship shall be reflected in the Application process, financial need determination and granting financial assistance. Requests for financial assistance shall be processed promptly and Mount Nittany Health shall notify the patient or applicant in writing within 30 days of receipt of completed Application (including supporting documentation).

*Process for Incomplete Applications*

Financial assistance determinations shall be made as soon as possible, but no later than thirty (30) working days from the date of the request. If sufficient paperwork is not provided, the request will be deemed to be an incomplete Application.

If an incomplete Application is received, Mount Nittany Health will provide the applicant with written notice which describes the additional information/documentation needed to make a FAP-eligibility determination and provide the patient with a reasonable amount of time (30 days) to provide the requested documentation. Additionally, Mount Nittany Health, and any third parties acting on their behalf, will suspend any ECA's to obtain payment until a FAP-eligibility determination is made.

*Process for Completed Applications*

Once a completed Application is received, Mount Nittany Health will:



- Suspend any ECAs against the individual (any third parties acting on their behalf will also suspend ECAs undertaken);
- Make and document a FAP-eligibility determination in a timely manner; and
- Notify the responsible party or individual in writing of the determination and basis for determination.

An individual deemed eligible for financial assistance will be notified in writing of a favorable determination. The notice will include the following:

- Date on which services were requested;
- Date on which determination was made;
- Income of applicant; and
- Dollar amount or percentage thereof to be allocated for financial assistance.

In accordance with Internal Revenue Code Section 501(r) Mount Nittany Health will also:

- Provide a billing statement indicating the amount the FAP-eligible individual owes, how that amount was determined and how information pertaining to AGB may be obtained, if applicable;
- Refund any excess payments made by the individual; and
- Work with third parties acting on their behalf to take all reasonable available measures to reverse any ECAs previously taken against the patient to collect the debt.

When a request for financial assistance is denied, the applicant shall be notified in writing. If the patient cannot pay the total bill, Mount Nittany Health will discuss alternative payment arrangements.

### **Presumptive Eligibility:**

There are instances when a patient appears to be eligible for financial assistance, but there is no financial assistance form on file due to lack of supporting documentation. Often there is adequate information provided by the patient or obtained 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 financial assistance, Mount Nittany Health may use outside agencies in determining estimated income amounts for the basis of determining financial assistance eligibility and potential discount amounts. Presumptive eligibility may be determined on the basis of individual life circumstance that may include:

- State-funded prescription programs;
- Homeless or received care from a homeless clinic;
- Participation in Women, Infants and Children Programs (WIC);
- Food Stamp eligibility;
- Subsidized school lunch program eligibility;
- Eligibility for other state or local assistance programs that are unfunded (e.g., Medicaid spend down);
- Low income/subsidized housing is provided as a valid address;
- Patient is deceased with no known estate;



- Declared Chapter 7 Bankruptcy and care was incurred prior to bankruptcy; and
- Declared Chapter 13 Bankruptcy and patient will have unpaid balance after the payment schedule is received.

Additionally, presumptive eligibility might 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).

Once determined, due to the inherent nature of the presumptive circumstances, the patient may be eligible for up to 100% write off of the account balance.

If the patient is presumptively determined to be eligible for less than the most generous assistance available, Mount Nittany Health will provide the individual with a PLS which will assist in notifying the individual regarding the basis for the presumptive eligibility determination and provide information on how the patient can apply for more generous assistance available under this policy. Mount Nittany Health will also give the individual a reasonable period of time to apply for more generous assistance before initiating any ECAs to obtain the discounted amount owed for the care.

#### **Widely Publicizing:**

Mount Nittany Health's FAP, Application and PLS are available in English and in the primary language of populations with limited proficiency in English ("LEP") that constitutes the lesser of 1,000 individuals or 5% of the community served by Mount Nittany Health's primary service area.

For the benefit of our patients the FAP, Application and PLS are all available on-line at the following website: <https://www.mountnittany.org/medical-facilities/mount-nittany-medical-center/patients/billing-and-payment-options>

Paper copies of the FAP, Application and the PLS are available upon request without charge by mail and are available in at various areas throughout the hospital facility which include emergency rooms, admitting and registration departments, hospital based clinics, hospital business offices and patient financial services offices located at the facility.

All patients will be offered a copy of the PLS as part of the intake/discharge process.

Signs or displays will be conspicuously posted in public hospital locations including the emergency department, admissions/registration departments and patient financial services offices that notify and inform patients about the availability of financial assistance.

Through its communication department, Mount Nittany Health will also make reasonable efforts to inform members of the community about the availability of financial assistance.

Referral of patients' financial assistance can be made by a member of the Medical Center staff or medical staff, including physicians, nurses, financial counselors, social workers, case managers, chaplains and religious sponsors.





### **Billing & Collection:**

Mount Nittany Health management shall develop policies and procedures for internal and external collection practices 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 financial assistance from Mount Nittany Health, and a patient's good faith effort to comply with his or her payment agreements with Mount Nittany Health.

Mount Nittany Health may offer extended payment plans to eligible patients who qualify for financial assistance and who are cooperating in good faith to resolve their hospital bills.

Mount Nittany Health will not engage in any actions that discourage individuals from seeking emergency medical care, such as by demanding the emergency department patients pay before receiving treatment for emergency medical conditions or by permitting debt collection activities in the emergency department or other areas where such activities could interfere with the provision of emergency care on a non-discriminatory basis.

### **Internal Revenue Service Code Section 501(r)(6):**

Mount Nittany Health does not engage in any ECAs as defined by Internal Revenue Code Section 501(r)(6) prior to the expiration of the "Notification Period". The Notification Period is defined as a 120-day period, which begins on the date of the 1<sup>st</sup> post-discharge billing statement, in which no ECAs may be initiated against the patient.

Subsequent to the Notification Period Mount Nittany Health, or any third parties acting on its behalf, may initiate the following ECAs against a patient for an unpaid balance if a FAP-eligibility determination has not been made or if an individual is ineligible for financial assistance.

Mount Nittany Health may authorize third parties to report adverse information about the individual to consumer credit reporting agencies or credit bureaus on delinquent patient accounts after the Notification Period. They will ensure reasonable efforts have been taken to determine whether an individual is eligible for financial assistance under this FAP and will take the following actions at least 30 days prior to initiating any ECA:

1. The patient will be provided with written notice which:
  - a. Indicates that financial assistance is available for eligible patients;
  - b. Identifies the ECA(s) that Mount Nittany Health intends to initiate to obtain payment for the care; and
  - c. States a deadline after which such ECAs may be initiated.
2. The patient has received a copy of the PLS with this written notification; and
3. Reasonable efforts have been made to orally notify the individual about the FAP and how the individual may obtain assistance with the financial assistance Application process.



Mount Nittany Health will accept and process all Applications for financial assistance available under this FAP submitted during the "Application Period". The Application Period begins on the date the care is provided and ends on the 240<sup>th</sup> day after the date of the first post-discharge billing statement.

**Regulatory Requirements:**

In implementing this FAP, Mount Nittany Health management shall comply with all other federal, state and local laws, rules and regulations that may apply to activities conducted.

Signed by: \_\_\_\_\_  
Senior Vice President, Finance and CFO

Review Month: December

Reviewed: 1/12, 12/12, 1/14, 12/14  
Revised:



## Appendix A: Provider Listing

### Physicians and Other Providers Delivering Care in the Hospital Facility

The Mount Nittany Health Financial Assistance Policy (“FAP”) applies to **Mount Nittany Physician Group** to the extent of covered services provided by **Mount Nittany Physicians Group** physicians within the Hospital Facility. Physicians or other healthcare providers delivering services within the Hospital Facility are not otherwise required to follow this policy.

The following is a list of providers, by group or specialty, which provide emergency or other medically necessary healthcare services within the Hospital Facility.

#### List of Providers who are covered under this FAP:

- Mount Nittany Physician Group
- Mount Nittany Anesthesia Group

#### List of Providers who are not covered under this FAP:

- Centre Emergency Medical Associates/Emergency Department Physicians
- Centre Diagnostic Imaging/Radiologist
- Centre Pathology Associates/Pathologist
- Geisinger Physician (including Hospitalist)
- PSU Hershey Physicians (including Hospitalist)
- University Orthopedics
- Penn State Sports Med

Please note there are some Independent Providers who provide emergency or other medically necessary healthcare services within the Hospital Facility who do not belong to the groups or specialty areas above. A complete list of those Independent Providers and whether or not they follow this policy is available free of charge upon written request by contacting the Mount Nittany Health Patient Accounts Department at 1800 East Park Ave, State College, PA 15905. The list may also be downloaded at [www.mountnittany.org](http://www.mountnittany.org).